

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Which side of life of human being is analysed in economics	A. Political B. Social C. Economic D. Moral
2	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product
3	is not included in gross domestic product	A. Private investment B. Income received from foreign country C. Depreciation allowance D. Govt. investment
4	Firm earns abnormal profit, when	A. AC=AR B. AR>AC C. AR&ItAC D. AC=MC
5	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
6	The relation between quantity of money and value of money is:	A. Positive B. Negative C. Direct D. Inverse
7	Branches of public finance are	A. Two B. Three C. Four D. Five
8	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
9	If we subtract direct taxes from personal income, we get	A. Net national income B. Net domestic income C. Disposable personal income D. Personal savings
10	During inflation prices are	A. Zero B. Low C. Increase D. Constant
11	Under monopoly the price is always equal to:	A. AR B. MR C. MC D. AVC
12	If demand and supply both fall in the same proportion	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity increases
13	The second name of law of increasing return is	A. Law of cost B. Law of increasing cost C. Law of decreasing cost D. Law of constant cost
14	On which amount Zakat is payable	A. Twenty thousand rupees B. On the amount equal to the value of 7.5 tola gold or 52.5 tola silver C. On fifty thousand rupees D. On one lac rupees
15	The most important and basic factor of production is	A. Land B. Labour

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16	Number of firms under monopoly is	A. One B. Two C. Three D. Four
17	If supply does not change, then due to rise in demand, equilibrium price.	A. Increases B. Decreases C. Does not change D. Becomes zero
18	If 50% change in demand in reposne of 50% change in price then:	A. Elasticity of demand = 1 B. Elasticity of demand &It 1 C. Elasticity of demand > 1 D. Elasticity of demand = 0
19	The number of laws of cost are	A. One B. Two C. Three D. Four
20	The income which a person can use according to his will called:	A. Net incomeB. Per capital incomeC. Personal incomeD. Disposable personal income