

Principles of Economics Icom Part 1 English Medium Chapter 10 Online Test

Sr	Questions	Answers Choice
1	Which is considered as a transfer payment	A. wages B. salaries C. prices D. unemployment allowances
2	Functions of money are	A. Medium of exchange B. Common measure of value C. Store of value D. All the three
3	"Anything which is generally accepted as a medium of exchange and also performs the functions of standard of value and a store of value is money" This definition of money is stated by	A. Prof Walker B. Prof Marshall C. Prof Crowther D. Prof Pigou
4	Convertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
5	Inconvertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
6	Saving deposits and time deposits of the banks, Govt. securities and shares of the companies are called	A. Token money B. Money of account C. Standard money D. Near money
7	The money in which payment can be made only to certain extent is called	A. Unlimited legal tender money B. Limited legal tender money C. Metallic money D. Paper money
8	Note of 500 rupees is	A. token money B. credit money C. convertible paper money D. inconvertible paper money
9	If face value is equal to the metal value of a coin, it is called as	A. Paper money B. Token money C. Credit money D. Standard money
10	Which economist said that the term demand for money should be used instead of circulation of money	A. Prof Keynes B. Prof Marshall C. Prof Crowther D. Prof Fisher
11	One of the following is not the monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in the ratio of reserve capital of the banks D. Increase in taxes
12	During inflation increase	A. Exports B. Savings C. Consumption D. Inequality of income
13	_____ is not considered perfect money	A. Note of ten rupees B. Note of hundred rupees C. Piece of silver D. Note of one thousand rupees
14	"Purchasing power of money is inverse of level of prices. So study of purchasing power of money is identical with the study of level of prices." These are the words of	A. Prof Irving Fisher B. Prof Crowther C. Prof Pigou D. Prof Keynes
15	One of the following is not the fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in the value of money C. Increase in taxes

16 The money whose face value and intrinsic value are equal, is called

- A. Token money
- B. Standard money
- C. Paper money
- D. Credit money

17 Relationship of level of prices and quantity of money

- A. Positive
- B. Negative
- C. Indirect
- D. 2nd and 3rd both

18 kinds of money are

- A. Three
- B. Four
- C. Five
- D. Seven

19 Quantity theory of money in the form of an equation was presented by

- A. Prof Fisher
- B. Prof Taussig
- C. Prof Marshall
- D. Prof Renald

20 Relationship of value of money with quantity of money is

- A. Direct
- B. Indirect
- C. Inverse
- D. Positive