

## Principles of Economics Icom Part 1 English Medium Chapter 3 Online Test

Sr	Questions	Answers Choice
1	If 50% change in demand in response of 30% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand $< 1$ C. Elasticity of demand $> 1$ D. Elasticity of demand = 0
2	If 50% change in demand in response of 50% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand $< 1$ C. Elasticity of demand $> 1$ D. Elasticity of demand = 0
3	If demand did not influence by the change in price, that is called:	A. Elasticity of demand = 1 B. Elasticity of demand $< 1$ C. Elasticity of demand $> 1$ D. Elasticity of demand = 0
4	Flux method is also known as:	A. Percentage method B. Unitary method C. Total expenditure method D. All of them
5	If two goods are substitute, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
6	If two goods are complimentary, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
7	Measurement of arc elasticity of demand was present:	A. Keynes B. Marshall C. Adam smith D. R.G.D Allen
8	The goods which are jointly demanded are called:	A. Substitute goods B. Complimentary goods C. Alternative goods D. None of these
9	Demand for luxuries goods is:	A. Perfectly elastic B. Less elastic C. Perfectly inelastic D. More elastic
10	Demand for basic necessities of life is:	A. Perfectly elastic B. Less elastic C. Perfectly inelastic D. More elastic
11	One of the following is not substitute good:	A. Mobile and charger B. Petrol and CNG C. Burger and Shawarma D. Both b & c
12	A big change in demand and price is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Cross Elasticity of demand D. Price Elasticity of demand
13	A slight change in demand and price is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Cross Elasticity of demand D. Price Elasticity of demand
14	If quantity demand changes due to the change in income, it is called:	A. Point Elasticity of demand B. Arc Elasticity of demand C. Income Elasticity of demand D. Price Elasticity of demand
15	If the rate of change in price and quantity demand is in equal ratio, then Elasticity of demand is:	A. Equal to zero B. Equal to one C. Smaller than one D. Greater than one

