

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Wages of temporary labourers are	A. Fixed cost B. Marginal cost C. Total cost D. Variable cost
2	The demand curve for monopolist is also called	A. Total revenue B. Average revenue C. Marginal revenue D. Zero revenue
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	When total revenue is maximum, marginal revenue is	A. More B. Less C. Constant D. Zero
5	Which curve represents demand curve also	A. Marginal revenue B. Average revenue C. Total revenue D. Marginal cost
6	In perfect competition the average revenue curve is	A. Vertical B. Horizontal C. Rising D. Declining
7	Fixed costs are those costs of production which	A. Rise with quantity of output B. Do not change with any amount of production C. Decline with rising production D. None of these
8	Under monopoly average revenue curve remains the marginal revenue curve	A. Below B. Above C. Parallel D. None of these
9	To increase profit a firm minimises	A. revenues B. costs C. demand D. supply
10	Short run cost curves are generally	A. flatter B. u shaped C. saucer shaped D. oval
11	Which is not included in variable cost	A. price of raw material B. Advertisement expenditures C. rent of building D. wages of labour
12	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
13	Which is the Demand Curve of a firm	A. Average Revenue Curve B. Marginal Revenue Curve C. Total Revenue Curve D. Average cost curve
14	Average cost curve is in short run	A. Negative sloped B. U-shaped C. L-shaped D. Positive sloped
15	The slope of MR curve in monopoly is	A. Vertical B. Increasing C. Horizontal D. Decreasing

