

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	A firm decides to shut down production temporarily when	A. MC start rising B. AC start rising C. price = AC D. price falls below AVC
2	When the classify data on the basis of income there will be	A. class intervals B. class numbers C. groups D. sections
3	Economic wants.	A. Can unlimited B. Capital goods C. Social goods D. Public goods
4	Which of the following is a demand function?	A. $Q + 4P = 20$ B. $Q = 35 + 3P$ C. $Q - 2P - 15 = 0$ D. $5P - Q = 4$
5	Price and demand are positively correlated in case of	A. necessities B. comforts C. Giffen goods D. Luxuries
6	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. none of these
7	In the business world	A. a firm working under perfect competition wants to become a monopoly B. a firm working under monopoly wants to become a competitive firm C. monopoly price is always higher than competitive price D. competitive price is always higher than monopoly price
8	Price determined in case of a perishable good will be.	A. Normal price B. Market price C. Short run price D. Long run price
9	TC	A. rises continuously B. falls then rises C. is horizontal to x-axis D. is parallel to y-axis
10	As output increase, one of the following costs will also increase:	A. Marginal cost B. Average cost C. Variable cost D. Fixed cost
11	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
12	Labour input includes	A. inventor B. innovator C. unskilled worker D. all of the above
13	The market of cars is.	A. International market B. Regional market C. Local market D. Domestic market
14	In law of diminishing returns at least one factor	A. must be constant B. must be owned by the firm C. must be purchasable D. must be divisible

		D. must be efficient
15	Which is NOT a cause of shift in cost curves of a firm	A. excise tax B. prices of inputs C. increase in productivity D. price of product
16	Total cost = Total variable cost in the.	A. Market period B. Short run C. Long run D. None of the three
17	A firm should shut down in the short run if it is not covering its	A. variable cost B. fixed cost C. total cost D. explicit cost
18	Under perfect competition MR and AR curves	A. are the same B. are different C. intersect each other D. are parallel
19	How many kinds of Function	A. 2 B. 3 C. 4 D. 5
20	Constant are represented by symbol	A. C B. V C. P D. U