

Economics Ics Part 1 English Medium Chapter 12 Online Test

Sr	Questions	Answers Choice
1	A group of buyers and sellers that exchange a goods or services at a price are called	A. Market B. Commodity C. Place D. None of these
2	Which of the following markets comes closest to perfect market	A. wheat market B. cigarette market C. cold drinks market D. stock market
3	The concept of perfect competition was introduced by.	A. Adam Smith B. Alfred Marshall C. Keynes D. Malthus
4	Stock exchange is market where we can buy:	A. Shares B. Foreign exchange C. Factors of production D. Consumer goods
5	A short period market is the market of.	A. Perishable goods B. Durable goods C. Consumer goods D. Capital goods
6	Which one of the following is a day to day market.	A. The market of perishable goods B. The market of refrigerators C. The market of stationary D. None of the three
7	Market is an area where :	A. Products are sold B. Buyers and sellers come in contact with each other C. Price fluctuates D. Price remain constant
8	Which of the following is one of the assumptions of perfect competition.	A. few buyers and few sellers B. many buyers and few sellers C. many buyers and many sellers D. all sellers and buyers are honest
9	In case of perfect competition in the market	A. marginal revenue curve always slopes upward B. marginal revenue curve always slopes downward C. marginal revenue is always equal to average revenue D. marginal revenue is always less than to average revenue
10	Product differentiation is a pre-condition of:	A. Perfect competition B. Imperfect competition C. Monopoly D. Oligopoly
11	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
12	A monopolist is always interested and obtains.	A. Normal profit B. Subnormal profit C. Continues production even at loss D. Super normal profit
13	Which is NOT true	A. perfect monopoly does not exist in real world B. perfect competition does not exist in real world C. every monopoly is evil

		D. every firm wants to reduce competition
14	Perfect competition is a situation of market, where there are very large number of firms selling the same commodity are called	A. Revenue curve under perfect competition B. Monopoly curve C. Total revenue curve D. None of these
15	When marginal revenue is zero, total revenue is	A. maximum B. minimum C. zero D. decreasing
16	Which of the following is <i>NOT</i> 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
17	Which is a condition for existence of monopoly	A. big size B. identical product C. absence of government taxes D. no close substitute
18	Buyers and sellers under perfect competition are.	A. The same in number B. Large in number C. Small in number D. None of the above
19	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
20	Marginal revenue is always less than price at all levels of output in	A. perfect competition B. monopoly C. both A and B D. none of the above