

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

Sr	Questions	Answers Choice
1	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
2	When total product increases, marginal product	A. Is positive B. Is negative C. May be positive or negative D. Is zero
3	When average product decreases, marginal product	A. Increases B. Is zero C. Is equal to average product D. Is less than average product
4	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
5	When marginal product is zero, total product is	A. Maximum B. Minimum C. Negative D. Zero
6	Applied on agriculture immediately	A. Law of increasing return B. Law of substitution C. Law of decreasing return D. Law of decreasing cost
7	No factor can take the place of any other factor, it is explained by	A. Law of decreasing return B. Law of constant return C. Law of increasing return D. Law of return
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	When average product increase, marginal product	A. Decreases B. Is zero C. Is negative D. Also increases
10	Supply curve of perishable goods is:	A. Horizontal B. Vertical C. Infinite D. All of them
11	Change in total production is called	A. Marginal production B. Zero production C. Total production D. Average production
12	Under constant return, the slope of marginal product curve is	A. Positive B. Negative C. Infinite D. Zero
13	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
14	The number of laws of cost are	A. One B. Two C. Three D. Four
15	Market equilibrium take place where:	A. $D = S$ B. $D > S$ C. $D < S$ D. Both (b) and (c)

16	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
17	When demand and supply rise in equal proportion, the equilibrium price will:	A. Fall B. Rise C. Constant D. None of those
18	In law of decreasing cost, marginal cost	A. Increases B. Decreases C. Remains constant D. Does not change
19	When total product decreases, marginal product	A. Is positive B. Is negative C. Is zero D. Is increasing
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