

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Unit cost is another name for	A. MC B. AVC C. ATC D. AFC
2	If price elasticity of demand is very low, the commodity is	A. necessity B. luxury C. substitute D. not available
3	The product which have close substitute their demand is always.	A. More elastic B. Perfectly elastic C. Perfectly inelastic D. Less elastic
4	Quasi rent	A. is permanent B. is temporary C. arises in long run only D. means high rent
5	The method to measure the elasticity of demand by the unitary method was introduced by.	A. Alfred Marshall B. Robbins C. Adam Smith D. Malthus
6	In which form the largest percentage of national income is earned	A. interest income B. proprietor's income C. employees' income D. rental income
7	How many functions of capital	A. 6 B. 5 C. 4 D. 7
8	A firm attains equilibrium under monopoly if:	A. MC curve intersect MR curve from below. $MC = AC = MR$ B. MC curve intersects MR from above C. Any one of the above situations D. $AR = MR$
9	A firm will be in equilibrium where.	A. Its total profit is high B. Its cot is minimum C. It produces at a level of output which its profit is minimum or loss in minimum D. None of the three
10	One of the following is fixed capital.	A. Raw material B. Defence saving certificate C. Machinery D. None f the three
11	Micro economics concentrates	A. on inflation B. international economics relations C. individual economics units D. economics development of Pakistan
12	Marginal revenue products (MRP) curve falls when units of labour	A. Remain constant B. Decrease C. Increase D. None of the three
13	Law of diminishing returns applies more in:	A. Industry B. Agriculture C. Mining D. Construction
14	Under perfect competition MR and AR curves	A. are the same B. are different C. intersect each other D. are parallel

15	If equilibrium price rises but equilibrium quantity remains unchanged, the cause is	A. supply and demand both increase equally B. supply and demand both decrease equally C. supply decreases and demand increases D. supply increases and demand decreases
16	Quasi rent can be obtained if:	A. Supply of factor other than land, is temporarily fixed B. There is difference in the fertility of land C. The government legislate on it D. Trade unions protest for it
17	The law demand will not be valid in case of.	A. Very high price products B. Normal goods C. Price effect D. Income effects
18	Which is true	A. capital depreciates B. capital is primary factor of production C. capital in not hireable D. human capital is real capital
19	Which one will be termed as supply of a product.	A. One tone potato in cold storage B. One ton rice offered for sale in market C. One ton rice brought for sale in market at a certain price. D. None of the three
20	Total utility is maximised when.	A. Marginal utility is zero B. Marginal utility falls C. Marginal utility rises D. Non of the above