

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

| Sr | Questions  | Answers Choice   |
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| 1  | TU is maximum where MU of all goods is:  | A. Minimum<br>B. Maximum<br>C. Negative<br>D. Equal  |
| 2  | Want of a commodity is satisfied, when its marginal utility is                                     | A. Positive<br>B. Zero<br>C. Negative<br>D. Minimum  |
| 3  | Other name of law of equi marginal utility is  | A. Law of diminishing marginal utility<br>B. Law of demand<br>C. Law of constant return<br>D. Law of indifference            |
| 4  | Consumer's equilibrium takes place at that point where:  | A. MU is negative<br>B. MU is positive<br>C. TU is maximum<br>D. MU is maximum   |
| 5  | Which law is applied when marginal utilities of all the purchased goods become equal to each other | A. Law of diminishing marginal utility<br>B. Law of equi marginal utility<br>C. Law of demand<br>D. Law of increasing return |
| 6  | Human wants are:   | A. Limited<br>B. Unlimited<br>C. Re-appear<br>D. Both (b) and (c)  |
| 7  | Marginal utility always:   | A. Decreases<br>B. Increases<br>C. Zero<br>D. Negative   |
| 8  | To determine consumer's equilibrium, professor Marshall got help from the law                      | A. Law of diminishing marginal utility<br>B. Law of equi marginal utility<br>C. Law of demand<br>D. Law of constant return   |
| 9  | When marginal utility is negative, then total utility  | A. Decreases<br>B. Increases<br>C. Does not change<br>D. Becomes negative  |
| 10 | One of the following is non economic want:   | A. Car<br>B. Bike<br>C. Fan<br>D. Self respect   |
| 11 | Utility attained by all the units of a commodity consumed  | A. Positive utility<br>B. Negative utility<br>C. Total utility<br>D. Marginal utility  |
| 12 | Utility attained by the consumption of first unit of a commodity is called                         | A. Positive utility<br>B. Negative utility<br>C. Initial utility<br>D. Zero utility  |
| 13 | Consumer goods are those goods which the consumers consume   | A. Directly<br>B. Indirectly<br>C. Sometimes<br>D. Never   |
| 14 | The price of non-economic want is always:  | A. Very high<br>B. Very Low<br>C. Negative<br>D. Zero  |
| 15 | Which economist did present, cardinal theory of utility  | A. Marshall<br>B. Karoos<br>C. Cannon<br>D. J.B. Say   |

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| 16 | The power of a good or service to satisfy a human want is called: | A. Value<br>B. Price<br>C. Utility<br>D. All of them  |
| 17 | Law of equi-marginal utility is also known as:                    | A. Total utility maximizing law<br>B. Law of substitution<br>C. Law of indifference<br>D. All of them |
| 18 | Initial utility of a product is:                                  | A. Highest<br>B. Lowest<br>C. Constant<br>D. All of these   |
| 19 | Utility can not be measurable who has said                        | A. Marshall<br>B. Hicks<br>C. Pigou<br>D. Adam Smith  |
| 20 | Utility of the last unit of a commodity consumed is called        | A. Positive utility<br>B. Negative utility<br>C. Total utility<br>D. Marginal utility                 |

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