

## Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
2	Monopoly refers to:	A. Single buyer B. Single seller C. Single producer D. Both b and c
3	National income means the income	A. Which central government earns during a year B. Which provincial government earn during a year C. Total wealth of a country D. Rewards which the factors of production get during a year
4	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift , pension etc C. Which is received after hardwork D. Which is received by exports
5	Main elements of circular flow of national income are	A. People or house holds B. Firms C. House holds and firms D. Industrial lists
6	Which one of the following is not called Gross national product	A. Economic national product B. Joint national product C. Composite national product D. All the three
7	How many conditions of firm's equilibrium are there ?	A. One B. Two C. Three D. Four
8	A firm gains abnormal profit, when:	A. $TR = TC$ B. $TR > TC$ C. $TR < TC$ D. $MC = MR$
9	Which is not counted in national income	A. Interests B. transfer payments C. Profits D. Rents
10	What is deducted from the GNP to get GDP	A. Depreciation allowances B. Net income received from abroad C. Indirect tax D. Transfer payments
11	Which thing of the following should be subtracted from gross national product to get net national product	A. Direct taxes B. Indirect taxes C. Depreciation allowance D. Income received from foreign country
12	One is not included in measuring National income	A. Wage of labour B. services of house lady C. Agricultural production D. Industrial production
13	Firms earn abnormal profit when:	A. $AR = AC$ B. $AR < AC$ C. $AR > AC$ D. $AC = AR$
14	----- are added in national income	A. Depreciation allowance B. Subsidies C. Indirect taxes

		D. Direct taxes
15	Under Monopoly, a firm is in equilibrium position when Ed is:	A. Equal to unity B. Less than unity C. Grater than unity D. Both b and c
16	Transfer payments are included in the income	A. National income B. Gross domestic product C. Personal income D. Disposable personal income
17	The term "Price Taker" is used in:	A. Perfect competition B. Oligopoly C. Monopoly D. Monopsony
18	"Quantity of goods and services which is consumed during a year is called national income". This definition of national income is stated by the economist	A. Marshall B. Pigou C. Adam smith D. Fisher
19	National income increases by	A. The increase in the quantity of capital goods B. The increase in the quantity of goods and services C. The increase in price of goods D. The increase in the income of entrepreneurs
20	----- is not included in gross domestic product	A. Private investment B. Income received from foreign country C. Depreciation allowance D. Govt. investment