

Economics Ics Part 1 English Medium Chapter 6 Online Test

Sr	Questions	Answers Choice
1	When there is big change in quantity supplied resulting from a minor change in its price, its elasticity of supply will be.	A. Equal to unity B. Less than unity C. Equal to zero D. Greater than unity
2	If we know that quantities bought and sold are equal, we can conclude that	A. quantities demanded and supplied are also equal B. the market is in equilibrium C. there will be no tendency for a price change D. all of the above
3	A decrease in demand causes the equilibrium price to	A. rise B. fall C. remain constant D. indeterminate
4	When demand is perfectly elastic, an increase in supply will result in	A. decrease in quantity sold B. increase in quantity sold C. fall in price D. b and c above
5	In market equilibrium, supply is vertical line. The downward sloping demand curve shifts to the right. Then	A. price will fall B. price remains same C. price will rise D. quantity rises
6	Market Price of Perishable	A. Commodities B. Utility C. Consumer D. None of these
7	In case of a fall in supply.	A. Quantity supplied falls at the same price. B. Quantity supplied rises at the same price. C. Quantity supplied remain at the lower price. D. None of the three
8	If equilibrium price rises but equilibrium quantity remains unchanged, the cause is	A. supply and demand both increase equally B. supply and demand both decrease equally C. supply decreases and demand increases D. supply increases and demand decreases
9	Demands and supply curves cross at	A. always at 60 degree B. at 90 degree C. at equal angle D. at any angle
10	Extension of supply will take place as a consequence of:	A. Change in price B. Change in population C. Change in technology D. Change in money supply
11	With an increase in cost of production, price of the product rises while supply of the product will.	A. Fall B. Rise C. Remain unchanged D. Non of the three
12	A producer has one thousand tons of rice to be offered for sale at a certain price in future, it will be called.	A. Supply of output B. Production C. Buffer stock D. Stock
13	A change in price brings in quantity supplied. it will be.	A. Rise in supply B. Contraction of supply C. Fall in supply D. Extension of supply
		A. increase in equilibrium price and

14	A rise in supply and demand in equal proportion will result in	<p>decrease in equilibrium quantity</p> <p>B. decreases in equilibrium price and increases in equilibrium quantity</p> <p>C. no change in equilibrium price and increases in equilibrium quantity</p> <p>D. increases in equilibrium price and no change in equilibrium quantity</p>
15	Markets where firms supply goods and services demanded by households are	<p>A. factor market</p> <p>B. product market</p> <p>C. open markets</p> <p>D. resource markets</p>
16	When the price of a product increase by 100 percent and as a consequence, its quantity supplied increase by 125 percent, Its elasticity of supply will be.	<p>A. Less than unity</p> <p>B. Greater than unity</p> <p>C. Equal to unity</p> <p>D. Equal to zero</p>
17	Ten rupees is the equilibrium price for good Z. If govt. fixes price at Rs. 5, there is	<p>A. a shortage</p> <p>B. a surplus</p> <p>C. excess supply</p> <p>D. loss</p>
18	When the supply curve of a product is parallel to the vertical axis, it would mean that;	<p>A. Different quantities of a product are supplied at the same price.</p> <p>B. Different quantities of a product are supplied at different price.</p> <p>C. Same quantities of a product are supplied at different price.</p> <p>D. None of three</p>
19	A fall fall in supply will take place due to a:	<p>A. Business collusion</p> <p>B. Bumper crop</p> <p>C. Fall in custom duty</p> <p>D. Fall in income</p>
20	The price and sales of sugar both increase. What could be the cause of this?	<p>A. a decrease in the income of the consumers.</p> <p>B. a decrease in the tax on sugar</p> <p>C. An increase in the wages of workers in the sugar industry</p> <p>D. An increase in the price of sugar substitutes</p>