



**Section "A" (COMPULSORY)**  
**MULTIPLE CHOICE QUESTIONS (MCQ'S) 35 Marks**

**Q1. Choose the correct answer for each from the given options:**

1. Personal Disposal Income is equal to \_\_\_\_\_  
\*PI-Direct Taxes      \*PI-Indirect Taxes      \*PI+ Direct Taxes      \*PI+ Indirect Taxes
2. Demand curve usually slopes from \_\_\_\_\_  
\*Left to Right      \*Right to Left      \*Left to right downward      \*Left to Right upward
3. If prices are increasing, the quantity demand is \_\_\_\_\_  
\*Increases      \*Decreases      \*Remain same      \*None of these
4. This is not a Direct Tax \_\_\_\_\_  
\*Sales Tax      \*Property Tax      \*Income Tax      \*Wealth Tax
5. Demand Curve has a \_\_\_\_\_ slope.  
\*Negative      \*Positive      \*Zero      \*Maximum
6. NNP does not include \_\_\_\_\_  
\*Wages      \*Investments      \*Depreciation Allowances      \*Agricultural Products
7. The reward of labour is \_\_\_\_\_  
\*Wages      \*Interests      \*Profit      \*Rent
8. In Modern technologies Factors of Production means \_\_\_\_\_  
\*Inputs      \*Outputs      \*Production of goods      \*None of these
9. Optimum Theory of Production is presented by \_\_\_\_\_  
\*Adam Smith      \*Marshal      \*Robins      \*Pignut
10. The book "Wealth of Nations" contains \_\_\_\_\_ parts.  
\*2      \*3      \*4      \*5
11. The price at which Demand & Supply of a Product are equal is \_\_\_\_\_  
\*Equilibrium Price      \*Cost Price      \*Unit Price      \*None of these
12. A short term relief given by government to businessman is called \_\_\_\_\_  
\*Donations      \*Charity      \*Grant      \*Subsidies
13. What is the second phase of Trade Cycle?  
\*Boom      \*Recession      \*Depression      \*Recovery
14. Purchasing Power of Money was written by \_\_\_\_\_  
\*Marshal      \*Robins      \*Irving Fisher      \*Adam Smith
15. Which tax increase with the increase in Income?  
\*Proportional      \*Degressive      \*Progressive      \*None of these
16. The rates of Zakat is \_\_\_\_\_  
\*Fixed      \*Changeable      \*Elastic      \*None of these
17. David Ricardo presented which theory out of these?  
\*Modern Theory      \*Comparative Cost      \*Absolute Advantage      \*None of these

18. In I.M.F, F stands for \_\_\_\_\_  
 \*Finance                      \*Federations                      \*Funds                      \*Fixed
19. \_\_\_\_\_ is regarded as Father of Economics.  
 \*Adam Smith                      \*Alfred Marshal                      \*Lionel Robins                      \*Keynes
20. B.O.P includes \_\_\_\_\_  
 \*Visible items                      \*Invisible items                      \*Both of these                      \*None of these
21. Supply Curve always slopes \_\_\_\_\_  
 \*Left to Right                      \*Right to Left                      \*Left to Right upward \*Left to Right downward
22. Homogeneous products are sold under \_\_\_\_\_  
 \*Monopoly                      \*Perfect Competition                      \*Oligopoly                      \*All of these
23. During Inflation, Prices \_\_\_\_\_  
 \*Increases                      \*Decreases                      \*Remain Constant                      \*All of these
24. Numbers of phases of Business Cycle are \_\_\_\_\_  
 \*One                      \*Two                      \*Five                      \*Four
25. The Cost which a firm pays to produce additional unit is called \_\_\_\_\_  
 \*Marginal Cost                      \*Total Cost                      \*Fixed Cost                      \*Average Cost
26. In case of Giffon Goods the slope of Demand Curve remains \_\_\_\_\_  
 \*Negative                      \*Positive,                      \*Zero                      \*Downward
27. On agricultural output which is applicable?  
 \*Zakat                      \*Ushr                      \*Fidya                      \*Fitrana
28. Price Elasticity of demand for necessities is \_\_\_\_\_  
 \*Less than unit                      \*More than unit                      \*Equal to unit                      \*None of these
29. Which of following is not included in heads of government Revenues?  
 \*Fees                      \*Taxes                      \*Fines                      \*Defense
30. When the incomes & profits of businesses are decreasing it is \_\_\_\_\_ Phase.  
 \*Boom                      \*Recession                      \*Depression                      \*Recovery
31. When National Income is divided among whole population is called \_\_\_\_\_  
 \*Personal Income                      \*Disposal Income                      \*Per Capita Income                      \*None of these
32. Adam Smith wrote his first book in \_\_\_\_\_  
 \*1576                      \*1776                      \*1876                      \*1676
33. According to Professor Robins, Economics is science of \_\_\_\_\_  
 \*Wealth                      \*Material Welfare                      \*Scarcity & Choices                      \*All of these
34. There are \_\_\_\_\_ types of Elasticity's of Supply/Demand.  
 \*3                      \*4                      \*5                      \*7
35. The Trade between two countries is called \_\_\_\_\_  
 \*Foreign Trade                      \*Legal Trade                      \*Illegal Trade                      \*Domestic Trade

**Section “B” Short Question Answer Section**  
**MICRO ECONOMICS**

**Note:- Attempt any 3 part question. All question carry equal marks. (15)**

- Q2i)** Differentiate between Micro & Macro Economics
- ii) Differentiate between Stock & Supply
  - iii) Differentiate between Fixed Cost & Variable Cost
  - iv) Write about Factors of Productions in short
  - v) Define Utility & name its types
  - vi) Differentiate between Organizer & Entrepreneur
  - vii) Write Factors affecting Demand

**MACRO ECONOMICS**

**Note:- Attempt any 3 from the following (15)**

- Q3i)** Differentiate between Tax & Zakat
- ii) Differentiate between GDP & GNP
  - iii) Differentiate between International Trade & National Trade
  - iv) Differentiate between Direct Tax & Indirect Tax
  - v) Write the Sources of Public Revenues
  - vi) Write the Heads of Public Expenditures
  - vii) Write difficulties of Barter system

**Section “C” DETAILED ANSWER QUESTIONS**

**Q4. Answer any one part question. All question carry equal marks. (10)**

- i) State & Explain Law of Demand/Supply by the help of Schedule & Graph
- ii) State & Explain Law of diminishing Marginal Utility by the help of Schedule & Graph
- iii) Explain various Concepts of National Income
- iv) State & Explain Canons of Taxation in detail