

## 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	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
3	According to classical economics, production process is under laws	A. Two B. Three C. Four D. Five
4	In perfect competition number of firms is	A. One B. Two C. A few D. Large
5	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
6	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
7	In the market period supply is:	A. Variable B. Fixed C. Zero D. Positive
8	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
9	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
10	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
11	When average product is maximum, marginal product is	A. Equal to average product B. More than average product C. Less than average product D. Zero
12	Under increasing return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
13	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return D. Law of decreasing cost
14	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
15	When marginal product remains positive, total product	A. Goes on decreasing B. Goes in increasing C. Becomes negative D. Does not change

16	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
17	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
18	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
19	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
20	The number of laws of cost are	A. One B. Two C. Three D. Four