

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	According to which economist, utility is measureable	A. Marshall B. Adam smith C. Robbins D. Keynes
3	Slope of marginal utility curve is	A. Positive B. Negative C. Vertical D. Horizontal
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	Consumer goods are those goods which the consumers consume	A. Directly B. Indirectly C. Sometimes D. Never
6	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
7	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
8	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
9	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
10	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
11	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
12	When marginal utility is positive, total utility:	A. Decreases B. Increases C. Zero D. All of them
13	Concept of law of diminishing marginal utility was presented by professor	A. Marshall B. Robbins C. Keynes D. Pigou
14	Which economist stated that utility is not measurable	A. Adam Smith B. Marshall C. Cannon D. Hicks
15	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
16	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
17	Objective of a rational consumer is	A. To save maximum amount from his limited income B. To buy goods at minimum price C. Best choice from existing economic goods D. To attain maximum utility from the spent amount
18	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
19	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
20	Law of equi-marginal utility is also known as:	A. Total utility maximizing law B. Law of substitution C. Law of indifference D. All of them