

Economics Ics Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	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
2	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
3	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
4	Who presented the Arc Elasticity formula for the measurement of elasticity of demand.	A. R.G.D Allen B. Pareto C. J.R. Hicks D. Robbins
5	Which one is an increasing function of price	A. demand B. utility C. supply D. consumption
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 the price of a Giffen good or inferior good its quantity demanded will.	A. Fall B. Rise C. Remain unchanged D. None of three
8	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
9	It describes the law of supply	A. supply curve B. supply schedule C. supply equation D. all the three
10	Elasticity of demand for a product will be greater than 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
11	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
12	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
13	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
14	Elasticity of demand in case of a minor change in price and quantity demanded will be .	A. Income elasticity of demand B. Cross elasticity of demand C. Point elasticity of demand D. Arc elasticity of demand
		A. price falls

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