

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	Demand for a commodity means	A. Desire to purchase B. Power to purchase C. Price of commodity D. All the three
3	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
4	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
5	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
6	Demand for necessities of life is	A. Less elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
7	Demand for luxuries is	A. Less elastic B. More elastic C. Perfectly elastic D. Perfectly inelastic
8	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
9	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
10	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
11	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
12	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
13	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
14	When the price of a commodity increases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Contraction of demand
15	When price of a commodity decreases but its demand does not change, this situation is called	A. Constant demand B. Fall of demand C. Rise of demand D. Extension of demand

