

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

Sr	Questions	Answers Choice
1	The trade transaction between the individuals of different areas of a country is called	A. Local trade B. Regional trade <b>C. Domestic trade</b> D. International trade
2	Wages of permanent labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
3	One rupee note in paper money is	A. Inconvertible paper money B. Convertible paper money C. Limited legal tender money D. Unlimited legal tender money
4	The interaction of multiplier and accelerator is known as:	A. Innovation theory <b>B. Modern theory</b> C. Psychological theory D. Over investment theory
5	The percentage part of the agricultural produce is payable as Zakat which is irrigated by artificial sources	A. 5% B. 10% C. 15% D. 20%
6	Under monopoly the price is always equal to:	<b>A. AR</b> B. MR C. MC D. AVC
7	Increasing function of price is	A. Demand <b>B. Supply</b> C. Utility D. Consumption
8	Economic point of view of the supporters of which school of thought is the name of feeling and mental state	A. Classical <b>B. Neo classical</b> C. Ancient D. Modern
9	To determine consumer's equilibrium, professor Marshall got help from the law	A. Law of diminishing marginal utility <b>B. Law of equi marginal utility</b> C. Law of demand D. Law of constant return
10	The term "Price Taker" is used in:	<b>A. Perfect competition</b> B. Oligopoly C. Monopoly D. Monopsony
11	Study of large units of the economy is known as:	A. Micro economics <b>B. Macro economics</b> C. Applied economics D. All of them
12	Period in national income counting is	<b>A. One year</b> B. Two years C. Three years D. Four years
13	Prices during the situation of inflation	A. Increase B. Decrease C. Do not change D. Become zero
14	Over investment and over saving theory was given by:	A. Joseph Schumpeter <b>B. Habson Foster</b> C. Jevons D. Hawtray
15	Demand for the goods which have different uses, is	<b>A. More elastic</b> B. Less elastic C. Infinity D. Zero elastic

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16 The money whose face value is greater than its intrinsic value, is called  
A. Standard metallic money  
B. Paper money  
**C. Token money**  
D. Near money

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17 Law of increasing return is also known as:  
A. Increasing cost  
B. Constant cost  
**C. Diminishing cost**  
D. Both (a) and (c)

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18 If currency can converted into gold, it is called:  
A. Convertible paper money  
B. Inconvertible paper money  
C. Bank Money  
D. Both a and b

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19 The factor which is needed to produce goods by the combination of land, labour and capital is called  
A. Land  
B. Labour  
C. Capital  
**D. Organization**

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20 Depreciation means:  
A. Wear and Tear  
B. Reduction in value  
C. Decrease in value  
**D. All of these**

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