

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

Sr	Questions	Answers Choice
Oi .	Questions	A. S > 1
1	Equilibrium of national income is, when	B. S = 1 C. S &It 1 D. S and 1
2	Consumer's behaviour means:	A. Selection B. Purchase C. Sale D. Both (a) and (b)
3	TC = TFC +:	A. MC B. AR C. TVC D. TAC
4	The most appropriate definition of money was given by:	A. F.A.Walker B. Keynes C. Pigou D. Crowther
5	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
6	If demand decreases by 15% due to 10% increase in Price, then elasticity of demand is	A. Equal to unity B. More than unity C. Less than unity D. Zero
7	If a monopolist wants to increase the sale of its product, it will have to the price of its good	A. Decrease B. Increase C. Keep constant D. None of the three
8	Law of increasing return is also known as:	A. Increasing cost B. Constant cost C. Diminishing cost D. Both (a) and (c)
9	In private finance the individuals estimate their income and expenditures	A. Daily B. Weekly C. Monthly D. Yearly
10	Private individuals can get loan from	A. Their relatives, friends and domestic financial institutions B. Foreign financial agencies C. Foreign government D. International financial institutions
11	Under Monopoly, a firm is in equilibrium position when Ed is:	A. Equal to unity B. Less than unity C. Grater than unity D. Both b and c
12	The best definition of money is stated by	A. Marhsall B. Crowther C. Keynes D. Walker
13	When marginal utility is zero, than total utility is:	A. Minimum B. Positive C. Maximum D. Zero
14	Utility attained by the consumption of first unit of a commodity is called	A. Positive utility B. Negative utility C. Initial utility D. Zero utility
		A. Adam smith

15	Who said that economics is the science of material welfare?	B. Marshall C. Ricardo D. Robbins
16	Total number of canons of taxation stated by different economists is	A. Seven B. Nine C. Eleven D. Twelve
17	Deductive method of deriving economic laws	A. We move from general conditions to particular conditions B. We move from particular conditions to general conditions C. Stated in general way D. Different incidents are kept in view
18	Economics is a science which studies.	A. Production of wealth only B. Consumption of wealth only C. Optimum use of scare resources D. Welfare only
19	During depression, increases	A. Unemployment B. Employment C. Profit D. Production
20	Who said that economics is neutural science?	A. Pigou B. Keynes C. Robbins D. Marshall