

Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	In which form the largest percentage of national income is earned	A. interest income B. proprietor's income C. employees' income D. rental income
2	If price elasticity of demand is very low, the commodity is	A. necessity B. luxury C. substitute D. not available
3	Elasticity of a demand for product will be greater than unity if, with a fall in its price, total expenditure of consumer.	A. Increase B. Falls C. Remains the same D. None of the three
4	Economic laws can be define as .	A. A statement of social behaviour B. Laws implement by an executive C. Laws of the state D. Statement of general economic tendencies
5	Which is a condition for existence of monopoly	A. big size B. identical product C. absence of government taxes D. no close substitute
6	The cost which a firm incurs for purchasing or hiring factors is called	A. implicit B. explicit C. real D. basic
7	The basic goal of a firm is to	A. maximize revenues B. maximize employees' welfare C. maximize profit D. maximize output
8	Marginal revenue recommended by symbol	A. MR B. MC C. AR D. None of these
9	Labour input includes	A. inventor B. innovator C. unskilled worker D. all of the above
10	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. $e = 0$
11	The number of goods and services which one unit of a product can command in exchange for it is its.	A. Value of money B. Value in exchange C. Price D. Utility
12	With rapid economic growth in a country the individual demand curve will:	A. Rise B. Fall C. Extend D. Contract
13	According to law of equi-marginal utility a consumer will maximise his total utility when	A. He spends all his income on the product only B. He spends more on one and less on the other C. Marginal utility of the two goods are equalised D. Not only the marginal utility of the two goods are equalised, but also the marginal utility of each good is equal to its price.
14	A variable is a symbol which, during a discussion, may assume different values or a set of	A. Prof. Kooros B. Prof. Marshall C. Prof. Durbin D. Prof. Keynes

admissible values. This is the definition of

C. Prof. Rabbins
D. Prof. Kneez

15 The maximum number of partners in a partnership is .

- A. 20
- B. 30
- C. 15
- D. 18

16 In case of perfectly elastic demand curve, the demand curve will be parallel to the.

- A. Horizontal Axis
- B. Vertical Axis
- C. None of the above

17 Profits

- A. are lower in the long run than in the short run
- B. can be negative
- C. are less in perfect competition than in monopoly
- D. all of the above

18 The products which are not priced in the market are called .

- A. Economic goods
- B. Non-economic goods
- C. Merit goods
- D. Social goods

19 When $MR = MC$, a firm.

- A. Does not attain a equilibrium position
- B. Suffers from loss
- C. Attains its equilibrium position
- D. Attains profit

20 Equilibrium of consumer is explained by

- A. negative utility
- B. positive utility
- C. marginal utility
- D. profit