

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

Sr	Questions	Answers Choice
1	Under perfect competition average revenue is always - - - marginal revenue	A. Equal to B. Less than C. More than D. None of three
2	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
3	Total expenditures which a firm bear to produce a particular quantity of output	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
4	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
5	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
6	Dividing total costs by the units of output is attained	A. Average fixed cost B. Average cost C. Average variable cost D. Marginal cost
7	Which one of the following represents fixed cost	A. Price of raw material B. Wages C. Capital goods D. Wages of permanent labour
8	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
9	When total revenue is maximum, marginal revenue is	A. More B. Less C. Constant D. Zero
10	All the factors production can be hired except.	A. Land B. Labour C. Capital D. Organization
11	When average cost increases, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
12	Rent of the building, interest of the capital and salaries of the permanent staff etc are called	A. Fixed costs B. Variable C. Marginal cost D. Average cost
13	The shape of average cost curve in the short period is	A. Vertical B. Horizontal C. Positively sloping D. Like English alphabet U
14	Which on factor is the basic factor ?	A. Land B. Labour C. Capital D. Organization

15	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
16	When production of a firm increases then total variable costs	A. Decrease B. Increase C. Remain constant D. Do not change
17	Which factor is helpful for earning more income ?	A. Land B. Labour C. Capital D. Organization
18	Dividing total fixed costs by the units of output, is attained	A. Average fixed cost B. Average variable cost C. Average cost D. Marginal cost
19	One of the following is not land:	A. White house B. Sub continents C. Power house D. Both (a) and (b)
20	In the short period, fixed cost curve has the tendency	A. Parallel to ox-axis B. Parallel to oy-axis C. Positive D. Negative