

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

Sr	Questions	Answers Choice
1	Supply is Fixed of:	A. Perishable goods B. Free goods C. Durable goods D. Substitute goods
2	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
3	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
4	In the market period supply is:	A. Variable B. Fixed C. Zero D. Positive
5	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
6	When demand and supply rise in equal proportion, the equilibrium price will:	A. Fall B. Rise C. Constant D. None of those
7	Equilibrium price is determined where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)
8	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
9	When marginal product remains positive, total product	A. Goes on decreasing B. Goes in increasing C. Becomes negative D. Does not change
10	When total product is maximum, marginal product	A. Is positive B. Is negative C. Is zero D. Is decreasing
11	When Demand > Supply it will be:	A. Shortage B. Less supply C. More demand D. Surplus
12	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
13	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
14	The number of laws of cost are	A. One B. Two C. Three D. Four
15	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

16	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
17	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
18	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
19	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
20	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