

Principles of Economics Icom Part 1 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	If the rate of change in price and quantity supplied is equal then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
2	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production
3	Tractor, harvester, thrasher etc are the examples of factor of production	A. Land B. Labour C. Capital D. Organization
4	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
5	In economics, every mental or physical struggle undertaken for reward, is called	A. Land B. Labour C. Capital D. Organization
6	If 50% change in supply in response to 50% change in price then:	A. Es = 0 B. Es = 1 C. Es > 1 D. Es < 1
7	Which factor can not be stored	A. Land B. Labour C. Capital D. Organization
8	Organization means an individual or institution which with optimum factor combination	A. Lays foundation of business always earning profit B. Lays foundation of business but does not accept the responsibility of profit and loss C. Lays foundation of business but accepts the responsibility of profit and loss D. Serves as a manger in the business and receives remuneration
9	Number of factors of production is	A. One B. Two C. Three D. Four
10	Fourth factor of production is called	A. Land B. Labour C. Capital D. Organization
11	One of the following is not included in labour	A. Teaching of a teacher in a school B. Working of a clerk in an office C. To follow a case by a lawyer D. To look after the child by his mother
12	Production of a commodity depends upon four factors of production i.e. land, labour, capital and organization	A. According to classical economists B. According to Neo classical economists C. According to modern economists D. According to Austrian school of thought
13	In case of horizontal supply curve, Es is:	A. Mero than unity B. Less than unity C. Zero D. Infinite
		A. land

14	Third factor of production is called	B. labour C. capital D. organization
15	When supply decreases due to fall in price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
16	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
17	The most important and basic factor of production is	A. Land B. Labour C. Capital D. Organization
18	Supply curve slope is:	A. Positive B. Vertical C. Negative D. Horizontal
19	One of the following is not called land	A. Rain B. Mountain C. Forests D. Mangla Dam
20	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization