

## Economics Ics Part 1 English Medium Online Test

C.	Ougations	Anguara Chaire
Sr	Questions	Answers Choice
1	Profits	A. are necessary B. are unnecessary C. can never be negative D. are illegal
2	When price is fixed below equilibrium level, there will be	A. surplus commodity in the market     B. shortage of commodity in the     market     C. supply curve will shift     D. demand curve will shift
3	According to law of equi-marginal utility a consumer will maximises his total utility when	A. He spends all his income on the product only B. He spends more on one and less on the other C. Marginal utility of the two goods are equalised D. Not only the marginals utility of the two goods are equalised, but also the marginal utility of each good is equal to its price.
4	The products which are not priced in the market are called .	A. Economic goods B. Non-economic goods C. Merit goods D. Social goods
5	If the price of a product rises, quantity demand if its substitute will.	A. Fall B. Rise C. Remain unchanged D. Fluctuate
6	When TR of a competitive firm is equal to its TC, the firm attains.	A. Normal profit B. Super normal profit C. Sub-normal profit D. Shutdown point
7	Utility is most closely related to the term	A. useful B. useless C. necessary D. satisfaction
8	Which is true	A. capital depreciates B. capital is primary factor of production C. capital in not hireable D. human capital is real capital
9	Profits arise because an entrepreneur	A. prepares plan B. innovates C. lends money D. a and b of above
10	The difference between iron ore deposits and the steel produced illustrates the difference between	A. labour and natural resources B. labour and capital C. natural resources and capital D. natural resources and entrepreneurship
11	The government constructed a new water reservoir for the purpose of irrigation; this might be taken as	A. increase in supply of capital B. increase in supply of land C. increase in supply of land and supply of capital D. increase in natural resources
12	He described economics as a science of material welfare	A. Robbins B. Marshall C. Ricardo D. Keyness
13	A producers has one thousand tons of rice to be offered for sale at a certain price in future, it will be called.	A. Supply of output B. Production C. Buffer stock D. Stock

14	Economics laws	A. must be followed     B. are hated by people     C. show economic behavior of people     D. are unscientific
15	The position of the firm when it is earning maximum of profit and Profit = Total Revenue - Total cost are called	A. Perfect competition     B. Under perfect competition     C. Equilibrium of firm     D. None of these
16	Normal price is a price which prevails	<ul><li>A. In day to day market</li><li>B. In domestic market</li><li>C. In the long run market</li><li>D. In a foreign market</li></ul>
17	A factory is an example of	A. capital B. natural resources C. entrepreneurship D. none of the above
18	Marginal revenue products (MRP) curve falls when units of labour	A. Remain constant B. Decrease C. Increase D. None of the three
19	Economic profit is	A. part of total cost     B. total revenue minus total cost     C. total revenue minus variable cost     D. total variable cost minus total fixed cost
20	Gov. of Pakistan introduced labour policy for the first time in.	A. 1955 B. 1950 C. 1948 D. 1959