

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Marginal revenue product curve is called	A. Demand curve of the firm B. Supply curve of the firm C. Demand curve of the industry D. Supply curve of industry
2	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum D. Zero
3	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
4	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
5	Inductive method represents:	A. General to particular B. Particular to general C. Normative science D. Economic planning
6	Deflation means:	A. Rapid increase in price level B. General decrease in price level C. General increase in price level D. Both a and c
7	Average product is maximum, when marginal product curve _____ average product curve	A. Intersects falling B. Intersect rising C. Is above D. Is below
8	In which punishment is not applicable for the disobedience, the laws are	A. Moral laws B. Laws of state C. Political laws D. Economic laws
9	Price is determined under perfect competition	A. By sellers B. By buyers C. By government D. By forces of demand and supply
10	Marginal cost curve cuts average cost curve when average cost is	A. Maximum B. Minimum C. Increasing D. Decreasing
11	One condition which is not included in perfect competition conditions	A. Homogeneity of product B. Difference in price C. Large number of buyers and sellers D. Perfect knowledge of the market
12	Regarding time element, the normal price has types	A. One B. Two C. Three D. Four
13	Nature of inter-relationship of average revenue and marginal revenue under perfect competition is	A. Average revenue remains more than marginal revenue B. Average revenue remains less than marginal revenue C. Marginal revenue remains less than average revenue D. Average revenue remains equal to marginal revenue
14	Which one of the following stated the canons of taxation first	A. Adam Smith B. Marshall C. Robbins D. Keynes

15	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization
16	Production which is produced with a particular combination of factors of production, is called	A. Total product B. Average product C. Marginal product D. Positive product
17	Zakat is part of the present income	A. 20th B. 30th C. 40th D. 50th
18	One of the following is not fiscal measure to control inflation	A. Decrease in public expenditures B. Increase in taxes C. Encouragement of savings D. Increase in investment
19	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
20	Indirect taxes become cause of	A. Increase in prices B. Decrease in prices C. Stability of prices D. Change in prices