

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

| Sr | Questions | Answers Choice |
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| 1 | Initial utility of a product is: | A. Highest B. Lowest C. Constant D. All of these |
| 2 | Marginal utility curve moves | A. From left to right downward B. From left to right upward C. Parallel to ox axis D. Parallel to oy axis |
| 3 | Guides finance minister for levying tax on the income of the people | A. Law of demand B. Law of equi marginal utility C. Law of diminishing marginal utility D. Law of supply |
| 4 | When total utility is decreasing, marginal utility is | A. Zero B. Positive C. Negative D. Maximum |
| 5 | Marginal utility at the point of satiety is | A. Zero B. Positive C. Negative D. Initial |
| 6 | The decreasing part of TU curve shows: | A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing |
| 7 | Which law provides the base of law of demand | A. Law of supply B. Law of diminishing marginal utility C. Law of equi marginal utility D. Law of decreasing return |
| 8 | Capital goods are those which can satisfy human wants: | A. Directly B. Indirectly C. Proportionate D. None of these |
| 9 | Utility attained by consuming an additional or last unit of a commodity | A. Positive utility B. Negative utility C. Zero utility D. Marginal utility |
| 10 | Total utility always: | A. Decreases B. 1st increases then decreases C. Maximum D. Negative |
| 11 | To determine consumer's equilibrium, professor Marshall got help from the law | A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of constant return |
| 12 | According to law of diminishing marginal utility, marginal utility of a commodity | A. Increases B. Decreases C. Remains constant D. Become negative |
| 13 | The term marginal in economics means: | A. An additional unit B. Change in unit C. Last unit D. All of them |
| 14 | One of the following is non economic want: | A. Car B. Bike C. Fan D. Self respect |
| 15 | Utility attained by all the units of a commodity consumed | A. Positive utility B. Negative utility C. Total utility D. Marginal utility |

| 16 | On which of the following law of diminishing marginal utility is applicable | A. Money and wealth B. Diamonds and jewels C. Goods of fashion D. Necessities of life |
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| 17 | According to law of diminishing marginal utility, Utility of every new (Additional) unit of commodity | A. Increases B. Decreases C. Remains constant D. None of these |
| 18 | Cardinal utility approach was presented by: | A. Adam smith B. Keynes C. Robbins D. Marshall |
| 19 | Consumer's behaviour means: | A. Selection B. Purchase C. Sale D. Both (a) and (b) |
| 20 | Which economist stated that utility is not measurable | A. Adam Smith B. Marshall C. Cannon D. Hicks |