

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

Sr	Questions	Answers Choice
1	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
2	One of the following is not called land	A. Rain B. Mountain C. Forests D. Mangla Dam
3	All the factors of production can be hired except	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	Third factor of production is called	A. land B. labour C. capital D. organization
6	Immortal factor production is	A. Land B. Labour C. Capital D. Organization
7	Quantity of a commodity which is offered for sale in a market is called:	A. Trade B. Supply C. Demand D. Stock
8	When price decreases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
9	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
10	One of the following is not included in the characteristics of land	A. Land is a gift of nature B. All the pieces of land are not equal infertility C. Productive capacity of land is limited D. Supply of land is unlimited
11	Stock means the quantity:	A. Sold in market B. Which is offered for sale C. Which exist in warehouse D. Of total production
12	As factor of production, river and sea are called	A. Land B. Labour C. Capital D. Organization
13	In case of horizontal supply curve, Es is:	A. Mero than unity B. Less than unity C. Zero D. Infinite
14	Number of factors of production is	A. One B. Two C. Three D. Four

	Number of factors of production is	C. Three D. Four
15	Cannot be separated from labourer	A. Land B. Labour C. Capital D. Organization
16	When price increases, supply:	A. Contracts B. Expands C. Remains fixed D. Becomes zero
17	The relationship between price and quantity supplied is:	A. Inverse B. Positive C. Infinite D. Zero
18	If price increases but supply remains constant, it is called:	A. Fall in supply B. Contraction in supply C. Expansion in supply D. Rise in supply
19	Which factor is oldest and basic factor of production	A. Land B. Labour C. Capital D. Organization
20	If an entrepreneur does service, in economics it is called	A. Organization B. Discipline C. Labour D. Wage