

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

Sr	Questions	Answers Choice
1	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
2	When total utility is increasing marginal utility is	A. Zero B. Positive C. Negative D. Maximum
3	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
4	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
5	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
6	Other things remaining the same, marginal utility of a commodity diminishes with its continuous consumption. This law is called	A. Law of diminishing marginal utility B. Law of equi marginal utility C. Law of demand D. Law of decreasing return
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	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
9	Want of a commodity is satisfied, when its marginal utility is	A. Positive B. Zero C. Negative D. Minimum
10	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
11	On which of the following law of diminishing marginal utility is applicable	A. Money and wealth B. Historical articles C. Normal goods of need D. Narcotics
12	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
13	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
14	Utility is related with	A. Usefulness B. Useless C. Necessities D. Desire
15	When total utility is decreasing, marginal utility is	A. Zero B. Positive C. Negative D. Maximum

16	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
17	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never
18	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
19	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
20	First law of consumption is known as:	A. Law of supply B. Law of demand C. Law of diminishing marginal utility D. Law of equi marginal utility