

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

Sr	Questions	Answers Choice
1	Elasticity of demand for durable goods is	A. More elastic B. Less elastic C. Infinte D. Zero
2	Cause of shifting of demand curve is	A. Change in price B. Desire C. Other factors D. Exceptions
3	Quantity of a commodity which a person is ready to purchase at a particular price, is called	A. Individual demand B. Market demand C. Supply D. Market Supply
4	Demand for a commodity means	A. Desire to purchase B. Power to purchase C. Price of commodity D. All the three
5	Quantity of a commodity which the consumers are ready to purchase at a particular price, is called	A. Demand B. Supply C. Stock D. Demand and supply
6	When demand curve shifts leftward (or downward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
7	When demand curve shifts rightward (or upward), it is called	A. Rise of demand B. Fall of demand C. Extension of demand D. Contraction of demand
8	Demand for necessities of life is	A. Les elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
9	Demand for luxuries in	A. Les elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
10	Income elasticity of demand is concerned with	A. Income and consumption of wealth B. Income and demand for good C. Price and income of the consumer D. Price and demand for good
11	If the total expenditure of the consumer does not change due to increase or decrease (change) in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
12	If the total expenditure of the consumer decreases due to decrease in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
13	If the total expenditure of the consumer increases due to increase in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
14	If total expenditure of the consumer increases due to decrease in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
15	If total expenditure of the consumer decreases due to increase in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero

