

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	When average cost is minimum, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
2	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
3	Market equilibrium take place where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
4	Which economist introduced economics as a science for the first time	A. Adam Smith B. Robbins C. Marshall D. Pigou
5	"Public finance deals with governments revenue and expenditure and it studies how government maintains balance between its revenue and expenditures" This definition is stated by	A. Dalton B. Armitage Smith C. Bastable D. pigou
6	Price is determined under perfect competition	A. By sellers B. By buyers C. By government D. By forces of demand and supply
7	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
8	When total production decreases, marginal product is:	A. Positive B. Negative C. Zero D. Infinite
9	Factors of production are more mobile	A. In international trade B. In the country C. In both D. In none
10	Finance minister in order to increase the public revenue imposes the tax on the commodities whose demand is more elastic	A. At low rate B. At high rate C. Some times decreases the rate and some times increases D. Does not change Tax rate
11	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
12	The trade that takes place between the individuals living in different areas of a country is called	A. Domestic trade B. International trade C. Foreign trade D. Regional Trade
13	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
14	In production process, when units of variable factors along with fixed factor of production are increased, marginal product goes on falling, this tendency in economics is called	A. Law of decreasing return B. Law of increasing return C. Law of production D. Law of constant return
15	Zakat can not be given	A. to get slaves free B. To the collection of zakat C. For the construction of Mosque D. ...

		D. The converts
16	Elasticity of supply is the name of	A. Change in price B. Change in income C. Feature of change in supply D. Change in price and income
17	What type of nature of Zakat is	A. Fixed B. Non fixed C. Elastic D. Changes along with the change in income
18	With an increase in the price of any good its substitutes will have	A. a fall in its price B. an increase in its prices C. an increase in its demand D. a decrease in its price
19	One of the following is not advantage of paper money	A. Saving of metals B. Saving of coinage C. Easy transferability D. Perfectly inelastic supply
20	Utility of the last unit of a commodity consumed is called	A. Positive utility B. Negative utility C. Total utility D. Marginal utility