

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If supply does not change, then due to fall of demand	A. Equilibrium price decreases B. Equilibrium price increases C. Equilibrium price does not change D. Equilibrium quantity increases
2	Immortal factor production is	A. Land B. Labour C. Capital D. Organization
3	The additional cost which a firm has to bear in order to produce additional unit of output, are called	A. Average cost B. Marginal cost C. Fixed costs D. Variable costs
4	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
5	Dividing total revenue by the sold units of output, is attained	A. Average revenue B. Marginal revenue C. Total revenue D. Average cost
6	Organization means an individual or institution which with optimum factor combination	A. Lays foundation of business always earning profit B. Lays foundation of business but does not accept the responsibility of profit and loss C. Lays foundation of business but accepts the responsibility of profit and loss D. Serves as a manger in the business and receives remuneration
7	The duty of a market is not to	A. make exchange of goods B. contact buyers and sellers C. determine price D. give maximum output
8	When total utility is increasing marginal utility is	A. Zero B. Positive C. Negative D. Maximum
9	Equilibrium price is determined in.	A. Perfect market B. Imperfect market C. Monopoly D. None of these
10	The costs which a firm bear only in case of producing commodities	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
11	What type of nature of Zakat is	A. Fixed B. Non fixed C. Elastic D. Changes along with the change in income
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	MRP curve is slopping:	A. Negative B. Positive C. Downward D. Both a and c
14	According to Piduou national income is that part of material wealth	A. Which can be stored easily B. Which can be measured by the scale of money

		C. Which have volume and surrounds D. Which is exported
15	Net foreign income means:	A. Import - Exports B. Exports - Imports C. Import + Exports D. Income from imports
16	Which is not studied in macro economics	A. National income B. Money and banking C. Price theory D. Public finance
17	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
18	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
19	If every person pays tax according to his capacity, it is called	A. Canon of certainly B. Canon of equality C. Canon of productivity D. Canon of convenience
20	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never