

Principles of Economics Icom Part 1 English Medium Online Test

Sr	Questions	Answers Choice
1	Relationship between price and quantity demanded is called	A. Demand schedule B. Demand curve C. Law of demand D. Assumptions of law of demand
2	What is meant by demand for a commodity in economics	A. To desire for a commodity B. To have power to buy C. To have power to buy a commodity with desire D. Quantity of a commodity
3	Initial utility is _____ individual utilities of all the units	A. More than B. Less than C. Equal to D. None of these
4	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
5	Curve of law of diminishing marginal utility	A. Moves from left to right downward B. Moves from left to right upward C. Firstly it has a tendency to rise up and after a certain limit it starts falling D. It is parallel to ox-axis
6	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
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	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
9	According to which economist, utility is measureable	A. Marshall B. Adam smith C. Robbins D. Keynes
10	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
11	In mathematics, symbol for utility is used	A. U B. M C. X D. Y
12	When marginal utility is negative, then total utility	A. Decreases B. Increases C. Does not change D. Becomes negative
13	When marginal utility is positive, total utility	A. Goes on decreasing B. Goes on increasing C. Does not change D. Is zero
14	When marginal utility is zero, then total utility is	A. Minimum B. Positive C. Maximum D. Zero

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Utility of the last unit of a commodity consumed is called

- A. Positive utility
- B. Negative utility
- C. Total utility
- D. Marginal utility