

Economics Ics Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	The elasticity of demand for a product is less than unity. Therefore, with a fall in its price, total expenditure of consumer will.	A. Fall B. Rise C. Remain the same D. Fluctuate
2	The composite demand for a product is generally:	A. Elastic B. Inelastic C. Equal to unity D. Equal to zero
3	Who present the Arc Elasticity formula for the measurement of elasticity of demand.	A. R.G.D Allen B. Pareto C. J.R. Hicks D. Robbins
4	When the percentage change in quantity demanded is greater than the percentage change in price, elasticity of demand for the product will be.	A. Equal to unity B. Less than unity C. Greater than unity D. Equal to zero
5	During a particular year farmers experienced a dry weather, if all other factors remain constant, farmers supply curve for wheat will shift to	A. rightward B. leftward C. downward D. no direction
6	If elasticity of supply is greater than one. supply curve will be	A. horizontal B. vertical C. passing through origin D. touching y-axis
7	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
8	The demand for a product is inelastic. In order to increase government revenue, the finance minister will :	A. Lower down the tax rate B. Increase the tax rate C. Not change the tax rate D. Double the tax rate
9	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
10	If the price of a product rises, quantity demand if its substitute will.	A. Fall B. Rise C. Remain unchanged D. Fluctuate
11	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
12	It describes the law of supply	A. supply curve B. supply schedule C. supply equation D. all the three
13	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
14	A schedule of the amount of a good that would be offered for sale at all possible prices, at any one instant of time or during any period of time are called	A. Supply B. Demand C. Stock D. None of these
15	Which of the following shifts supply curve of cars to the right	A. tax on new cars B. increase in wages of workers C. decrease in steel price D. a successful promotion campaign

		by sellers
16	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
17	Which one of the following pairs represent complementary demand for a product.	A. Tea & Defe B. Butter & Defe B. Butter & Defe B. Butter & Defe B. Butter & Defe B. Shirt & D
18	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
19	Long period supply curve is	A. relatively flatter B. relatively steeper C. more elastic D. a and c of above
20	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