

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

Sr	Questions	Answers Choice
1	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
2	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
3	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
4	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
5	Law of decreasing return is immediately applied on	A. Agriculture B. Trade C. Industry D. Construction
6	In the market period supply is:	A. Variable B. Fixed C. Zero D. Positive
7	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
8	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
9	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
10	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
11	In perfect competition number of firms is	A. One B. Two C. A few D. Large
12	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
13	Change in total production is called	A. Marginal production B. Zero production C. Total production D. Average production
14	Market equilibrium take place where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
15	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero

16	Equilibrium price is determined in.	A. Perfect market B. Imperfect market C. Monopoly D. None of these
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	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
19	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
20	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