

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

Sr	Questions	Answers Choice
1	Consumer's behaviour means:	A. Selection B. Purchase C. Sale D. Both (a) and (b)
2	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
3	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
4	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)
5	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
6	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
7	Which law provides the base of law of demand	A. Law of supply B. Law of diminishing marginal utility C. Law of equi marginal utility D. Law of decreasing return
8	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
9	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
10	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
11	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them
12	Which economist did present, cardinal theory of utility	A. Marshall B. Karoos C. Cannon D. J.B. Say
13	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
14	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
15	Who said that utility cannot be measured	A. Adam smith B. Marshall C. Keynes D. Hicks

16	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
17	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
18	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
19	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
20	When marginal utility is positive, total utility:	A. Decreases B. Increases C. Zero D. All of them