

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Kinds of supply according to period of time are	A. Two B. Three C. Four D. Five
2	According to law of diminishing marginal utility, Utility of every new (Additional) unit of commodity	A. Increases B. Decreases C. Remains constant D. None of these
3	Laws of returns are also known as:	A. Laws of substitution B. Laws of consumption C. Laws of cost D. All of three
4	If income of the government is more than its expenditures, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
5	After deducting direct tax from personal income, it is called	A. National income B. personal income C. Disposable personal income D. per capital income
6	Founder of new classical school of thought was	A. Adam smith B. Marshall C. Robbins D. Keynes
7	National income is measured for:	A. One year B. Two years C. Three years D. Four years
8	The percentage part of the mineral production is payable as Zakat on private owners of minerals	A. 5% B. 10% C. 15% D. 20%
9	Which kind of budget is better during the situation of inflation	A. Deficit budget B. Surplus budget C. Balanced budget D. Domestic budget
10	Under monopoly, number of firms is	A. Large B. Few C. One D. Two
11	What can a firm do in the short run	A. Firm can increase its plants B. Firm can expand its building C. New firm can not enter the business D. New firm can enter the business
12	The rate change in total cost is:	A. TR B. MC C. MR D. TC
13	If variable costs of a firm are covered partly under perfect competition, then that firm	A. Will run with normal profit B. Will run with abnormal profit C. Will run with minimum loss D. Will not continue its business and close down
14	Economics is concerned with the attainment of material requisites	A. Robbins B. Marshall C. Pareto D. Senior
15	If demand for a commodity changes due to change in price of its substitute, it is called	A. Price elasticity B. Point elasticity C. Cross elasticity

D. Arc elasticity

16 Shape of market supply curve is

A. Horizontal or parallel to ox curve
B. Vertical or parallel to oy curve
C. Positively sloping
D. Negatively sloping

17 One of the following is a fixed capital:

A. Raw material
B. Machinery
C. Saving certificate
D. None of these

18 If face value is equal to the metal value of a coin, it is called as

A. Paper money
B. Token money
C. Credit money
D. Standard money

19 Who did say that Economics is science of material welfare

A. Adam smith
B. Marshall
C. Ricardo
D. Robbins

20 If supply of a commodity changes by less than 10% due to a 10% change in its price, then elasticity of supply will be

A. Equal to unity
B. More than unity
C. Less than unity
D. Zero
