

St. Lawrence High School *A Jesuit Christian Minority Institution*



FOR GOD AND COUNTRY Answer Key 9

Sub: Economics

Class: XII

Chapter 03: Elasticity of demand Topic: Measurement of price elasticity of demand			F.M: 15 Date: 12/05/2020	
M]+	nla	choice questions.	1-1-15	
1. Change in elasticity of demand refers to			1712-12	
	а.	Unit change .		
	b.	Percentage change.		
	c.	Fractional change.		
	d.	None of these.		
		Ans: b. Percentage change.		
2.	Pri	ice elasticity can be measured inways.		
	a.	Five		
	b.	Four,		
	c.	Three,		
	d.	Two.		
		Ans: d. Two.		
3.	Arc elasticity and point elasticity are the two measurement of elasticity of			
	ue 2			
	a. h	Price		
	с.	Cross price		
	d.	None of these		
		Ans: Price.		
4.	If the demand curve is non-linear then we use elasticity to measure price elasticity of demand.			
	a.	Point,		
	b.	Unit,		
	c.	Arc,		
	d.	None of these.		
		Ans: c. Arc.		
5.	lf t	the demand curve is a linear straight line then we use	elasticity to measure	

price elasticity of demand.

- a. Point,
- b. Unit,
- c. Arc,
- d. None of these. **Ans:** a. Point.
- 6. For point elasticity of demand we use the formula of ______
 - a. Lower segment + upper segment of demand curve,
 - b. Lower segment upper segment of demand curve,
 - c. Lower segment x upper segment of demand curve,
 - d. Lower segment / upper segment of demand curve.Ans: d. Lower segment / upper segment of demand curve.
- 7. For arc elasticity we take a _____ on the demand curve.
 - a. Portion,
 - b. Point,
 - c. Perpendicular
 - d. Line. Ans: a. Portion.
- 8. The determination of tax on a product depends on
 - a. Price of product,
 - b. Elasticity of product,
 - c. Production of product,
 - d. None of these.Ans: b. Elasticity of product.
- 9. Elasticity is the measurement of _____ responsiveness.
 - a. Price,
 - b. Money income,
 - c. Quantity demand,
 - d. None of these.Ans: c. Quantity demand.
- 10. By elasticity we mean rate of change of
 - a. Tastes and preferences
 - b. Advertisement
 - c. Quantity demanded
 - d. Rate of interest
 - Ans: c. Quantity demanded.

- 11. 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.Ans: b. Price elasticity of demand.
- 12. Price elasticity of demand are of the following types
 - a. Unit elasticity,
 - b. Perfect elasticity,
 - c. Perfect inelasticity,
 - d. None of these. Ans: d. None of these.
- 13. In price elasticity of demand formula ______is measured in numerator.
 - a. Price,
 - b. Change in price,
 - c. Quantity demand,
 - d. Change in quantity demand **Ans:** d. Change in quantity demand.
- 14. Point elasticity varies from ______ to _____ along a straight line demand curve.
 - a. zero, one,
 - b. one, infinity,
 - c. zero, infinity
 - d. one, five Ans: c. zero, infinity.
- 15. Price elasticity is measured in terms of ______change.
 - a. Unit,
 - b. Small,
 - c. Percentage,
 - d. None of these.

Ans: c. percentage.

Debaleena Ganguly. 12.05.2020