

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If demand decreases by 5% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
2	If demand changes by more than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
3	If demand changes by less than 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
4	If demand changes by 10% due to 10% change in price, then elasticity of demand is called	A. Equal to unity B. More than unity C. Less than unity D. Infinite
5	Demand for the goods which have different uses, is	A. More elastic B. Less elastic C. Infinity D. Zero elastic
6	Who did present formula to measure Arc elasticity of demand	A. Adam Smith B. Marshall C. Allen D. Keynes
7	Who did present unity method to measure elasticity of demand	A. Adam Smith B. Marshall C. Robbins D. Keynes
8	The goods which are jointly demanded to satisfy a want, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. inferior goods
9	The goods which can be used in place of each other, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. Jointly demanded goods
10	Which combination of the following is of joint demand	A. Tea and coffee B. Petrol and car C. Meat and grocery D. Inkpot and book
11	Elasticity of demand for the commodities which have substitutes, is	A. More elastic B. Less elastic C. Infinite D. Zero
12	When there is a very small change in demand and price of a commodity, it is called	A. Point elasticity B. Arc elasticity C. Cross elasticity D. Income elasticity
13	When there is big change in demand and price of a commodity, it is called	A. Point elasticity B. Arc elasticity C. Cross elasticity D. Income elasticity
14	Elasticity of demand for durable goods is	A. More elastic B. Less elastic C. Infinite D. Zero
15	Cause of shifting of demand curve is	A. Change in price B. Desire C. Other factors D. Exceptions

