

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

Sr	Questions	Answers Choice
1	Who said that utility cannot be measured	A. Adam smith B. Marshall C. Keynes D. Hicks
2	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
3	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
4	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
5	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
6	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
7	First and basic law of consumption is	A. Law of demand B. Law of decreasing return C. Law of supply D. Law of diminishing marginal utility
8	When marginal utility is zero, then total utility is	A. Minimum B. Positive C. Maximum D. Zero
9	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
10	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
11	When marginal utility is positive, total utility:	A. Decreases B. Increases C. Zero D. All of them
12	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
13	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
14	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them

15	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
16	Which economist did present, cardinal theory of utility	A. Marshall B. Karoos C. Cannon D. J.B. Say
17	Concept of law of diminishing marginal utility was presented by professor	A. Marshall B. Robbins C. Keynes D. Pigou
18	Consumer's equilibrium takes place at that point where:	A. MU is negative B. MU is positive C. TU is maximum D. MU is maximum
19	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero
20	Cardinal utility approach was presented by:	A. Adam smith B. Keynes C. Robbins D. Marshall