Economics Ics Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Supply curve	A. is vertical in long run B. is flatter in long run C. is same in long and short run D. is horizontal in both short and long run
2	How many types of markets according to time	A. 3 B. 4 C. 5 D. 6
3	In which form the largest percentage of national income is earned	A. interest income B. proprietor's income C. employees' income D. rental income
4	Profits arise because an entrepreneur	A. prepares plan B. innovates C. lends money D. a and b of above
5	A firm will be in equilibrium where.	A. Its total profit is high B. Its cot is minimum C. It produces at a level of output which its profit is minimum or loss in minimum D. None of the three
6	A firm decides to shut down production temporarily when	A. MC start rising B. AC stat rising C. price = AC D. price falls below AVC
7	Rent is calculated from	A. most superior land B. most inferior land C. marginal land D. uncultivable land
8	A consumer's spending is restricted because of	A. marginal utility B. budget constraint C. demand curve D. unlimited wants
9	Haris has a special taste for chicken rolls of college canteen. The owner of the canteen doubles the price of chicken roll. Haris did not respond to the increase in prices and kept on demanding the same quantity of chicken roll. His demand for chicken roll is	A. perfectly elastic B. perfectly inelastic C. elastic D. less elastic
10	Law of substitution is another name for	A. law of diminishing MU B. law of equi-MU C. law of demand D. law of satisfaction
11	Who said that "Economics is a science of human welfare"	A. Adam Smith B. Carlyle and Ruskin C. Alfred Marshall D. Malthus
12	The law of demand will not be apply in case of	A. Inferior goods B. Superior goods C. Normal goods D. Non of them
13	The shape of rectangular hyperbola is made by	A. MC B. AFC C. AVC D. TFC
14	Normal profit is called normal because	A. it is neither very high nor very low B. it is minimum acceptable to the producer C. it is minimum which buyer wants to pay D. it is maximum allowed by govt.

15	When price elasticity of demand for normal goods in calculated, the value is always	A. positive B. negative C. constant D. greater than one
16	Choose the correct establish condition for equilibrium	A. MR = MC B. MC intersects MR curve from below C. MC + MR D. Both a and b
17	Profits arise	A. only in monopoly B. because of uncertainty C. shortage of goods D. like interest
18	The total quantity of a commodity available in or near the market which can be brought for sale at a short notice	A. Stock B. Supply C. Demand D. None of these
19	Efficiency of land can be promoted by.	A. Means of communication B. Fertility of land C. Climate condition D. Quality of other factors
20	A monopolist is always interested and obtains.	A. Normal profit B. Subnormal profit C. Continues production even at loss D. Super normal profit