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

Sr	Questions	Answers Choice
1	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
2	In perfect competition number of firms is	A. One B. Two C. A few D. Large
3	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
4	When marginal product remains positive, total product	A. Goes on decreasing B. Goes in increasing C. Becomes negative D. Does not change
5	In law of decreasing return, marginal product	A. Increases B. Decreases C. Remains constant D. Does not change
6	In law of increasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Remains fixed
7	Equilibrium price is determined where:	A. D = S B. D > S C. D < S D. Both (b) and (c)
8	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
9	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
10	If supply does not change, then due to rise in demand, equilibrium price.	A. Increases B. Decreases C. Does not change D. Becomes zero
11	Price of perishable goods is determined in:	A. Very short period B. Very long period C. Day to Day D. Both (a) and (c)
12	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
13	Under decreasing return, the slope of marginal product curve is	A. Negative B. Positive C. Infinite D. Zero
14	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
15	Equilibrium price is determined in.	A. Perfect market B. Imperfect market C. Monopoly D. None of these

16	In production process when marginal product increases with the increase in units of variable factors along with fixed factor, this tendency in economics is called	A. Law of production B. Law of increasing return C. Law of decreasing return D. Law of constant return
17	If in a production sector, along with the fixed factor of production, by increasing units of variable factors, marginal product remains constant, this tendency in economics is called	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of production
18	The second name of law of constant return is	A. Law of decreasing cost B. Law of increasing cost C. Law of cost D. Law of constant cost
19	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
20	The sector of production, in which nature and human beings play an equal role, there is applicable	A. Law of decreasing return B. Law of decreasing cost C. Law of increasing return D. Law of constant return