

## Economics Ics Part 1 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	One of the following will not cause a rise and fall on demand.	A. Change in income B. Change in weather C. Discovery of a substitute D. Distribution of income remaining the same
2	One of the following is not an exception the law of demand.	A. Very high price products B. Very low price products C. Ignorance of consumers D. Non of the above
3	The demand curve is negatively sloped due to	A. Income effect B. Substitution effect C. Price effect D. All the three
4	The law of demand will not be apply in case of	A. Inferior goods B. Superior goods C. Normal goods D. Non of them
5	When the price of a product falls and as a consequence the demand for the product increase. it will be.	A. Rise of demands B. Fall of demand C. Extension of demand D. Contraction on demand
6	When the demand of a product rises due to factors except price it will be.	A. Extension of demands B. Rise of demand C. Contraction of demand D. Extension of demand
7	The demand curve slopes downward from left to right because of:	A. Income effect B. Substitution effect C. Entry of new buyers D. All of the above
8	Wit rapid economic growth in a country the individual demand curve will:	A. Rise B. Fall C. Extend D. Contract
9	The law demand will not be valid in case of.	A. Very high price products B. Normal goods C. Price effect D. Income effects
10	The demand of a good falls when.	A. Its price falls B. Price of the substitute changes C. its price rises D. It price remain constant
11	The demand of a will expand when:	A. Other things do not remain constant. B. Price of the products changes. C. Value of money falls. D. None of the three
12	Market demand curve is a summation of all individual demand curves as	A. Vertical B. horizontal C. mathematical D. local
13	If demand has unit price elasticity, a change in price causes	A. increase in total revenue B. decrease in total revenue C. no change in total revenue D. indeterminate
14	To say that two goods are unrelated, their cross price elasticity of demand should be	A. less than 0 B. greater than 0 C. equal to 0 D. 1
15	Which one is not determinant of demand	A. tastes B. income C. method of production

		D. price
16	If price elasticity of demand is very low, the commodity is	A. necessity B. luxury C. substitute D. not available
17	Cross elasticity of Suzuki and Honda cars will be	A. Positive B. negative C. zero D. infinite
18	A horizontal demand curve has a price elasticity of	A. zero B. infinity C. 1 D. variable
19	A seller can increase his sales revenue by charging a lower price, if the demand has	A. $e < 1$ B. $e = 1$ C. $e > 1$ D. $e = 0$
20	Which one can cause a change in demand	A. change in income B. change in supply C. change in tastes D. a and c of above