

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When supply curve shifts leftwards or up, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
2	Monopoly is opposite to	A. Perfect competition B. Imperfect competition C. Perfect competition and imperfect competition both D. Oligopoly
3	Which factor is helpful for earning more income ?	A. Land B. Labour C. Capital D. Organization
4	The rate of change in Qd due to change in price is called:	A. Rise in demand B. Income Elasticity of demand C. Price Elasticity of demand D. Cross Elasticity of demand
5	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
6	In production process when marginal product increases with the increase in units of variable factors along with fixed factor, this tendency in economics is called	A. Law of production B. Law of increasing return C. Law of decreasing return D. Law of constant return
7	Methods of deriving economic laws are	A. Two B. Three C. Four D. Five
8	Equilibrium price is determined where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
9	Of what nature state laws are	A. Local B. Regional C. National D. International
10	If there is slight change in price and demand, it is called	A. Arc elasticity B. Point elasticity C. Income elasticity D. Cross elasticity
11	If the demand for commodity being produced increases, then a firm in the short run ----- its variable factors	A. Increases B. Decreases C. Keeps the same D. None of three
12	The goods which are directly consumed by the human-being, are called	A. Consumer goods B. Capital goods C. Industrial goods D. None of the three
13	In which year international monetary fund was established	A. 1941 B. 1944 C. 1945 D. 1947
14	Inflation will be useful for	A. Labourers B. Consumers C. Penioners D. Industrialist
15	The formula of calculating total revenue is	A. $P \times Q$ B. $P \times AC$ C. $AC \times Q$ D. $TC \times Q$

16	Deductive method of economic study.	A. Systematic B. General to particular C. Universal to particular D. Both (b) and (c)
17	Economics is a science:	A. Political B. Spiritual C. Social D. Scientific
18	If there are large number of firms in some particular industry, then situation is called	A. Perfect competition B. Imperfect competition C. Monopoly D. Monopolistic competition
19	Finance minister in order to increase the public revenue, imposes tax on the commodities whose demand is less elastic	A. At low rate B. At high rate C. Some times decreases the tax rate and some times increases the tax rate D. Does not change tax rate
20	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
