

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

Sr	Questions	Answers Choice
1	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
2	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
3	Who said that utility cannot be measured	A. Adam smith B. Marshall C. Keynes D. Hicks
4	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
5	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
6	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
7	Utility attained by all the units of a commodity consumed	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
8	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. Become negative
9	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never
10	According to which economist, utility is measureable	A. Marshall B. Adam smith C. Robbins D. Keynes
11	When total utility is increasing marginal utility is	A. Zero B. Positive C. Negative D. Maximum
12	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
13	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
14	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
15	When total utility is decreasing, marginal utility is	A. Zero B. Positive C. Negative D. Maximum

16	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
17	One of the following is not assumption of law of diminishing marginal utility	A. Same nature of the commodity B. Consumption of the commodity with intervals C. Suitable quantity of the commodity D. No change in consumers mental condition
18	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them
19	Other things remaining the same, marginal utility of a commodity diminishes with its continuous consumption. This law is called	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of decreasing return
20	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them