

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

Sr	Questions	Answers Choice
1	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
2	Cardinal utility approach was presented by:	A. Adam smith B. Keynes C. Robbins D. Marshall
3	One of the following is non economic want:	A. Car B. Bike C. Fan D. Self respect
4	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
5	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
6	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
7	Law of diminishing marginal utility provides basis for:	A. Law of demand B. Law of equi marginal utility C. Law of supply D. Both (a) and (b)
8	When marginal utility is zero, then total utility is	A. Minimum B. Positive C. Maximum D. Zero
9	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
10	Which economist stated that utility is not measurable	A. Adam Smith B. Marshall C. Cannon D. Hicks
11	Which law is applied when marginal utilities of all the purchased goods become equal to each other	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of increasing return
12	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
13	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
14	Utility of the last unit of a commodity consumed is called	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
15	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative

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16	Utility of a commodity is zero, when	A. Want is satisfied upto a certain extent B. Want is fully satisfied C. Utility is positive D. Want is not satisfied
17	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. Become negative
18	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
19	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
20	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative

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