



ST. LAWRENCE HIGH SCHOOL

A Jesuit Christian Minority Institution



Worksheet 41

Sub: Economics Class: XII

Chapter 10: Market Equilibrium Under Perfect Competition F.M.: 15

Topic: Characteristics of Perfect Competition

Date: 03/08/2020

Multiple choice questions

1x15 = 15

1. In perfect competition all sellers are selling _____ product.
 - a. Differentiated,
 - b. Homogeneous,
 - c. Luxury,
 - d. Inferior.
2. There exist infinite number of buyers and sellers in _____ market.
 - a. Monopoly,
 - b. Oligopoly,
 - c. Duopoly,
 - d. Perfect competition.
3. The firm under perfect competition is price _____.
 - a. Maker,
 - b. Taker,
 - c. Giver,
 - d. Determiner
4. There will be perfect _____ about the market under perfect competition.
 - a. Demand,
 - b. Supply,
 - c. Knowledge,
 - d. Quality.
5. _____ cost is the only cost under perfect competition.
 - a. Transport,
 - b. Storage,
 - c. Advertisement,
 - d. Production.
6. There will be perfect _____ of factors of production.
 - a. Mobility,
 - b. Competition,
 - c. Knowledge,
 - d. Quality.
7. There exist free entry and free exit in _____ market.

- a. Monopoly.
 - b. Oligopoly,
 - c. monopsony,
 - d. Perfect competitive.
8. The necessary condition of profit maximization is_____.
- a. $MR=MC$,
 - b. $MR=AC$,
 - c. $MC=AC$,
 - d. $AR=AC$.
9. Production cost is the only cost in _____market.
- a. Monopoly,
 - b. Perfect competition,
 - c. Oligopoly,
 - d. Duopoly.
10. The sufficient condition of profit maximization is_____must be upward rising..
- a. AC ,
 - b. MC ,
 - c. AVC ,
 - d. AFC .
11. Selling of homogeneous product is one of the characteristics of _____market.
- a. Monopoly,
 - b. Perfect competition,
 - c. Oligopoly,
 - d. Duopoly.
12. No one can influence _____in perfect competitive market.
- a. Quantity,
 - b. Quality,
 - c. Price,
 - d. Demand.
13. There is no entry barrier in _____market.
- a. Monopoly,
 - b. Perfect competition,
 - c. Oligopoly,
 - d. Duopoly.
14. If total revenue is equal to total cost in perfect competitive market then the firm will get _____profit.
- a. Super normal.
 - b. Normal,
 - c. Actual,
 - d. Real.

15. In perfect competitive market _____ is equal to AR and MR.

- a. Price,
- b. Quantity,
- c. Demand,
- d. Supply.

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