

## Principles of Economics Icom Part 1 English Medium Chapter 13 Online Test

Sr	Questions	Answers Choice
1	During depression, a government prepares budget which is	A. Balanced B. Surplus C. Deficit D. Unbalanced
2	Which one of the following public expenditures is related to transport	A. Police B. Defence C. Railway D. Public education
3	The ratio of change in investment to change in income is known as:	A. Multiplier B. Accelerator C. MEC D. Both a and b
4	One of the following is not included in the branches of public finance	A. Public revenue B. Welfare of the people C. Public expenditure D. Public debt
5	If the rate of tax does not change with decrease or increase in the level of income, is called	A. Proportional tax B. Progressive tax C. Regressive tax D. value added tax
6	Zakat means	A. Growth B. Purification C. Tax D. Both 1st and 2nd
7	The expected rate of profit from a business is known as:	A. Multiplier B. Accelerator C. Marginal efficiency of capital D. Both a and b
8	"The study of nature and principles of government expenditures and revenue is called public finance" This definition is stated by	A. Bastable B. Armitage Smith C. Ricardo D. Robbins
9	If the income and expenditures of the government are equal, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
10	Theory of innovations was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. J.R Hicks
11	If every person pays tax according to his capacity, it is called	A. Canon of certainty B. Canon of equality C. Canon of productivity D. Canon of convenience
12	Adam Smith presented the basic canons of taxation	A. Two B. Three C. Four D. Five
13	Private individuals can get loan from	A. Their relatives, friends and domestic financial institutions B. Foreign financial agencies C. Foreign government D. International financial institutions
14	In private finance the individuals estimate their income and expenditures	A. Daily B. Weekly C. Monthly D. Yearly
15	Branches of public finance are	A. Two B. Three C. Four D. Five

D. Five

16	Zakat can not be given	A. to get slaves free B. To the collection of zakat C. For the construction of Mosque D. The converts
17	Payment of zakat is compulsory for ----- living in Islamic Country	A. Every person B. Every Muslim C. Only Poor Muslim D. Only Sahib-e-Nisab Muslim
18	Total number of canons of taxation stated by different economists is	A. Seven B. Nine C. Eleven D. Twelve
19	The percentage part of the agricultural produce is payable as Zakat which is irrigated by natural water	A. 5% B. 10% C. 15% D. 20%
20	"Public finance is that branch of economics which studies the revenue and expenditures of governments institutions, their inter-relationship and financial administration" This definition is stated by	A. Bastable B. Armitage Smith C. Marshall D. Pigou