

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

Sr	Questions	Answers Choice
1	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
2	Dividing total revenue by the sold units of output, is attained	A. Average revenue B. Marginal revenue C. Total revenue D. Average cost
3	How many kinds of costs are in the short period	A. Two B. Three C. Four D. Five
4	When average cost curve is falling, then marginal cost curve	A. Remains below it B. Remains above it C. Remains parallel to it D. Is vertical
5	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
6	Which factor is helpful for earning more income ?	A. Land B. Labour C. Capital D. Organization
7	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
8	When total revenue is maximum, marginal revenue is	A. More B. Less C. Constant D. Zero
9	The costs which a firm bear only in case of producing commodities	A. Fixed costs B. Variable costs C. Total costs D. Average fixed cost
10	Slope of average revenue and marginal revenue curves under monopoly is	A. positive B. negative C. zero D. none of three
11	Which on factor is the basic factor ?	A. Land B. Labour C. Capital D. Organization
12	When average cost falls, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
13	One of the following is considered as capital:	A. Land B. Labour C. Raw material D. Both (a) and (b)
14	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
15	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost

16	Under monopoly average revenue curve remains _____ the marginal revenue curve	A. Below B. Above C. Parallel to D. None of three
17	Which one of the following represents fixed cost	A. Price of raw material B. Wages C. Capital goods D. Wages of permanent labour
18	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
19	The costs which the firm has to bear in every condition in the short period, are called	A. Total costs B. Fixed costs C. Variable costs D. Marginal costs
20	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
