1) Which of the following factor(s) affects the quantity supplied of a good
- Availability of alternatives
- Marginal cost of production of the good
- Both
- None

No, the answer is incorrect.
Score: 0
Accepted Answers:
Both

2) A sudden hike in the prices of raw material
- Changes the quantity supplied
- Shifts supply curve outward
- Shifts supply curve inward
- No change

No, the answer is incorrect.
Score: 0
Accepted Answers:
Shifts supply curve inward

3) An improvement in technology
- Changes the quantity supplied
- Shifts supply curve outward


4) A firm's marginal cost is defined as
- the ratio of total cost to total output
- the ratio of total output to total cost
- the additional cost of producing one more unit of output
- the reciprocal of total average cost

No, the answer is incorrect.
Score: 0
Accepted Answers:
- the additional cost of producing one more unit of output

5) When a price ceiling is imposed in a market
- It may result in persistent shortage
- It may result in persistent surplus
- Sellers of the product are made better off
- No one is made better off

No, the answer is incorrect.
Score: 0
Accepted Answers:
- It may result in persistent shortage

6) When the increase in the price of one good causes the supply for another good to decrease, the goods are:
- Normal
- Inferior
- Substitutes
- Complements

No, the answer is incorrect.
Score: 0
Accepted Answers:
- Substitutes

Comprehension:
The market demand curve for blankets is \( P = 1000 - 2Q \) and the market supply curve is \( P = 200 + 6Q \). The government sets this price ceiling at INR 400. Answer the following questions.

7) Before price ceiling, the equilibrium price and quantity are
- \( P^* = 600 \) INR, \( Q^* = 200 \) units
- \( P^* = 800 \) INR, \( Q^* = 100 \) units
- \( P^* = 700 \) INR, \( Q^* = 150 \) units
- \( P^* = 900 \) INR, \( Q^* = 50 \) units

No, the answer is incorrect.
Score: 0
Accepted Answers:
8) Before price ceiling, consumer surplus is

- 10,000 INR
- 25,000 INR
- 40,000 INR
- 2500 INR

No, the answer is incorrect.
Score: 0
Accepted Answers:
10,000 INR

9) Before price ceiling, producer surplus is

- 10,000 INR
- 20,000 INR
- 30,000 INR
- 40,000 INR

No, the answer is incorrect.
Score: 0
Accepted Answers:
30,000 INR

10) Before price ceiling, total surplus is

- 30,000 INR
- 40,000 INR
- 50,000 INR
- 70,000 INR

No, the answer is incorrect.
Score: 0
Accepted Answers:
40,000 INR

11) After price ceiling, how many quantity traded in this market

- 40 units
- 50 units
- 33.3 units
- 37.3 units

No, the answer is incorrect.
Score: 0
Accepted Answers:
33.3 units

12) After price ceiling, how many quantity shortage in this market

- 300 units
13) After price ceiling, consumer surplus is

- 266.7 units
- 262.7 units
- 250 units

No, the answer is incorrect.
Score: 0
Accepted Answers:
266.7 units

14) After price ceiling, producer surplus is

- 18,871.11 INR
- 19,571.33 INR
- 17,000 INR
- 20,000 INR

No, the answer is incorrect.
Score: 0
Accepted Answers:
18,871.11 INR

15) The government sets price floor at INR 500. Then, the price floor have

- No impact on the market
- High impact on the market
- Low impact on the market
- None of these

No, the answer is incorrect.
Score: 0
Accepted Answers:
No impact on the market