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

Sr	Questions	Answers Choice
1	Which one of the following represents fixed cost	A. Price of raw material B. Wages C. Capital goods D. Wages of permanent labour
2	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
3	What is the reward of Labour ?	A. Rent B. Wage C. Interest D. Profit
4	What is the reward of Organization ?	A. Rent B. Wage C. Interest D. Profit
5	One of the following is considered as capital:	A. Land B. Labour C. Raw material D. Both (a) and (b)
6	When a firm's average total cost is equal to price, then it is called as	A. Normal profit B. Abnormal profit C. Normal loss D. Abnormal loss
7	Which one is immobile factor ?	A. Land B. Labour C. Capital D. Organization
8	Which factor is helpful for earning more income ?	A. Land B. Labour C. Capital D. Organization
9	All the factors production can be hired except.	A. Land B. Labour C. Capital D. Organization
10	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
11	When average cost is minimum, marginal cost is - - - - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
12	Reward of capital is called	A. Rent B. Wage C. Interest D. Profit
13	In the short period, fixed cost curve has the tendency	A. Parallel to ox-axis B. Parallel to oy-axis C. Positive D. Negative
14	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

15	When average cost curve id falling, then marginal cost curve	A. Remains below it B. Remains above it C. Remains parallel to it D. Is vertical
16	The shape of average cost curve in the short period is	A. Vertical B. Horizontal C. Positively sloping D. Like English alphabet U
17	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
18	In perfect competition the average revenue curve is	A. Vertical B. Horizontal C. Rising D. Declining
19	When average cost increases, marginal cost is - - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
20	When production of a firm increases then total variable costs	A. Decrease B. Increase C. Remain constant D. Do not change