

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	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
2	Reward of capital is called	A. Rent B. Wage C. Interest D. Profit
3	Public finance and private finance are of each other	A. Opposite B. Synonymous C. Similar & different D. None of three
4	Ceteris paribus means:	A. Other things remain the same B. Assumptions of the law C. Conditions of the law D. All of them
5	One of the following is not included in the sources of public revenue	A. Tax B. Fee C. Defence D. Fines
6	Laws of returns are also known as:	A. Laws of substitution B. Laws of consumption C. Laws of cost D. All of three
7	In a production process, when units of variable factors along with the fixed factor of production are increased, marginal cost remains the same, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of decreasing return
8	Which is the Demand Curve of a firm	A. Average Revenue Curve B. Marginal Revenue Curve C. Total Revenue Curve D. Average cost curve
9	Equilibrium level of national income means that point where	A. Consumption = saving B. Consumption = investment C. Income = saving + investment D. Saving = Investment
10	Not acting upon economic laws	A. One gets punishment B. Economy faces loss C. Only the people not acting, face loss D. No one is influenced
11	Formula method to measure elasticity of supply is related to	A. Marshall B. Robbins C. R.G.D Allen D. Flux
12	Curve of law of diminishing marginal utility	A. Moves from left to right downward B. Moves from left to right upward C. Firstly it has a tendency to rise up and after a certain limit it starts falling D. It is parallel to ox-axis
13	When total production increases, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
14	Due to rise in demand, demand curve shifts to	A. Right B. Left C. Both sides D. None of these

15	Law of increasing return is also known as:	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
16	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
17	Inflation will be useful for	A. Labourers B. Consumers C. Pensioners D. Industrialist
18	Quantity theory of money was criticized by:	A. Marshall B. Samuelson C. Keynes D. Both b and c
19	Economic laws are:	A. Definite and universal B. Conditional C. Moral D. Political
20	When marginal utility is zero, then total utility is:	A. Minimum B. Positive C. Maximum D. Zero