

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

Sr	Questions	Answers Choice
1	Fourth factor of production is called	A. Land B. Labour C. Capital <b>D. Organization</b>
2	When supply decreases due to fall in price, it is called:	A. Fall in supply <b>B. Contraction in supply</b> C. Expansion in supply D. Rise in supply
3	When supply increases due to rise price, it is called:	A. Fall in supply B. Contraction in supply <b>C. Expansion in supply</b> D. Rise in supply
4	As factor of production, river and sea are called	<b>A. Land</b> B. Labour C. Capital D. Organization
5	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 <b>D. To look after the child by his mother</b>
6	River, sea, forests, rain are called	<b>A. Land</b> B. Labour C. Capital D. Organization
7	The factor of production which is used to produce more wealth or increase income is called	<b>A. Land</b> B. Labour <b>C. Capital</b> D. Organization
8	Immortal factor production is	<b>A. Land</b> B. Labour C. Capital D. Organization
9	If price increases but supply remains constant, it is called:	<b>A. Fall in supply</b> B. Contraction in supply C. Expansion in supply D. Rise in supply
10	Tractor, harvester, thrasher etc are the examples of factor of production	<b>A. Land</b> B. Labour <b>C. Capital</b> D. Organization
11	Quantity of a commodity which is offered for sale in a market is called:	<b>A. Trade</b> <b>B. Supply</b> C. Demand D. Stock
12	In economics, every mental or physical struggle undertaken for reward, is called	<b>A. Land</b> <b>B. Labour</b> C. Capital D. Organization
13	In modern term, factors of production are called	<b>A. Inputs</b> B. Productive services C. Inputs and productive services D. Production of goods and services
14	Free gift of nature is	<b>A. Land</b> B. Labour C. Capital D. Organization
15	If 50% change in supply in response to 50% change in price then:	<b>A. Es = 0</b> <b>B. Es = 1</b> C. Es > 1

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16 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

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17 Factor of production which is used to earn more income, is called  
A. Land  
B. Labour  
C. Capital  
D. Organization

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18 Mental or physical work undertaken for reward by human being is called  
A. Land  
B. Labour  
C. Capital  
D. Organization

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19 The most important and basic factor of production is  
A. Land  
B. Labour  
C. Capital  
D. Organization

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20 Causes of shifting in supply curve is:  
A. Change in technique  
B. Change in cost  
C. Change in tax  
D. All of them

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