

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

Sr	Questions	Answers Choice
1	Marginal utility always:	A. Decreases B. Increases C. Zero D. Negative
2	Utility attained by consuming an additional or last unit of a commodity	A. Positive utility B. Negative utility C. Zero utility D. Marginal utility
3	Objective of a rational consumer is	A. To save maximum amount from his limited income B. To buy goods at minimum price C. Best choice from existing economic goods D. To attain maximum utility from the spent amount
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	Utility attained by all the units of a commodity consumed	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
6	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
7	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
8	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
9	Utility of the last unit of a commodity consumed is called	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
10	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
11	According to which economist, utility is measureable	A. Marshall B. Adam smith C. Robbins D. Keynes
12	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
13	When marginal utility is zero, than total utility is:	A. Minimum B. Positive C. Maximum D. Zero
14	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero

15	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
16	Capital goods are those which can satisfy human wants:	A. Directly B. Indirectly C. Proportionate D. None of these
17	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero
18	Which economist did present, cardinal theory of utility	A. Marshall B. Karoos C. Cannon D. J.B. Say
19	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
20	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