

Principles of Economics Icom Part 1 English Medium Chapter 6 Online Test

Sr	Questions	Answers Choice
1	Dividing total variable costs by the units of output, is attained	A. Average fixed cost B. Average variable cost C. Average cost D. Marginal cost
2	Which on factor is the basic factor ?	A. Land B. Labour C. Capital D. Organization
3	One of the following is considered as capital:	A. Land B. Labour C. Raw material D. Both (a) and (b)
4	Average revenue is equal to	A. Price B. Total revenue C. Marginal revenue D. Average cost
5	When average cost curve is rising, then marginal cost curve	A. Remains below it B. Remains above it C. Remains parallel to it D. Is vertical
6	The kind of market, in which a single firm produces a single commodity which has no close substitute	A. Monopoly B. Duopoly C. Oligopoly D. Perfect competition
7	The costs which increase with the increase in output and decrease with the decrease in output, are called	A. Variable costs B. Fixed costs C. Average costs D. Marginal cost
8	Marginal cost curve cuts average cost curve when average cost is	A. Maximum B. Minimum C. Increasing D. Decreasing
9	The additional cost which a firm has to bear in order to produce additional unit of output, are called	A. Average cost B. Marginal cost C. Fixed costs D. Variable costs
10	Additional amount of money which a firm gets by selling an additional unit of output is called	A. Average revenue B. Marginal revenue C. Total revenue D. Revenue
11	Number of firms under monopoly is	A. One B. Two C. Three D. Four
12	When average cost falls marginal cost is ----- average cost	A. More than B. Less than C. Equal to D. A and C
13	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
14	All the factors production can be hired except.	A. Land B. Labour C. Capital D. Organization
15	One of the following is a fixed capital:	A. Raw material B. Machinery C. Saving certificate D. None of these

16	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
17	Nature of inter-relationship of average revenue and marginal revenue under perfect competition is	A. Average revenue remains more than marginal revenue B. Average revenue remains less than marginal revenue C. Marginal revenue remains less than average revenue D. Average revenue remains equal to marginal revenue
18	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
19	The amount of money which a firm gets by selling a particular quantity of output, is called	A. Average revenue B. Marginal revenue C. Total revenue D. Fixed cost
20	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit