

THE GURUKUL INSTITUTE

PLOT 5C, 2ND FLOOR, GANAPATI COMPLEX, SEC-13, OPP. JAIPURIA
SCHOOL, VASUNDHRA, GHAZIABAD (U.P)
TEST ON CONSUMER EQUILIBRIUM

1. Define utility.
2. What is meant by consumer's equilibrium? State its condition in case of a single commodity with the help of utility schedule.
3. Define marginal utility.
4. State the law of diminishing marginal utility?
5. State the condition of consumer's equilibrium in case of two commodities given by the utility approach.
6. Given the market price of a good, how does a consumer decide as to how many units of that good to buy? Explain.
7. A consumer consumes only two goods . Explain his equilibrium with the help of utility analysis approach.
8. Explain consumer's equilibrium in case of a single commodity with the help of a utility schedule.
9. Derive law of demand from the single commodity equilibrium condition "marginal utility = price".

