



St. Lawrence High School

A Jesuit Christian Minority Institution



Worksheet 7

Class: XII

Sub: Economics

Chapter 03: Elasticity of Demand

Topic: First two types of price elasticity of demand

F.M.: 15

Date: 09/05/2020

Multiple choice questions

1x15 = 15

1. When a small fall in price leads to infinitely large purchases, demand is said to be
 - a. Perfectly inelastic,
 - b. Elastic,
 - c. Perfectly elastic,
 - d. All of above.
2. When a change of price causes no change in the amount purchased demand is said to be
 - a. Elastic ,
 - b. Inelastic,
 - c. Perfectly elastic,
 - d. Perfectly inelastic.
3. Percentage change in quantity demand due to percentage change in price of the commodity is called as
 - a. Cross price elasticity of demand,
 - b. Price elasticity of demand,
 - c. Elasticity of demand,
 - d. All of above.
4. Price elasticity of demand is of
 - a. Four types,
 - b. Three types,
 - c. Two types
 - d. Five types.
5. Which of the following are the factors of price elasticity of demand?
 - a. Price of the commodity,
 - b. Extent of use,
 - c. Other good's price,
 - d. All of above.
6. Price elasticity of demand are of the following types
 - a. Unit elasticity,
 - b. Perfect elasticity,

- c. Perfect inelasticity,
 - d. None of these.
7. For perfectly elastic demand, the demand curve is
- a. Horizontal,
 - b. Vertical,
 - c. Flatter,
 - d. None of these.
8. For perfectly inelastic demand, the demand curve is
- a. Steeper
 - b. Horizontal
 - c. Vertical
 - d. None of these
9. Generally the sign of price elasticity of demand is
- a. Positive,
 - b. Negative,
 - c. Zero,
 - d. None of these.
10. The value of perfectly elastic demand is
- a. Zero,
 - b. Infinity,
 - c. One,
 - d. None of these.
11. The value of perfectly inelastic demand is
- a. Zero,
 - b. Infinity,
 - c. One,
 - d. None of these
12. For perfectly elastic demand the change of _____ is greater than price.
- a. Tastes and preferences,
 - b. Money income,
 - c. Quantity demanded,
 - d. None of these.
13. For perfectly inelastic demand the change of quantity demand is less than
- a. Income,
 - b. Price,
 - c. Taste and preferences,
 - d. None of these

14. The price level remains almost unchanged for ____demand.

- a. Perfectly inelastic
- b. Elastic
- c. Inelastic
- d. Perfectly elastic

15. The quantity level remains unchanged for ____demand.

- a. Perfectly inelastic
- b. Elastic
- c. Inelastic
- d. Perfectly elastic

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