

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

Sr	Questions	Answers Choice
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
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