

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

Sr	Questions	Answers Choice
1	The decreasing part of TU curve shows:	A. MU is zero B. MU is negative C. MU is increasing D. MU is decreasing
2	Total utility is maximum when marginal utility is	A. Positive B. Negative C. Zero D. Minimum
3	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
4	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
5	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
6	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
7	After achieving point of Satiation the total utility starts	A. Rising B. Declining C. Remains constant D. None of these
8	Human wants are:	A. Limited B. Unlimited C. Re-appear D. Both (b) and (c)
9	Marginal utility at the point of satiety is	A. Zero B. Positive C. Negative D. Initial
10	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
11	Utility attained by consuming an additional or last unit of a commodity	A. Positive utility B. Negative utility C. Zero utility D. Marginal utility
12	The power of a good or service to satisfy a human want is called:	A. Value B. Price C. Utility D. All of them
13	When no satisfaction is attained by the consumption of a commodity, its marginal utility is	A. Zero B. Positive C. Negative D. Minimum
14	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)
15	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
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	Utility attained by all the units of a commodity consumed	A. Positive utility B. Negative utility C. Total utility D. Marginal utility
18	Total utility always:	A. Decreases B. 1st increases then decreases C. Maximum D. Negative
19	Total utility decreases when marginal utility is	A. Positive B. Negative C. Zero D. Maximum
20	The concept of utility is:	A. Subjective B. Moral C. Objective D. Neutral