

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A change in price brings in quantity supplied. it will be.	A. Rise in supply B. Contraction of supply C. Fall in supply D. Extension of supply
2	One of the following does not represent imperfect competition.	A. Day to day market B. Monopoly C. Duopoly D. Monopolistic Competition
3	Utility is most closely related to the term	A. useful B. useless C. necessary D. satisfaction
4	A seller can increase his sales revenue by charging a lower price, if the demand has	A. $e < 1$ B. $e = 1$ C. $e > 1$ D. $e = 0$
5	A firm attains equilibrium under monopoly where:	A. $AR = MR$ B. $AC = MC$ C. $MR = MC$ D. $AR = AC$
6	The relationship between two variables that move in the same direction is called	A. neutral B. positive C. independent D. dependent
7	A bridge will be a	A. Private good B. Capital goods C. Consumer good D. Personal good
8	Which of the following is example of external economies of scale?	A. Discount on purchases of raw materials B. Technical progress leads to development of machines at low price C. Hiring of specialized staff due to increase in scale of production D. A firm starts producing by products
9	The wage which is paid in cash is known as.	A. Real wage B. Nominal wage C. Excess wage D. Low wage
10	The rent which is paid in the short run due to perfectly inelastic supply of a factor is known as.	A. Differential rent B. Economic rent C. Quasi rent D. Scarcity rent
11	Indifference curves are convex to the origin because	A. two goods are perfect substitutes B. two goods are imperfect substitutes C. two goods are perfect complementary goods D. goods are jointly demanded
12	How many various form of partnership	A. 3 B. 4 C. 5 D. 6
13	Which of the following is NOT a characteristic of perfect competition?	A. free entry and exit of the firm B. demand curve of a firm is horizontal C. marginal revenue curve is horizontal D. individual firm can influence the price

14 When total product falls, marginal product is.
A. Zero
B. Positive
C. Negative
D. Falling

15 If the rate of inflation goes up, the real wags of labourers will :
A. Increase
B. Decrease
C. Remain the same
D. Noe of the three

16 A firm attains sub-normal profit under perfect competition when its:
A. $AR = P$ (Price)
B. $AR < P$
C. $AC = P$
D. $AC < P$

17 How many types of markets according to time
A. 3
B. 4
C. 5
D. 6

18 Rotten eggs are
A. free good
B. economic good
C. service
D. wealth

19 The basic economic problem to all societies is
A. elimination of scarcity
B. what how and for whom to produce
C. equal distribution of wealth
D. to develop agriculture

20 Given the demand curve, a rise in supply will.
A. Increase quantity supplied
B. Price will fall
C. Price will rise
D. Both (a) and (b)