

Economics Ics Part 1 English Medium Chapter 5 Online Test

| Sr | Questions | Answers Choice |
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| 1 | The method to measure the elasticity of demand is : | A. Percentage method B. Total outlay approach C. Geometric approch D. All the three |
| 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 | What best explains a shift in market supply curve to the right? | A. an advertising campaign is successful in promoting the good B. a new technique makes it cheaper to produce the good C. the government introduces a tax on the good D. the price of raw materials increases |
| 4 | 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 |
| 5 | Which one of the following pairs represent complementary demand for a product. | A. Tea & Description of the A. Tea & Description of the B. Butter & Description of the Amp; Margarine C. Shirt & Description of the Amp; Margarine of the |
| 6 | 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 |
| 7 | The composite demand for a product is generally: | A. Elastic B. Inelastic C. Equal to unity D. Equal to zero |
| 8 | 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 |
| 9 | 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 |
| 10 | 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 |
| 11 | If elasticity of supply is greater than one. supply curve will be | A. horizontal B. vertical C. passing through origin D. touching y-axis |
| 12 | 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 |
| 13 | 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 |
| 14 | 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 |

| 15 | If price changes by one % and supply changes by 2% then supply is | A. elastic B. inelastic C. indeterminate D. static |
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| 16 | 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 |
| 17 | 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 |
| 18 | The elasticity of demand for a product is less than unity. Therefore, with a fall in its price, total expenditure of consumer will. | A. Fall B. Rise C. Remain the same D. Fluctuate |
| 19 | It describes the law of supply | A. supply curve B. supply schedule C. supply equation D. all the three |
| 20 | 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 |