

## Economics Ics Part 1 English Medium Online Test

| Sr | Questions  | Answers Choice   |
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| 1  | When there is big change in quantity supplied resulting from a minor change inits price, its elasticity of supply will be. | A. Equal to unity     B. Less than unity     C. Equal to zero     D. Greater than unity                                |
| 2  | In the second stage of the law of variable of proportions the average product:   | A. Rises B. Remains constant C. Falls D. None of the three   |
| 3  | Capital formation lakes place when   | A. people save a part of their incomes B. saved amount is invested C. investors expect good return D. all of the three |
| 4  | Which one is not determinant of demand   | A. tastes B. income C. method of production D. price   |
| 5  | Members of business partnership in Pakistan are:   | A. 2 to 20<br>B. 5 to 20<br>C. 2 to 25<br>D. 2 to 3  |
| 6  | The capital which loses it from whenever it is used, is  | A. Circulating capital     B. Fixed capital     C. Money capital     D. Real capital                                   |
| 7  | Under marginal productivity theory, reward for labour is determined by   | A. owner B. government C. labour D. marginal product   |
| 8  | MRP curve of a firm represent demand curve of industry under.  | A. Imperfect compitition     B. Monolopy     C. Oligopoly     D. Perfect competition                                   |
| 9  | Gross profit includes  | A. monopoly profit B. pure profit C. windfall profit D. all of the above   |
| 10 | With an increase in cost of production, price of the product rises while supply of the product will.                       | A. Fall B. Rise C. Remain unchanged D. Non of the three  |
| 11 | Specialization of labour has the advantage.  | A. increased production B. introduction of new technology C. increases in self-sufficiency D. a and b of above         |
| 12 | The demand for a factor is called.   | A. Composite demand B. Joint demand C. derived demand D. No demand   |
| 13 | Markets where firms supply goods and services demanded by households are   | A. factor market B. product market C. open markets D. resource markets   |
| 14 | To say that two goods are unrelated, their cross price elasticity of demand should be                                      | A. less than 0 B. greater than 0 C. equal to 0 D. 1  |
| 15 | A horizontal demand curve has a price elasticity of  | A. zero B. infinity C. 1   |

|   | D. variable   |
|---|---|
| One of the following is not land.         | A. Sui gas B. Electric power C. Atlantic Ocean` D. A river  |
| Which statement is true                   | A. ATC + AVC = AFC<br>B. ATC + MC = AFC<br>C. ATC + AFC = AVC<br>D. AFC + AVC = ATC                   |
| One of the following will not be capital. | A. Mchinery B. Means of communication C. Water falls D. Means of transportation                       |
| Commercial economics are a pat of:        | A. Internal economics B. External economics C. Economies of scale D. None of the three                |
| Which is true                             | A. labour produces land B. land produces labour C. labour produces capital D. capital produces labour |