

## Principles of Economics Icom Part 1 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
1	With the increase of output, which cost of production increases:	A. VC B. AC C. FC D. MC
2	If a firm does not produce anything then its variable cost is:	A. Minimum B. Negative C. Maximum D. Zero
3	Fixed cost consists of:	A. Rent B. Salaries C. Interest D. All of them
4	Firm's cost depends upon:	A. Revenue B. Supply C. Price D. Output
5	All factors of production are variable in the:	A. Market period B. Long period C. Short period D. All of these
6	At least one factor is fixed in:	A. Market period B. Long period C. Short period D. All of three
7	Marginal revenue product is the amount of money attained by selling	A. Average product B. Marginal product C. Total product D. None of these
8	Marginal revenue product curve is called	A. Demand curve of firm B. Supply curve of firm C. Demand curve of industry D. Supply curve of industry
9	According to which economist, it is difficult to find marginal product of a factor of production	A. Marshall and pigou B. Adam Smith and Malthus C. Keynes D. Taussing and Davenport
10	Tendency of demand curve of a factor of production is	A. Positive B. Negative C. Zero D. Horizontal
11	Production of the last unit of a factor of production is called	A. Total product B. Average product C. Marginal product D. Positive product
12	Demand for factors of production is	A. Direct B. Derived C. Positive D. Negative
13	Amount of money attained by selling marginal product is called	A. Average revenue product B. Marginal revenue product C. Total revenue product D. None of three
14	Cost of a firm on the optimum combination of factors of production is	A. Minimum B. Maximum C. Reasonable D. Positive
15	Which law is applicable on production process under marginal productivity theory	A. Law of increasing return B. Law of constant return C. Law of decreasing return D. Law of decreasing cost

