

## Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Net investment equals Gross investment MINUS	A. fixed capital B. capital depreciation C. capital appreciation D. capital formation
2	Productivity of capital depends upon	A. quality of labour B. quality of raw materials C. quality of management D. all of the above
3	These are kinds of capital EXCEPT	A. fixed capital B. expensive capital C. working capital D. real capital
4	It is function of capital	A. provision of machinery B. payment of wages C. establish good relation with employees D. a and b of above
5	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
6	Which of the following is capital	A. tractor B. TV station C. tarbela dam D. all of the three
7	Capital formation takes 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
8	Which is <i>NOT</i> a cause of slow capital formation in Pakistan	A. poverty B. illiteracy C. bad governance D. low rate of taxes
9	An example of money capital is	A. cash B. money in a savings account C. prize bond D. golden ring
10	Which of the following is a producer good	A. pen B. cycle C. mobile phone D. hammer
11	Which of the following is <i>NOT</i> capital as economists use the term	A. an office building B. machinery in a factory C. an industrial robot D. money
12	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
13	A factory is an example of	A. capital B. natural resources C. entrepreneurship D. none of the above
14	To the economist, investment refers to	A. sale of real estate B. creation of new capital C. purchase of a prize bond D. decrease in inventories

15	Which is true	A. capital depreciates B. capital is primary factor of production C. capital is not hireable D. human capital is real capital
16	Which of the following is capital	A. toy of a child B. plough of the farmer C. calculator of the student D. novel book in the library
17	About labour we can say with certainty that it is	A. Perishable B. Hireable C. Reliable D. all of the above
18	Efficiency of labour is not affected by	A. attitude of worker B. attitude of employer C. attitude of wife/husband D. all affect
19	If a farmer moves from village to a town and establishes a small factory, it is a kind of mobility	A. geographical B. occupational C. social D. all of the above
20	This is <i>NOT</i> the result of specialization	A. increased production B. improvement in quality of product C. increase in cost of production D. increase in trade