

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

Sr	Questions	Answers Choice
1	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
2	Utility attained by the consumption of first unit of a commodity is called	A. Positive utility B. Negative utility C. Initial utility D. Zero utility
3	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
4	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
5	Utility is related with	A. Usefulness B. Useless C. Necessities D. Desire
6	Which of the following stated that utility is measurable	A. Marshall B. Adam Smith C. Robbins D. Keynes
7	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
8	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
9	One of the following is non economic want:	A. Car B. Bike C. Fan D. Self respect
10	Capital goods are those which can satisfy human wants:	A. Directly B. Indirectly C. Proportionate D. None of these
11	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
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	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
14	Total utility increases when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
15		A. To save maximum amount from his limited income B. To buy goods at minimum price

15	Objective of a rational consumer is	C. Best choice from existing economic goods D. To attain maximum utility from the spent amount
16	Initial utility of a product is:	A. Highest B. Lowest C. Constant D. All of these
17	Consumer's behaviour means:	A. Selection B. Purchase C. Sale D. Both (a) and (b)
18	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
19	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
20	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero