

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

Sr	Questions	Answers Choice
1	Quantity of a commodity which the consumers are ready to purchase at a particular price, is called	A. Demand B. Supply C. Stock D. Demand and supply
2	A firm earns normal profit	A. When price of the commodity is equal to average cost B. When price of the commodity is more than average cost C. When price of the commodity is less than average cost D. When total revenue is more than total costs
3	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
4	If every person pays tax according to his capacity, it is called	A. Canon of certainty B. Canon of equality C. Canon of productivity D. Canon of convenience
5	Transfer payment means:	A. Rent transfer B. Wages transfer C. Reward without services D. Profit transfer
6	According to which theory every factor of production gets the reward of its services equal to its marginal product	A. Demand and supply theory B. Liquidity preference theory C. Marginal productivity theory D. Uncertainty theory
7	One of the following is not included in the characteristics of labour	A. Labour and labourer cannot be separated B. Labour can be stored C. Labour has limited mobility D. Supply of labour is inelastic
8	If supply is fixed then due to fall of demand	A. Equilibrium price decreases B. Equilibrium quantity increases C. Equilibrium price increases D. Equilibrium price does not change
9	Which one is immobile factor ?	A. Land B. Labour C. Capital D. Organization
10	Income received without any economic services:	A. National Income B. Transfer payments C. Interest D. Profit
11	If demand does not change, then due to rise of supply	A. Equilibrium price increases B. Equilibrium price decreases C. Equilibrium price does not change D. Equilibrium quantity decreases
12	_____ is not considered perfect money	A. Note of ten rupees B. Note of hundred rupees C. Piece of silver D. Note of one thousand rupees
13	Cause of positive slope of supply curve	A. Change in cost of production B. Fear of increase in cost of production and decrease in profit C. Change in technique of production D. Increase in per unit profit due to increase in price
		A. Zero

14	When total utility is increasing marginal utility is	<b>B. Positive</b> C. Negative D. Maximum
15	Economic problem arises because human wants	<b>A. Are unlimited</b> B. Are limited C. Do not exists D. None of three
16	The factor of production which is result of human struggle.	A. Land B. Labour <b>C. Capital</b> D. Organization
17	When demand curve shifts leftward (or downward), it is called	A. Rise of demand <b>B. Fall of demand</b> C. Extension of demand D. Contraction of demand
18	River, sea, forests, rain are called	<b>A. Land</b> B. Labour C. Capital D. Organization
19	Economic problem arises due to:	A. Unlimited wants B. Limited resources C. Resources have alternative use <b>D. All of them</b>
20	Utility attained by the consumption of first unit of a commodity is called	A. Positive utility B. Negative utility <b>C. Initial utility</b> D. Zero utility