

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

Sr	Questions	Answers Choice
1	Marginal cost curve cuts average cost curve when average cost is	A. Maximum B. Minimum C. Increasing D. Decreasing
2	Under monopoly average revenue curve remains the marginal revenue curve	A. Below B. Above C. Parallel D. None of these
3	Which one of the following represents fixed cost	A. Price of raw material B. Wages C. Capital goods D. Wages of permanent labour
4	Which factor combines other three factors ?	A. Land B. Labour C. Capital D. Organization
5	One of the following is a fixed capital:	A. Raw material B. Machinery C. Saving certificate D. None of these
6	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
7	Short run cost curves are generally	A. flatter B. u shaped C. saucer shaped D. oval
8	Slope of average revenue and marginal revenue curves under monopoly is	A. positive B. negative C. zero D. none of three
9	When average cost is minimum, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
10	Under monopoly average revenue curve remains _____ the marginal revenue curve	A. Below B. Above C. Parallel to D. None of three
11	Dividing total costs by the units of output is attained	A. Average fixed cost B. Average cost C. Average variable cost D. Marginal cost
12	What is the reward of Labour ?	A. Rent B. Wage C. Interest D. Profit
13	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
14	What is the reward of Organization ?	A. Rent B. Wage C. Interest D. Profit
15	One of the following is not included in implicit cost	A. Interest of entrepreneur's own capital B. Rent of building C. Reward of entrepreneur's own D. Profit

		labour D. Reward of entrepreneur's own land
16	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
17	The factor of production which is result of human struggle.	A. Land B. Labour C. Capital D. Organization
18	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
19	Average revenue is equal to	A. Price B. Total revenue C. Marginal revenue D. Average cost
20	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit