

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

Sr	Questions	Answers Choice
1	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. Become negative
2	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never
3	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
4	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
5	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)
6	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
7	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
8	When total utility is decreasing, marginal utility is	A. Zero B. Positive C. Negative D. Maximum
9	Total utility increases when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
10	Which economist did present, cardinal theory of utility	A. Marshall B. Karoos C. Cannon D. J.B. Say
11	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
12	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
13	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
14	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
15	Initial utility of a product is:	A. Highest B. Lowest C. Constant D. All of these

		D. All of these
16	Other name of law of equi marginal utility is	A. Law of diminishing marginal utility B. Law of demand C. Law of constant return D. Law of indifference
17	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
18	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
19	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
20	Utility is related with	A. Usefulness B. Useless C. Necessities D. Desire