

Economics Ics Part 1 English Medium Chapter 5 Online Test

Qr.	Questions	Answers Choice
Sr	Questions	
1	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
2	Other things remaining the same, quantity supplied of a commodity increases with rise in price and decreases with fall in price are called	A. Law of Supply B. Law of Demand C. Law of equilibrium D. None of these
3	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
4	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
5	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
6	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
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 elasticity f demand in case of substitute is called.	A. Income elasticity of demand B. Priceelasticity of demand C. Crosselasticity of demand D. None of the three
9	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
10	If price changes by one % and supply changes by 2% then supply is	A. elastic B. inelastic C. indeterminate D. static
11	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
12	When a supply of a commodity increases without change in price it is called	A. fall in supply B. expansion in supply C. contraction in supply in D. rise in supply
13	Long period supply curve is	A. relatively flatter B. relatively steeper C. more elastic D. a and c of above
14	Supply curve will shift when	A. price falls B. price rises C. demand shifts D. technology changes
15	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

16	Which one of the following pairs represent complementary demand for a product.	A. Tea & Description of the Amp; Coffe B. Butter & Description of the Amp; Margarine C. Shirt & Description of the Amp; Margarine of
17	Which one is increasing function of price	A. demand B. utility C. supply D. consumption
18	It describes the law of supply	A. supply curve B. supply schedule C. supply equation D. all the three
19	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
20	The product which have close substitute their demand is always.	A. More elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic