

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

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Sr	Questions	Answers Choice
1	If the rate of change in price and quantity demand is in equal ratio, then Elasticity of demand is:	A. Equal to zero B. Equal to one C. Smaller than one D. Greater than one
2	Under monopoly average revenue curve remains the marginal revenue curve	A. Below B. Above C. Parallel to D. None of three
3	It was impossible under barter system	A. Lack of coincidence of wants     B. Lack of common measure of value     C. Divisibility of some goods in small parts     D. Solution of all the said problems
4	This paper notes which can be converted into gold, silver or foreign exchange are called	A. Standard money     B. Unlimited legal tender money     C. Convertible paper money     D. Inconvertible paper money
5	Private individuals are not allowed to fullfil their needs	A. To get loans from the friends B. To get financial help from the relatives C. To get loans from the domestic financial institutions D. To print notes
6	The rate of usher on product of canal land is	A. 5% B. 10% C. 20% D. 2.5%
7	When supply curve shifts rightward or down it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
8	When supply curve shifts leftwards or up, it is called	A. Rise of supply B. Fall of supply C. Extension of supply D. Contraction of supply
9	"A trade cycle is completed in three years four months" This is stated by	A. Prof Kitchen B. Prof Jugglar C. Prof Jevons D. Prof Pigou
10	If supply of a commodity is fixed, it is called	A. Market supply B. Short period supply C. Long period supply D. Middle period supply
11	Utility of a commodity is zero, when	A. Want is satisfied upto a certain extent     B. Want is fully satisfied     C. Utility is positive     D. Want is not satisfied
12	Initial utility is individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
13	The exchange of goods and services from country to country is called	A. Foreign B. National trade C. Corporate trade D. Domestic trade
14	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost

15	What type of nature of Zakat is	A. Fixed B. Non fixed C. Elastic D. Changes along with the change in income
16	Cause of shifting of supply curve is	A. Change in price B. Other factors C. Change in tax D. Change in income
17	Indirect taxes become cause of	A. Increase in prices B. Decrease in prices C. Stability of prices D. Change in prices
18	If demand falls more proportionately then that of supply then	A. Equilibrium price increases     B. Equilibrium price decreases     C. Equilibrium price does not change     D. Equilibrium quantity increases
19	Founder of neo-classical school of thought:	A. Adam Smith B. Marshall C. Robbins D. Keynes
20	When demand increases due to change in other factors it is known as:	A. Contraction in demand     B. Expansion and contraction in demand     C. Expansion in demand     D. Rise in demand