Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	If the total expenditure of the consumer does not change due to increase or decrease (change) in price, then nature of elasticity of demand will be	A. Equal to unity B. Less than unity C. More than unity D. Elasticity of demand = zero
2	Supply of perishable goods e.g. groceries, fruit, meat etc is	A. Less elastic B. More elastic C. Perfectly inelastic D. Perfectly elastic
3	Objective of a rational consumer is	A. To save maximum amount from his limited income B. To buy goods at minimum price C. Best choice from existing economic goods D. To attain maximum utility from the spent amount
4	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
5	Who did write the book named "Principles of Economics" was written	A. Adam smith B. Marshall C. Robbins D. Cannon
6	national income is found by	A. Subtracting depreciation allowance from gross national product B. Subtracting indirect taxes from net national product C. Adding subsidies in net national product D. Subtracting indirect taxes and adding subsidies in net national product
7	---------- are added in national income	A. Depreciation allowance B. Subsidies C. Indirect taxes D. Direct taxes
8	If price of a commodity constant but its supply increases or price decreases but supply remains constant, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
9	In which year international monetary fund was established:	A. 1941 B. 1944 C. 1945 D. 1947
10	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
11	Law of diminishing return is more applicable in:	A. Trade sector B. Industrial sector C. Agricultural sector D. Education sector
12	The term "inflation" means:	A. Rapid increase in price level B. Decrease in price level C. General increase in price level D. Both a and c
13	Private individuals are not allowed to fullfil their needs	A. To get loans from the friends B. To get financial help from the relatives C. To get loans from the domestic financial institutions D. To print notes

14	Which one is immobile factor ?	A. Land B. Labour C. Capital D. Organization
15	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
16	To which area of England Adam Smith belonged	A. Wales B. Scotland C. Ireland D. London
17	The amount of money which a firm gets by selling a particular quantity of output, is called	A. Average revenue B. Marginal revenue C. Total revenue D. Fixed cost
18	The income which a person can use according to his will called:	A. Net income B. Per capital income C. Personal income D. Disposable personal income
19	According to professor Ackley Gardener, amounts are included in national income	A. Wages B. Rents and interests C. Profits D. All the three
20	Income and employment are at peak level during:	A. Recovery B. Boom C. Depression D. Recession