

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

Sr	Questions	Answers Choice
1	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
2	Blessings like air, rain existing on land are included in factor of production	A. Labour or human resources B. Capital or monetary resources C. Land or natural resources D. Organisation
3	Which factor can not be stored	A. Land B. Labour C. Capital D. Organization
4	Which factor has no pre-determined reward	A. Land B. Labour C. Capital D. Organization
5	Factor of production which is used to earn more income, is called	A. Land B. Labour C. Capital D. Organization
6	Mental or physical work undertaken for reward by human being is called	A. Land B. Labour C. Capital D. Organization
7	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
8	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production
9	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
10	Immortal factor production is	A. Land B. Labour C. Capital D. Organization
11	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
12	If quantity supplied changed in response to change in price, is known as:	A. Ed B. Es C. More Elastic D. Less Elastic
13	The relationship between price and quantity supplied is:	A. Inverse B. Positive C. Infinite D. Zero
14	All the factors of production can be hired except	A. Land B. Labour C. Capital D. Organization
		A. Land

15	Fourth factor of production is called	B. Labour C. Capital D. Organization
16	In modern term, factors of production are called	A. Inputs B. Productive services C. Inputs and productive services D. Production of goods and services
17	Perfectly inelastic supply curve is:	A. Vertical B. Rise upward C. Horizontal D. Fall downward
18	Supply curve slope is:	A. Positive B. Vertical C. Negative D. Horizontal
19	If 50% change in supply in response to 50% change in price then:	A. $E_s = 0$ B. $E_s = 1$ C. $E_s > 1$ D. $E_s < 1$
20	Free gift of nature is	A. Land B. Labour C. Capital D. Organization