

BOARD OF INTERMEDIATE EDUCATION, KARACHI
INTERMEDIATE EXAMINATION, 2016 (ANNUAL)

Date: 16.05.2016
2:30 p.m. to 2:50 p.m.

PRINCIPLES OF ECONOMICS PAPER – I
(Commerce Group – Regular & Private)

Max. Marks: 15
Time: 20 minutes

The correct answers are
highlighted in red colour.

SECTION 'A'
(MULTIPLE CHOICE QUESTIONS) – (M.C.Qs.)

Code No: POE-07

Write this Code No. in the Answerscript.

NOTE:

- i) This section consists of 15 part questions and all are to be answered. Each question carries one mark.
- ii) Do not copy the part questions in your answerbook. Write only the answer in full against the proper number of the question and its part.
- iii) The code of your question paper is to be written in bold letters in the beginning of the answerscript.

1. Choose the correct answer for each from the given options:

- i) The burden of Indirect Taxes:
* cannot be shifted * **can be shifted**
* remains constant * does not remain constant
- ii) Reward without any service is termed as:
* Interest * Wages * **Transfer payments** * Profit
- iii) Disposable personal income is equal to:
* Personal income + Direct taxes * Personal income – Indirect taxes
* **Personal income – Direct taxes** * Personal income + Indirect taxes
- iv) The demand curve usually slopes from:
* Left to right * **Right to left**
* Left to right upward * **Left to right downward**
- v) The major share of government revenue is:
* Fee * **Tax** * Price * Foreign aid
- vi) Stages of Business cycle are:
* 2 * 3 * **4** * 5
- vii) Value of money is related with price:
* Directly * **Inversely** * Positively * Closely
- viii) There is direct relation between price and:
* Value of Money * **Quantity of Money**
* Demand of Money * Functions of Money
- ix) Through devaluation policy, exports become:
* Expensive * Precious * **Cheap** * Short
- x) According to Prof. Robbins, Economics is the science of:
* Material welfare * Wealth
* **Scarcity and choice** * Economic development
- xi) Marginal cost curve is:
* Vertical * Horizontal * **U-shaped** * L-shaped
- xii) All the factors of production become variable in the:
* **long run** * market period * short run * middle term
- xiii) Only visible goods are included in the:
* Balance of payments * **Balance of Trade** * Terms of Trade * Terms of Services
- xiv) This factor organizes all the factors of production:
* **Organization** * Capital * Land * Labour
- xv) The money, whose face and real value are the same, is called:
* **Standard money** * Token money * Demand money * Paper momey

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