

Economics Ics Part 1 English Medium Chapter 11 Online Test

Sr	Questions	Answers Choice
1	during short period, diminishing returns may follow because	A. quantity of labour is fixed B. quality of labour is fixed C. quantity of capital is fixed D. quantity of any one factor is fixed
2	Marginal product indicates rate of change of	A. total product B. average product C. variable product D. all of the above
3	When total product (TP) reaches its maximum, Marginal product (MP) is_	A. Zero B. Positive C. Negative D. Rising
4	When MP is zero, TP is	A. minimum B. maximum C. rising D. falling
5	Which one is the small scale production.	A. Bata shoe factory B. A barber shop C. kohinoor Textile Industries D. Sufi soap
6	When total product falls, marginal product is.	A. Zero B. Positive C. Negative D. Falling
7	When average product falls marginal product	A. Rises B. Also falls C. Remain equal to average product D. Does not change
8	Commercial economics are a part of:	A. Internal economics B. External economics C. Economies of scale D. None of the three
9	Laws of return apply to firms working in	A. perfect competition B. monopoly C. small firm D. all kinds of market situations
10	The maximum point of TP curve is at quantity of labour where	A. Average physical product of labour is equal to 1 B. MPP of labour is at its maximum C. curves of APP and MPP of labour intersect D. MPP of labour is zero
11	Economics of scale are of two kinds	A. temporary and permanent B. internal and external C. managerial and industrial D. natural and artificial
12	An important factor which promotes large scale production is:	A. Extant of market B. Revolutionary changes in social life C. Culture and civilization D. All the three
13	When business expands beyond its optimum level what type of economics will it be getting.	A. Diseconomies B. Internal economies C. External economies D. Managerial economics
14	Marginal product curve intersects average product curve when AP curve is	A. minimum B. maximum C. rising D. falling
		A. long run AC curve

15	Economies and diseconomies of scale determine the shape of	B. short run AC C. average fixed cost D. none of the above
16	When total product rises marginal product.	A. Remains the same B. Falls C. Also rises D. None of the three
17	Which one will determine scale of production .	A. Financial resources B. Production techniques C. Extant of the market D. All the above
18	The slopes of average and marginal products curves are always zero under:	A. Law of increasing returns B. Law of diminishing returns C. Law of constant returns D. Law of variable proportions
19	When diseconomies of scale outweigh economies of scale the	A. long run AC curve rises B. marginal cost falls C. long run ATC curve falls D. AVC falls
20	When MP curve cuts AP curve, the AP is at its.	A. Lowest point B. Highest point C. Neither of the two D. Eighter of the two