

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

Sr	Questions	Answers Choice
1	How many kinds of costs are in the short period	A. Two B. Three C. Four D. Five
2	The factor of production which is result of human struggle.	A. Land B. Labour C. Capital D. Organization
3	Dividing total costs by the units of output is attained	A. Average fixed cost B. Average cost C. Average variable cost D. Marginal cost
4	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
5	Average cost curve is in short run	A. Negative sloped B. U-shaped C. L-shaped D. Positive sloped
6	What is the reward of Organization ?	A. Rent B. Wage C. Interest D. Profit
7	Which one is comparatively the most important factor ?	A. Land B. Labour C. Capital D. Organization
8	Which one of the following represents fixed cost	A. Price of raw material B. Wages C. Capital goods D. Wages of permanent labour
9	The slope of MR curve in monopoly is	A. Vertical B. Increasing C. Horizontal D. Negative
10	Under perfect competition average revenue is always - - - marginal revenue	A. Equal to B. Less than C. More than D. None of three
11	One of the following is not included in explicit cost	A. Wages of labourers B. Reward of entrepreneur's personal labour C. Price of raw material D. Interest of capital
12	Marginal cost curve cuts average cost curve when average cost is	A. Maximum B. Minimum C. Increasing D. Decreasing
13	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
14	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

15	Reward of Land is called.	A. Rent B. Wage C. Interest D. Profit
16	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
17	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
18	One of the following is a fixed capital:	A. Raw material B. Machinery C. Saving certificate D. None of these
19	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
20	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 labour D. Reward of entrepreneur's own land