



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Worksheet 32

Sub: Economics Class: XII

Chapter 06: Revenue F.M.: 15

Topic: Relation among TR, AR, MR,

When price is fixed and variable

Date: 08/07/2020

Multiple choice questions

1x15 = 15

1. When price is fixed, AR is always _____ to MR.
 - a. Greater,
 - b. Less,
 - c. Equal.
 - d. More.
2. Revenue is firm's _____.
 - a. Profit,
 - b. Income,
 - c. Cost,
 - d. Expenditure.
3. When price is fixed, TR is increasing proportionately with increasing units of _____.
 - a. Output,
 - b. Input,
 - c. Sale,
 - d. Profit.
4. _____ is the total income from selling the products.
 - a. Total saving,
 - b. Total investment,
 - c. Total revenue,
 - d. Total cost.
5. When price is fixed AR curve will be _____ to horizontal axis.
 - a. Perpendicular,
 - b. Asymptotic,
 - c. Coincide,
 - d. Parallel.
6. Total revenue will depend on the _____.
 - a. Profit,
 - b. Investment,
 - c. Input used,

- d. Quantity sold.
7. When AR is rising, then_____.
- AR=MR,
 - MR>AR,
 - AR>MR,
 - AR>P.
8. When price is fixed _____ is a straight line passing through the origin.
- AR,
 - MR,
 - AC,
 - TR.
9. Average revenue is nothing but _____.
- Profit,
 - Price,
 - TR,
 - MR.
10. When AR is decreasing, then _____.
- AR=MR,
 - MR<AR,
 - MR>AR,
 - MR<0.
11. When TR will be maximum then MR will be _____.
- Zero,
 - Negative,
 - Positive,
 - Maximum.
12. When price is variable, MR is positive so long as TR _____.
- Decreases,
 - Increases,
 - Maximum,
 - Zero.
13. When price is variable, TR will meet the horizontal axis, when _____is zero.
- MR,
 - TR,
 - AR,
 - AC.
14. When AR is constant then _____.
- AR=MR,
 - AR>MR,
 - AR<MR,

d. $AR=0$.

15. When price is variable, TR curve starts from the _____.

- a. Vertical axis,
- b. Horizontal axis,
- c. Negative axis,
- d. Origin.

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