Economics Ics Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Supply curve	A. is vertical in long run B. is flatter in long run C. is same in long and short run D. is horizontal in both short and long run
2	An increases in demand would cause supply curve to	A. shift to the left B. shift to the right C. change in slope of supply curve D. no effect on supply
3	With a fall in price quantity demand changes in such a way that total expenditure of the consumer remain constant, elasticity of demand will be.	A. Equal to unity B. Greater than unity C. Less than unity D. Equal to zero
4	What best explains a shift in market supply curve to the right?	A. an advertising campaign is successful in promoting the good B. a new technique makes it cheaper to produce the good C. the government introduces a tax on the good D. the price of raw materials increases
5	If a firm makes 200 units of a good available at a price of Rs. 10 per unit, the elasticity is	A. 0.05 B. 10 C. 20 D. indeterminate
6	The total quantity of a commodity available in or near the market which can be brought for sale at a short notice	A. Stock B. Supply C. Demand D. None of these
7	The method to measure the elasticity of demand by the unitary method was introduced by.	A. Alfred Marshall B. Robbins C. Adam Smith D. Malthus
8	If the price of a product increase from Rs. 12 per unit and as a consequence quantity demand of the product falls from 100 units to 50 units . The price elasticity of the product will be.	A. 2.5 B. 0.5 C. 1.5 D. 3.5
9	Supply of a commodity means	A. willingness to sell a certain quantity B. physical stocks available C. planned production D. total production in a given period
10	Products A and B are substitutes whereas A and C are complement. With a rise in the price of product A, quantity demand of:	A. Product B will go up B. Product will fall C. Both the above will take place D. Nothing will take place
11	If a change in demand is brought by a change in income, of demand will be.	A. Income elasticity B. Price elasticity C. Cross elasticity D. Arcelasticity
12	In case of perfectly elastic demand curve, the demand curve will be parallel to the.	A. Horizontal Axis B. Vertical Axis C. None of the above
13	In May 2012, firm was supplying 1000 kg of sugar at market price of Rs. 60/- per kg. During June 2012, firm's supply of sugar had decreased to 900 kg at price Rs. 40/- per kg. These changes show that supply of sugar is	A. Perfectly elastic B. Perfectly inelastic C. Less elastic D. More elastic
14	The quantities of a commodity offered for sale at different prices during a given period of time are called	A. Supply B. Demand C. Stock D. None of these

15	The composite demand for a product is generally:	A. Elastic B. Inelastic C. Equal to unity D. Equal to zero
16	The price of a product double due to which its quantity demand falls to one half. The elasticity of demand for product will be:	A. Equal to unity B. Lass than unity C. Greater than unity D. Equal to zero
17	It describes the law of supply	A. supply curve B. supply schedule C. supply equation D. all the three
18	With a fall in the price of a Giffen good or inferior good its quantity demand will.	A. Fall B. Rise C. Remain unchanged D. None of three
19	Elasticity of demand in case of minor change in price and quantity demand will be .	A. Income elasticity of demand B. Cross elasticity of demand C. Point elasticity of demand D. Arc elasticity of demand
20	Which one is increasing function of price	A. demand B. utility C. supply D. consumption