Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	To describe as it is, after seeing and analyzing any event, is known as	A. Normative science B. Positive science C. Biological science D. For casting science
2	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
3	How many kinds are of positive economics	A. Two B. Three C. Four D. Five
4	In law of decreasing return, marginal product	A. Increases B. Decreases C. Remains constant D. Does not change
5	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
6	If the income and expenditures of the government are equal, such budget is called	A. Surplus budget B. Deficit budget C. Balanced budget D. Capital budget
7	In monopoly, when total revenue of a firm is maximum, then its marginal revenue is	A. Maximum B. Minimum C. Zero D. Negative
8	Which side of life of human being is analysed in economics	A. Political B. Social C. Economic D. Moral
9	Who said that economics is the science of wealth ?	A. Adam Smith B. Robbins C. Marshall D. Pigou
10	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
11	Quantity supplied of a commodity extends because	A. Population changes B. Change occurs in assumtions of law of supply C. Income of the entrepreneur increases D. Price of the commodity increases
12	Fixed costs are those costs of production which	A. Rise with quantity of output B. Do not change with any amount of production C. Decline with rising production D. None of these
13	The base of international trade theory of Adam Smith is	A. Absolute advantage B. Comparative cost C. Cheaper cost D. Low cost
14	After deducting direct tax from personal income, it is called	A. National income B. personal income C. Disposable personal income D. per capital income
		A. Inverse

15	The relationship between price and quantity supplied is:	B. Positive C. Infinite D. Zero
16	According to law of supply which factor changes the supply	A. cost of producton B. price C. climatic conditions D. level of income
17	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
18	Which one of the following is included in balance of payment	A. Visible goods B. Invisible goods C. Visible & invisible goods D. Non material goods
19	The goods which can be used in place of each other, are called	A. Complimentary goods B. Substitute goods C. Alternative goods D. Jointly demanded goods
20	Individual income means	A. Total of incomes received from any means by the people B. Total of incomes of entrepreneurs of the country C. Income of a particular person D. Income of a family