

Economics Ics Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	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
2	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
3	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. Less than unity C. Greater than unity D. Equal to zero
4	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
5	The composite demand for a product is generally:	A. Elastic B. Inelastic C. Equal to unity D. Equal to zero
6	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
7	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
8	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
9	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
10	Which one of the following pairs represent complementary demand for a product.	A. Tea & coffe B. Butter & Margarine C. Shirt & shoes D. Shirt & trouser
11	If elasticity of supply is one, supply curve will be	A. horizontal B. vertical C. passing through origin D. touching x-axis
12	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
13	Long period supply curve is	A. relatively flatter B. relatively steeper C. more elastic D. a and c of above
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 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

16	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
17	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
18	Supply curve will shift when	A. price falls B. price rises C. demand shifts D. technology changes
19	If price changes by one % and supply changes by 2% then supply is	A. elastic B. inelastic C. indeterminate D. static
20	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