

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

Sr	Questions	Answers Choice
1	What is money	A. Coins of gold and silver B. Paper money C. Agricultural crops D. Everything which can be used as a medium of exchange
2	If we multiply margina product with price we get:	A. MFC B. MRP C. TVC D. Both a and b
3	One of the following is not the characteristic of money	A. General acceptability     B. Durability     C. Non homogeneity     D. Convertibility
4	During inflation prices are	A. Zero B. Low C. Increase D. Constant
5	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
6	One of the following is not fiscal measure to control inflation	A. Decrease in public expenditures     B. Increase in taxes     C. Encouragement of savings     D. Increase in investment
7	Prof Fisher presented quantity theory of money in the form of an equation in	A. 1905 B. 1911 C. 1915 D. 1917
8	The money which is not in the form of net cash and is not used at once for business dealing is called	A. Near money B. Legal Tender money C. Credit money D. Paper money
9	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
10	The coins whose current price is greater than their intrinsic value, are called	A. Standard coins B. Paper money C. Token money D. Credit money
11	Disadvantages of paper money are	A. Unstable value B. Possibility of inflation C. Possibility of wastage D. All the three
12	Marginal revenue product is the amount of money attained by selling:	A. Average product B. Marginal product C. Total product D. Total cost
13	Other tern used for demand for factor is:	A. Initial demand B. derived demand C. Direct demand D. Cross demand
14	Convertible paper money is issued by	A. Central bank B. Commercial bank C. Industrial bank D. Central government
15	Marginal productivity theory was presented by:	A. Pigou and Cannon B. Adam Smith and F.A. Walker C. Keynes and Semeulson

		D. Marshall and J.B. Clark
16	There exists a relationship between inflation and deflation	A. Increasing B. Inverse C. Indirect D. None of three
17	Net National product is equal to	A. GNP + Depreciation expenditure B. GDP + Depreciation expenditure C. GNP - Depreciation expenditure D. GDP - Depreciation expenditure
18	Which one of the following was the difficulty of barter system	A. Abundance of goods     B. Lack of double coincidence of wants     C. Difference of language     D. difference of occupations
19	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
20	One of the following is not monetary measure to control inflation	A. Increase in bank rate B. Open market operation C. Increase in ratio of reserve capita D. To create constant situation