

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

Sr	Questions	Answers Choice
1	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
2	The price of non-economic want is always:	A. Very high B. Very Low C. Negative D. Zero
3	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
4	Feature of a commodity to satisfy human want, is called	A. Value B. Usefulness C. Utility D. Wealth
5	The term marginal in economics means:	A. An additional unit B. Change in unit C. Last unit D. All of them
6	When marginal utility is negative, total utility:	A. Decreases B. Increases C. Does not change D. Negative
7	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
8	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
9	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
10	According to law of diminishing marginal utility, Utility of every new (Additional) unit of commodity	A. Increases B. Decreases C. Remains constant D. None of these
11	TU is maximum where MU of all goods is:	A. Minimum B. Maximum C. Negative D. Equal
12	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
13	One of the following is non economic want:	A. Car B. Bike C. Fan D. Self respect
14	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
15	According to law of diminishing marginal utility, marginal utility of a commodity	A. Increases B. Decreases C. Remains constant D. None of these

D. Become negative

16 Utility attained by consuming an additional or last unit of a commodity

- A. Positive utility
- B. Negative utility
- C. Zero utility
- D. Marginal utility**

17 When marginal utility is zero, than total utility is:

- A. Minimum
- B. Positive
- C. Maximum**
- D. Zero

18 When total utility is decreasing, marginal utility is

- A. Zero
- B. Positive
- C. Negative**
- D. Maximum

19 Who said that utility cannot be measured

- A. Adam smith
- B. Marshall
- C. Keynes
- D. Hicks**

20 Which economist stated that utility is not measurable

- A. Adam Smith
- B. Marshall
- C. Cannon
- D. Hicks**