

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

Sr	Questions	Answers Choice
1	Demand for the commodities having different uses	A. Less elastic B. More elastic C. Perfectly inelastic D. Infinitely elastic
2	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
3	When production of a firm increases then total variable costs	A. Decrease B. Increase C. Remain constant D. Do not change
4	If everybody pays tax according to his financial position, it is said	A. canon of convenience B. canon of Equality C. canon of Economy D. canon of simplicity
5	Zakat is part of the present income	A. 20th B. 30th C. 40th D. 50th
6	The salient features of trade cycle are:	A. National in nature B. International in nature C. Domestic in nature D. All of these
7	One of the following is not include in national income:	A. Transfer payments B. Depreciation C. Wages D. Both a and b
8	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
9	Which laws are definite and universal	A. Economic laws B. Moral laws C. State laws D. Scientific laws
10	Barter economy means the economy in which no good is generally accepted and goods are exchanged with goods. This definition is stated by the	A. Prof Marshall B. Stanley Fisher C. Culberon D. Walker
11	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
12	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
13	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
14	The price at which entrepreneur has a sufficient time to meet the demand, is called	A. Market price B. Normal price C. Reserve price D. Normal price
15	Laws of returns are also known as:	A. Laws of substitution B. Laws of consumption C. Laws of cost D. All of three

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16	Free gift of nature is	A. Land B. Labour C. Capital D. Organization
17	Over investment and over saving theory was given by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray
18	One of the following is not included in the public expenditures	A. Courts B. Fee C. Public administration D. Defence
19	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
20	Another name of unitary method is	A. Total satisfaction method B. Total expenditure method C. Total revenue method D. Both 2nd and 3rd

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