

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	The word "LIMITED" at the end of a firm's name means	<p>A. it produces only commodity</p> <p>B. has limited capital</p> <p>C. cannot have more than 100 members</p> <p>D. shareholders liability to pay debt of firm cannot exceed value of their investment</p>
2	Choose the correct condition of equilibrium of firm	<p>A. MC = MR</p> <p>B. MC curve cuts MR curve from below</p> <p>C. Both a and b</p> <p>D. MC + MR - AR</p>
3	Marginal revenue is always less than price at all level of output in	<p>A. perfect competition</p> <p>B. monopoly</p> <p>C. both a and b</p> <p>D. none of the above</p>
4	A firm earns economic profit when total profit exceeds	<p>A. normal profit</p> <p>B. implicit costs</p> <p>C. explicit costs</p> <p>D. variable costs</p>
5	Economics problems arise because of	<p>A. greed</p> <p>B. scarcity</p> <p>C. dishonesty</p> <p>D. laziness</p>
6	Rice mill is a :	<p>A. Fixed capital</p> <p>B. Floating capital</p> <p>C. Sunk capital</p> <p>D. None of the three</p>
7	When a competitive firm faces loss the slop of its MR curve is:	<p>A. Negative</p> <p>B. Positive</p> <p>C. Zero</p> <p>D. Unity</p>
8	Robbins definition of economics spell out the existence of	<p>A. Economics problem</p> <p>B. Social problem</p> <p>C. Political problem</p> <p>D. Moral problem</p>
9	When there is big change in quantity supplied resulting from a minor change in its price, its elasticity of supply will be.	<p>A. Equal to unity</p> <p>B. Less than unity</p> <p>C. Equal to zero</p> <p>D. Greater than unity</p>
10	The maximum number of partners in a partnership is .	<p>A. 20</p> <p>B. 30</p> <p>C. 15</p> <p>D. 18</p>
11	When the supply curve of a product is parallel to the vertical axis, it would mean that;	<p>A. Different quantities of a product are supplied at the same price.</p> <p>B. Different quantities of a product are supplied at different price.</p> <p>C. Same quantities of a product are supplied at different price.</p> <p>D. None of three</p>
12	Marginal product curve intersects average product curve when AP curve is	<p>A. minimum</p> <p>B. maximum</p> <p>C. rising</p> <p>D. falling</p>
13	Productivity of labour can be increased by	<p>A. raising minimum wages</p> <p>B. reducing profits</p> <p>C. increasing skills of workers</p> <p>D. punishing absentee workers</p>
14	One of the following can be registered in a stock exchange.	<p>A. Business under partnership</p> <p>B. Cooperative society</p> <p>C. Joint stock company</p>

		D. Sole proprietorship
15	He described economics as a science of material welfare	A. Robbins B. Marshall C. Ricardo D. Keynes
16	Law of Equi marginal utility is a law of	A. production of wealth B. consumption of wealth C. distribution of wealth D. exchange of wealth
17	The method to measure the elasticity of demand by the unitary method was introduced by.	A. Alfred Marshall B. Robbins C. Adam Smith D. Malthus
18	A product which has value price in the market has.	A. Utility B. Scarcity C. Transferability D. All the three
19	Which of the following input factor takes risk, innovates and coordinates	A. capital B. labour C. productivity D. entrepreneur
20	Who is unemployed	A. housewife B. college student C. a peer who lives on gifts from mureeds D. a freshly graduated engineer who is searching for a job