

## Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Demand curve of a monopolist has the shape	A. Falls from left to right B. Rises from left to right C. Remains below MR curve D. Remains parallel to ox-axis
2	The kind of market, in which a single firm produces a single commodity which has no close substitute	A. Monopoly B. Duopoly C. Oligopoly D. Perfect competition
3	When average cost increases, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
4	When average cost is minimum, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
5	When average cost falls, marginal cost is - - - - - average cost	A. Less than B. More than C. Equal to D. None of three
6	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
7	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
8	Dividing total costs by the units of output is attained	A. Average fixed cost B. Average cost C. Average variable cost D. Marginal cost
9	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
10	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
11	Under perfect competition average revenue is always - - - marginal revenue	A. Equal to B. Less than C. More than D. None of three
12	Number of firms under monopoly is	A. One B. Two C. Three D. Four
13	Slope of average revenue and marginal revenue curves under monopoly is	A. positive B. negative C. zero D. none of three
14	How many kinds of costs are in the short period	A. Two B. Three C. Four D. Five
15	When production of a firm increases then total variable costs	A. Decrease B. Increase C. Remain constant D. Do not change

