Principles of Economics Icom Part 1 English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	In law of constant return, marginal product	A. Increases B. Decreases C. Remains constant D. Remains changing
2	The number of laws of cost are	A. One B. Two C. Three D. Four
3	Market equilibrium take place where:	A. D = S B. D > S C. D < S D. Both (b) and (c)
4	In a production process, when units of variable factors along with fixed factor of production are increased, marginal cost goes on rising, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of increasing return
5	In a production process, when units of variable factors along with the fixed factor of production are increased, marginal cost remains the same, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of decreasing return
6	The sector of production, in which nature plays more role, there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost
7	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
8	Average product is maximum, when marginal product curve _____ average product curve	A. Intersects falling B. Intersect rising C. Is above D. Is below
9	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
10	When demand and supply rise in equal propoertion, the equilibrium price will:	A. Fall B. Rise C. Constant D. None of those
11	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
12	Laws of return are	A. Two B. Three C. Four D. Five
13	In a production process, when units of variable factors along with fixed factor of production are increased marginal cost goes on falling, this tendency in economics is called	A. Law of decreasing cost B. Law of increasing cost C. Law of constant cost D. Law of decreasing return
14	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return D. Law of decreasing cost
15	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product

16	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
17	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
18	The production sector where human brain and intelligence plays more role there is applicable	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of increasing cost
19	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
20	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero