

Economics Ics Part 1 English Medium Online Test

| Sr | Questions | Answers Choice |
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| 1 | Which one of the following represents fixed cost: | A. Price of raw material B. Wages C. Interests on loan D. Rent of land |
| 2 | Which is the general form of quadratic equation | A. $x^2 - x - 20 = 0$ B. $ax^2 + bx + c = 0$ C. $x^2 - x - c = 0$ D. None of these |
| 3 | Which of the following markets comes closest to perfect market | A. wheat market B. cigarette market C. cold drinks market D. stock market |
| 4 | A monopoly firm is in equilibrium when | A. MC intersects AC B. MC intersects MR C. AC intersects AR D. TC intersects TR |
| 5 | With an increase in cost of production, price of the product rises while supply of the product will. | A. Fall B. Rise C. Remain unchanged D. Non of the three |
| 6 | The demand for a factor is called. | A. Composite demand B. Joint demand C. derived demand D. No demand |
| 7 | Which one is increasing function of price | A. demand B. utility C. supply D. consumption |
| 8 | Economic wants. | A. Can unlimited B. Capital goods C. Social goods D. Public goods |
| 9 | In economics, assumptions | A. make economics theory useless B. mean other things equal C. enable economics to simplify reality D. used in micro and not in macroeconomics |
| 10 | Law of demand shows relation between | A. income and price of commodity B. price and quantity of a commodity C. income and quantity demanded D. quantity demanded and quantity supplied |
| 11 | If elasticity of supply is greater than one. supply curve will be | A. horizontal B. vertical C. passing through origin D. touching y-axis |
| 12 | The major difference between perfect competition and monopolistic competition is | A. unity of firms B. differentiated product C. rate of profit D. free exit and entry |
| 13 | The elasticity of demand of durable goods is | A. less than unity B. greater than unity C. equal to unity D. zero |
| 14 | Productivity of labour can be increased by | A. raising minimum wages B. reducing profits C. increasing skills of workers D. punishing absentee workers E. elastic |

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| 15 | Union leaders are in better position bargain for higher wages if demand for labour is | B. inelastic C. very large D. permanent |
| 16 | Variable are represented by symbol | A. V B. U C. P D. C |
| 17 | When there is big change in quantity supplied resulting from a minor change in price, its elasticity of supply will be. | A. Equal to unity B. Less than unity C. Equal to zero D. Greater than unity |
| 18 | It is most suitable for large scale business | A. proprietorship B. partnership C. corporation D. cooperative society |
| 19 | Production in economic means | A. factors of production B. doing some job C. output of goods D. profit |
| 20 | He put forward the theory of profit | A. Keynes B. Adam Smith C. Knight D. Anyson |