

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	_____ 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
2	The unit of money by which the value of goods and services is expressed is called	A. Paper money B. Money of account C. Legal tender money D. Near money
3	If two goods are substitute, cross Elasticity of demand will be:	A. Zero B. Infinite C. Positive D. Negative
4	How many kinds of science are	A. Two B. Three C. Four D. Five
5	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
6	According to Neo Classical economists, Economics is science of	A. Scarcity of means B. Material welfare C. Wealth D. Unlimited wants
7	Which thing of the following should be subtracted from gross national product to get net national product	A. Direct taxes B. Indirect taxes C. Depreciation allowance D. Income received from foreign country
8	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
9	When after the observation and analysis of the conditions, they are stated as they are, is called	A. Normative science B. Positive science C. Vegetation science D. Science of Prediction
10	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
11	Deflation means:	A. Rapid increase in price level B. General decrease in price level C. General increase in price level D. Both a and c
12	If there is slight change in price and demand, it is called	A. Arc elasticity B. Point elasticity C. Income elasticity D. Cross elasticity
13	Saving deposits and time deposits of the banks, Govt. securities and shares of the companies are called	A. Token money B. Money of account C. Standard money D. Near money
14	Meteorological theory of trade cycle was presented by:	A. Joseph Schumpeter B. Habson Foster C. Jevons D. Hawtray
15	Which combination of the following is of joint demand	A. Tea and coffee B. Petrol and car C. Meat and grocery

16 When total utility is decreasing, marginal utility is

- A. Zero
- B. Positive
- C. Negative
- D. Maximum

17 Production of the last unit of a factor of production is called

- A. Total product
- B. Average product
- C. Marginal product
- D. Positive product

18 Monetary theory of Trade cycle is presented by

- A. Prof Hawtrey and Friedman
- B. Prof Keynes
- C. Prof Hobson
- D. Prof Kitchen

19 Inconvertible paper money is issued by

- A. Central bank
- B. Commercial bank
- C. Industrial bank
- D. Central government

20 Reserve price of a commodity is that price

- A. Which is more than the cost of production of the seller
- B. At which the seller sells his commodity in the market
- C. Which is equal to the cost of production of the seller
- D. Below which the seller is not ready to sell his commodity