

Economics Ics Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Supply of a commodity means	<p>A. willingness to sell a certain quantity</p> <p>B. physical stocks available</p> <p>C. planned production</p> <p>D. total production in a given period</p>
2	Products A and B are substitutes whereas A and C are complement. With a rise in the price of product A, quantity demand of:	<p>A. Product B will go up</p> <p>B. Product will fall</p> <p>C. Both the above will take place</p> <p>D. Nothing will take place</p>
3	The quantities of a commodity offered for sale at different prices during a given period of time are called	<p>A. Supply</p> <p>B. Demand</p> <p>C. Stock</p> <p>D. None of these</p>
4	If price changes by one % and supply changes by 2% then supply is	<p>A. elastic</p> <p>B. inelastic</p> <p>C. indeterminate</p> <p>D. static</p>
5	Elasticity of demand in case of minor change in price and quantity demand will be .	<p>A. Income elasticity of demand</p> <p>B. Cross elasticity of demand</p> <p>C. Point elasticity of demand</p> <p>D. Arc elasticity of demand</p>
6	Supply curve	<p>A. is vertical in long run</p> <p>B. is flatter in long run</p> <p>C. is same in long and short run</p> <p>D. is horizontal in both short and long run</p>
7	In case of perfectly elastic demand curve, the demand curve will be parallel to the :	<p>A. Horizontal axis</p> <p>B. Vertical Axis</p> <p>C. None of the above</p>
8	What best explains a shift in market supply curve to the right?	<p>A. an advertising campaign is successful in promoting the good</p> <p>B. a new technique makes it cheaper to produce the good</p> <p>C. the government introduces a tax on the good</p> <p>D. the price of raw materials increases</p>
9	The product which have close substitute their demand is always.	<p>A. More elastic</p> <p>B. Perfectly elastic</p> <p>C. Perfectly inelastic</p> <p>D. Less elastic</p>
10	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.	<p>A. 2.5</p> <p>B. 0.5</p> <p>C. 1.5</p> <p>D. 3.5</p>
11	During a particular year farmers experienced a dry weather, if all other factors remain constant, farmers supply curve for wheat will shift to	<p>A. rightward</p> <p>B. leftward</p> <p>C. downward</p> <p>D. no direction</p>
12	In case of perfectly elastic demand curve, the demand curve will be parallel to the.	<p>A. Horizontal Axis</p> <p>B. Vertical Axis</p> <p>C. None of the above</p>
13	The elasticity of demand for a product is less than unity. Therefore, with a fall in its price, total expenditure of consumer will.	<p>A. Fall</p> <p>B. Rise</p> <p>C. Remain the same</p> <p>D. Fluctuate</p>
14	The elasticity f demand in case of substitute is called.	<p>A. Income elasticity of demand</p> <p>B. Priceelasticity of demand</p> <p>C. Crosselasticity of demand</p> <p>D. None of the three</p>

15	Supply curve will shift when	A. price falls B. price rises C. demand shifts D. technology changes
16	Which one of the following pairs represent complementary demand for a product.	A. Tea & coffe B. Butter & Margarine C. Shirt & shoes D. Shirt & trouser
17	If elasticity of supply is greater than one. supply curve will be	A. horizontal B. vertical C. passing through origin D. touching y-axis
18	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
19	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
20	Elasticity of a demand for product will be greater then unity if, with a fall in its price, total expenditure of consumer.	A. Increase B. Falls C. Remains the same D. None of the three