

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

Sr	Questions	Answers Choice
1	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
2	Change in total production is called	A. Marginal production B. Zero production C. Total production D. Average production
3	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
4	The second name of law of decreasing return is	A. Law of increasing cost B. Law of constant cost C. Law of decreasing cost D. Law of cost
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	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
7	Equilibrium price is determined where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
8	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product
9	In production process, when units of variable factors along with fixed factor of production are increased, marginal product goes on falling, this tendency in economics is called	A. Law of decreasing return B. Law of increasing return C. Law of production D. Law of constant return
10	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
11	In perfect competition number of firms is	A. One B. Two C. A few D. Large
12	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
13	Laws of return are	A. Two B. Three C. Four D. Five
14	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
15	The number of laws of cost are	A. One B. Two C. Three D. Four

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16	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
17	Law of decreasing return is immediately applied on	A. Agriculture B. Trade C. Industry D. Construction
18	Equilibrium price is determined in.	A. Perfect market B. Imperfect market C. Monopoly D. None of these
19	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
20	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero

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