

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

Sr	Questions	Answers Choice
1	In law of decreasing return, marginal product	A. Increases B. Decreases C. Remains constant D. Does not change
2	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
3	Laws of return are	A. Two B. Three C. Four D. Five
4	Total product decreases, when marginal product is	A. Positive B. Negative C. Zero D. None of these
5	When marginal product remains positive, total product	A. Goes on decreasing B. Goes in increasing C. Becomes negative D. Does not change
6	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
7	In a production process, when units of variable factors along with fixed factor of production are increased, marginal cost goes on rising, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of increasing return
8	In a production process, when units of variable factors along with the fixed factor of production are increased, marginal cost remains the same, this tendency in economics is called	A. Law of decreasing cost B. Law of constant cost C. Law of increasing cost D. Law of decreasing return
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	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
11	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
12	Which factor is oldest and basic factor of production	A. Land B. Labour C. Capital D. Organization
13	Which factor has no pre-determined reward	A. Land B. Labour C. Capital D. Organization
14	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization
15	The factor of production which is used to produce more wealth or increase income is called	A. Land B. Labour C. Capital D. Organization

