

Chapter 2 Utility Analysis**QUESTIONS**

SECTIONS

1. Chapterwise test - 20 Questions

Section 1 : Chapterwise test - 20 Questions

1 This is an MCQ question: _____ refers to want satisfying of commodity

- ☐ Usefulness
- ☐ Utility
- ☐ Satisfaction
- ☐ Happiness

Correct: +1

2 This is an MCQ question: When MU is _____ TU decreases.

- ☐ positive
- ☐ negative
- ☐ Zero
- ☐ High

Correct: +1

3 This is an MCQ question: Marginal utility _____ with increase in consumption.

- ☐ Increases
- ☐ Diminishes
- ☐ remain constant
- ☐ never ending

Correct: +1

4 This is an MCQ question: the process of manufacturing creates _____ utility

- ☐ Place
- ☐ time
- ☐ Form
- ☐ possession

Correct: +1

5 This is an MCQ question: _____ helps to create time utility.

- ☐ Banking
- ☐ Warehousing
- ☐ Insurance
- ☐ Communication

Correct: +1

6 This is an MCQ question: Larger the stock of the commodity, _____ is the TU.

- ☐ Smaller
- ☐ lesser
- ☐ equal
- ☐ larger

Correct: +1

7 This is an MCQ question: When total utility _____, the marginal is negative.

- ☐ increases
- ☐ is positive
- ☐ is zero
- ☐ decreases

Correct: +1

8 This is an MCQ question: A drunkard cannot be considered as a real exception to the Law of DMU as the assumption of _____ is violated.

- ☐ Single use
- ☐ Rationality
- ☐ homogeneity
- ☐ continuous consumption

Correct: +1

9 This is an MCQ question: Lower taxes are collected from poor people as the MU of money is _____ from them

- ☐ Low
- ☐ Zero
- ☐ Positive
- ☐ High

Correct: +1

10 This is an MCQ question: The law of DMU explains 'value paradox' by showing the difference between value in use and value in _____.

- ☐ Consumption

- ☐ demand
- ☐ supply
- ☐ exchange

Correct: +1

11 This is a true false question : At the point of Maximum satisfaction, The MU is one.

- ☐ True
- ☐ False

Correct: +1

12 This is a true false question: Utility and usefulness are not different.

- ☐ True
- ☐ False

Correct: +1

13 This is a true false question: There is no place for moral thoughts in the concept of utility.

- ☐ True
- ☐ False

Correct: +1

14 This is a true false question: TU And MU curve begin at different points.

- ☐ True
- ☐ False

Correct: +1

15 This is a true false question : Utility of subjective concept.

- ☐ True
- ☐ False

Correct: +1

16 Choose the correct option: Marginal utility

- ☐ Utility From last unit
- ☐ Minimum utility

Correct: +5

17 Choose the correct option: Time utility

- ☐ Transport
- ☐ Blood bank

Correct: +1

18 Choose the correct option: Place utility

- ☐ Transport
- ☐ Mobile phone

Correct: +1

19 Choose the correct option: Knowledge utility

- ☐ Teacher
- ☐ Mobile Phone

Correct: +1

20 Choose the correct option: Service Utility

- ☐ Doctor
- ☐ Transport

Correct: +1

TEST

Chapter 2 Utility Analysis

ANSWERS

SECTIONS

1. Chapterwise test - 20 Questions

Section 1 : Chapterwise test - 20 Questions

- 1 Utility
- 2 negative
- 3 Diminishes
- 4 Form
- 5 Warehousing
- 6 larger
- 7 decreases
- 8 Rationality
- 9 High
- 10 exchange
- 11 False
- 12 False
- 13 True
- 14 False
- 15 True
- 16 Utility From last unit
- 17 Blood bank
- 18 Transport
- 19 Mobile Phone
- 20 Doctor