

Principles of Economics Icom Part 1 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
1	TC = TFC +:	A. MC B. AR C. TVC
2	Wages of permanent labourers are:	D. TAC A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
3	MC cuts AC at:	A. Maximum point B. Minimum point C. Increasing point D. Decreasing point
4	MPP stand is	A. Marginal price product B. Marginal Physical Product C. Marginal Physical Price D. Marginal Perfect Price
5	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
6	Under perfect competition average revenue is equal to:	A. Average cost B. Price C. Marginal revenue D. Both b and c
7	The rate change in total cost is:	A. TR B. MC C. MR D. TC
8	When Ac is rising:	A. AC = MC B. MC > AC C. MC &It AC D. Both (b) and (c)
9	Which law is applicable on production process under marginal productivity theory	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost
10	In short average cost curve is:	A. Saucer shaped B. Negative slope C. U shaped D. Flatter
11	AR curve is also called:	A. Supply curve B. Demand curve C. Utility curve D. Cost curve
12	According to which theory every factor of production gets the reward of its services equal to its marginal product	A. Demand and supply theory B. Liquidity preference theory C. Marginal productivity theory D. Uncertainty theory
13	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
14	According to which economist, it is difficult to find marginal product	A. Robbins and Keynes B. Marshall and pigou C. Adam Smith and Mathuls D. Taussing and Davenport
15	Marginal revenue product curve is called	A. Demand curve of firm B. Supply curve of firm C. Demand curve of industry D. Supply curve of industry

16	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
17	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
18	Wages of temporary labourers are:	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
19	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
20	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these