

LGS Group of Colleges

MT-2

Paper code: 7216

Sub: Economics-FA (1 st Year)	Name:	Roll No:
Time: 1 Hr.	Objective. Type Chapter: 5	Marks: 09

(Objective Type)

Q # 1: Note: Four possible answers A, B, C and D to each question are given. The choice which you think is correct, fill that circle in front of that question with Marker or Pen ink in the answer-book. Cutting or filling two or more circles will result in zero mark in that question. (1x9=9)

1. When supply rises due to some other factors besides price, it is called:

- (A) Rise of Supply
- (B) Fall of Supply
- (C) Extension of Supply
- (D) Contraction of Supply

2. Unity method to measure elasticity of supply is presented by:

- (A) Adam Smith
- (B) Robbins
- (C) Marshall
- (D) Farguson

3. Supply of perishable goods e.g, groceries, fruit, meat etc is:

- (A) Less Elastic
- (B) More Elastic
- (C) Perfectly Inelastic
- (D) Perfectly Elastic

4. Supply curve shift due to better techniques of production:

- (A) Rightward
- (B) leftward
- (C) Does not change
- (D) Vertical

5. Formula method to measure elasticity of supply is related:

- (A) Marshall
- (B) Robbins
- (C) R.G.D Allen
- (D) Flux

6. Increasing function of price is:

- (A) Demand
- (B) Supply
- (C) Utility
- (D) Consumption

7. Supply of durable goods is:

- (A) Perfectly Inelastic
- (B) Zero Elastic
- (C) Elastic
- (D) Infinite Elastic

8. If supply of commodity is fixed, it is called:

- (A) Market Supply
- (B) Short Period Supply
- (C) Long Period Supply
- (D) Middle Period Supply

9. By increasing the cost of production, the supply:

- (A) Extends
- (B) Contracts
- (C) Falls
- (D) Rises

LGS Group of Colleges

MT-2

Paper code: 7216

Sub: Economics-FA (1 st Year)	Name:	Roll No:
Time: 1 Hr.	Subjective Type Chapter: 5	Marks: 26

(Subjective Type)

Q #2: Attempt any 8 SHORT QUESTIONS out of 10, having 16 marks.

(8*2=16)

1. Define elasticity of supply.
2. What is the tendency of supply curve?
3. What is meant by infinite elasticity of supply?
4. Write four assumptions of law of supply.
5. Differentiate between supply and stock.
6. Write two limitations of law of supply.
7. Write methods of measurement of elasticity of supply.
8. Describe four causes of changes in supply.
9. What is meant by composite supply?
10. What is meant by short period supply?

Q #3: Attempt any 2 LONG QUESTIONS out of 3, having 5 marks each.

(2*5=10)

- 3.1 Explain law of supply with the help of table and diagram.
- 3.2 State causes of changes in supply.
- 3.3 Explain measurement of elasticity of supply by percentage method.

Good Luck!