

Principles of Economics Icom Part 1 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	In case of horizontal supply curve, Es is:	A. Mero than unity B. Less than unity C. Zero D. Infinite
2	Perfectly inelastic supply curve is:	A. Vertical B. Rise upward C. Horizontal D. Fall downward
3	Causes of shifting in supply curve is:	A. Change in technique B. Change in cost C. Change in tax D. All of them
4	If 30% change in supply in response to 50% change in price then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
5	If 50% change in supply in response to 50% change in price then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
6	If the rate of change in price and quantity supplied is equal then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
7	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
8	When price increases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
9	When price decreases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
10	If price decreases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
11	If price increases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
12	When supply decreases due to fall in price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
13	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
14	The relationship between price and quantity supplied is:	A. Inverse B. Positive C. Infinite D. Zero
15	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production

