

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	All factors of production are substitutable with each other. it is held by:	A. Wicksteed B. Hicks C. Pareto
2	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
3	Economic wants.	A. Can unlimited B. Capital goods C. Social goods D. Public goods
4	Profit is maximum when	A. TC and TR curves are parallel B. MC and MR curves are parallel C. TC and TR curves cross each other D. AC and AR curves cross each other
5	Variable are represented by symbol	A. V B. U C. P D. C
6	When $MR = MC$ , a firm.	A. Does not attain a equilibrium position B. Suffers from loss C. Attains its equilibrium position D. Attains profit
7	When diseconomies of scale outweigh economies of scale the	A. long run AC curve rises B. marginal cost falls C. long run ATC curve falls D. AVC falls
8	Joint stock company is managed and run by a	A. Board of Directors B. Shareholders C. Accountant D. None of these
9	Total utility is maximised when.	A. Marginal utility is zero B. Marginal utility falls C. Marginal utility rises D. Non of the above
10	According to Prof. Knight risks are of ..... kinds	A. 2 B. 3 C. 4 D. many
11	The supply price of land is considered to be zero because .`	A. Its supply is limited B. Its supply is infinity C. In aggregate sense its cost of production is zero D. Its demand is limited
12	Pakistan population is growing a rate of .	A. 2 % per annum B. 1.8 % per annum C. 2.9 % per annum D. 2.2 % per annum
13	Shopkeepers are also producers because in goods, they produce.	A. Form utility B. Time utility C. Use utility D. Place utility
14	A public limited company is run by	A. board of governors B. board of managers C. board of advisor's D. board of directors

15	At the point of equilibrium of firm under perfect competition	A. MC curve must be rising B. MC curve must be falling C. MR curve must be rising D. MR curve must be falling
16	If supply rises more than demand, price of the product will.	A. Fall B. Rise C. Not change D. Change
17	Gross profit includes	A. monopoly profit B. pure profit C. windfall profit D. all of the above
18	The correlation between average wage (AW) and marginal wage (MW) under perfect competition is .	A. $AW = MW$ B. $AW > MW$ C. $AW < MW$ D. None of the three
19	Robbins in his definition	A. talks of scarcity of resources B. preached moral values C. supports Adam smith view D. none of the above
20	A horizontal demand curve has a price elasticity of	A. zero B. infinity C. 1 D. variable