

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

Sr	Questions	Answers Choice
1	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
2	Supply of the one of the following is not fixed:	A. Vegetable B. Fruit C. Milk D. Motor bike
3	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
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 perfect competition number of firms is	A. One B. Two C. A few D. Large
6	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
7	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
8	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
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	Law of decreasing return is immediately applied on	A. Agriculture B. Trade C. Industry D. Construction
11	In the market period supply is:	A. Variable B. Fixed C. Zero D. Positive
12	Supply is Fixed of:	A. Perishable goods B. Free goods C. Durable goods D. Substitute goods
13	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
14	When demand and supply rise in equal proportion, the equilibrium price will:	A. Fall B. Rise C. Constant D. None of those
15	In law of increasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Remains fixed

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	The second name of law of increasing return is	A. Law of cost B. Law of increasing cost C. Law of decreasing cost D. Law of constant cost
18	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
19	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
20	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