

Principles of Economics Icom Part 1 English Medium Chapter 2 Online Test

Sr	Questions	Answers Choice
1	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
2	Utility of a commodity is zero, when	A. Want is satisfied upto a certain extent B. Want is fully satisfied C. Utility is positive D. Want is not satisfied
3	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero
4	Law of equi-marginal utility is also known as:	A. Total utility maximizing law B. Law of substitution C. Law of indifference D. All of them
5	Which law is applied when marginal utilities of all the purchased goods become equal to each other	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of increasing return
6	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
7	Economist who presented the first law of consumption	A. Marshall B. Adam smith C. Robbins D. Pigou
8	Utility attained by consuming an additional or last unit of a commodity	A. Positive utility B. Negative utility C. Zero utility D. Marginal utility
9	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
10	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
11	Which economist stated that utility is not measurable	A. Adam Smith B. Marshall C. Cannon D. Hicks
12	The name of first law of consumption is	A. Law of demand B. Law of diminishing marginal utility C. Law of equi marginal utility D. Law of supply
13	Which economist did present, cardinal theory of utility	A. Marshall B. Karoos C. Cannon D. J.B. Say
14	Total utility increases when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
15	First and basic law of consumption is	A. Law of demand B. Law of decreasing return C. Law of supply

D. Law of diminishing marginal utility

16	Curve of law of diminishing marginal utility	<p>A. Moves from left to right downward B. Moves from left to right upward C. Firstly it has a tendency to rise up and after a certain limit it starts falling D. It is parallel to ox-axis</p>
17	According to law of diminishing marginal utility, marginal utility of a commodity	<p>A. Increases B. Decreases C. Remains constant D. Become negative</p>
18	TU is maximum where MU of all goods is:	<p>A. Minimum B. Maximum C. Negative D. Equal</p>
19	Utility of the last unit of a commodity consumed is called	<p>A. Positive utility B. Negative utility C. Total utility D. Marginal utility</p>
20	When marginal utility is zero, then total utility is	<p>A. Minimum B. Positive C. Maximum D. Zero</p>