

- \* The relationship between the quantity supplied and its price is direct.
- \* The time element is the most important factor in the supply of commodity.
- \* When price of a commodity rises, its demand decreases and when price of commodity decreases its demand increases.
- \* The price of a commodity is determined by the forces of demand and supply.
- \* When the price of commodity increases its supply also increases.
- \* Increases and decrease in demand - Shift in demand curve
- \* Factors of production - Derived demand.
- \* Coke and pepsi, Tea and coffee, pen and pencil - are substitutes.
- \* Car and petrol, Copy and pen are complementary goods.