

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

Sr	Questions	Answers Choice
1	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product
2	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
3	The number of laws of cost are	A. One B. Two C. Three D. Four
4	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
5	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
6	Market equilibrium take place where:	A. D = S B. D > S C. D < S D. Both (b) and (c)
7	In law of constant return, marginal product	A. Increases B. Decreases C. Remains constant D. Remains changing
8	Change in total production is called	A. Marginal production B. Zero production C. Total production D. Average production
9	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
10	Under decreasing return, the slope of marginal product curve is	A. Negative B. Positive C. Infinite D. Zero
11	Production which is produced with a particular combination of factors of production, is called	A. Total product B. Average product C. Marginal product D. Positive product
12	In production process, when units of variable factors along with fixed factor of production are increased, marginal product goes on failing, 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
13	Increasing marginal product shows the law	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of diminishing marginal utility
14	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
15	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return D. Law of decreasing cost

16	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
17	Laws of return are	A. Two B. Three C. Four D. Five
18	Average product is maximum, when marginal product curve average product curve	A. Intersects falling B. Intersect rising C. Is above D. Is below
9	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
20	If supply does not change, then due to rise in demand, equilibrium price.	A. Increases B. Decreases C. Does not change D. Becomes zero