

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	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 these
3	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
4	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
5	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
6	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
7	It describes the law of supply	A. supply curve B. supply schedule C. supply equation D. all the three
8	Which one of the following pairs represent complementary demand for a product.	A. Tea & coffee B. Butter & Margarine C. Shirt & shoes D. Shirt & trouser
9	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
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.	A. 2.5 B. 0.5 C. 1.5 D. 3.5
11	The elasticity of demand in case of substitute is called.	A. Income elasticity of demand B. Price elasticity of demand C. Cross elasticity of demand D. None of the three
12	An increase 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
13	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
14	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
15	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

16	The product which have close substitute their demand is always.	A. More elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic
17	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
18	Which one is increasing function of price	A. demand B. utility C. supply D. consumption
19	If elasticity of supply is one, supply curve will be	A. horizontal B. vertical C. passing through origin D. touching x-axis
20	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
