1. Managerial Economics is mainly deals with the analytical tools, because it is
  --------------- nature.
  a. Micro
  b. Macro
  c. Pragmatic
  d. Positive

2. The process of selecting a particular course of action from a number of alternatives is----
  a. Follow up
  b. Decision making
  c. Evaluation
  d. None

3. ---------------------- cost arises only when there is an alternative.
  a. Marginal
  b. Opportunity
  c. Equi-Marginal
  d. None

4. Production may be defined as an act of -----------------
  a. Creating Utility
  b. Earning Profit
  c. Destroying Profit
  d. None

5. -------------- is the power of commodity to satisfy human wants.
  a. Value
  b. Utility
  c. Willingness
  d. none of these

6. The most of the Production functions measure
  a. The Productivity of factors of Production
  b. Economics of scale
  c. Relation between physical inputs and physical output
  d. None of these

7. A long run analysis of Production is ------------------------
  a. Economics of scale
  b. Law of variable Promotion
  c. law of return to scale
  d. none of above

8. The word elasticity means -----------------------
  a. usefulness
  b. willingness
  c. Responsiveness
  d. None of these
9. The change in demand due to change in Price when other factors remain constant is known as ----------------------------
   a. Increase in demand
   b. Decrease in demand
   c. Extension and contraction of demand
   d. None of these

10. If a very small fall in price leads to an unlimited increase in demand, the elasticity is
    -------------------------------
    a. Perfectly elastic demand
    b. Unit elasticity
    c. Relatively elastic demand
    d. None of these

11. If a commodity has substitutes, the demand for that commodity will be---------------------
    a. Inelastic
    b. Elastic
    c. Unitary elastic
    d. None of these

12. Advertisement Elasticity is otherwise called ----------------------------- elasticity
    a. Promotional
    b. Cross elasticity
    c. Zero income elasticity
    d. None of these

13. The substitute goods have ---------------- cross elasticity
    a. Positive
    b. Negative
    c. Zero
    d. None of these

14. ------------------ level Forecasting may be done at business conditions prevailing in the entire economy
    a. Micro
    b. Macro
    c. Firm
    d. None of these

15. ------------------------ forecasting helps to make necessary changes in the sales, purchasing, pricing, etc
    a. Short term
    b. Long term
    c. Market period
    d. None of these

16. ------------------ is the most extensively used method of demand forecasting in India
    a. Survey method
    b. Dineet Projection method
    c. Evolutionary method
    d. None of these

17. ------------------ is a statistical technique which make use of past data forecasting
    a. Economic indicators
    b. Controlled experiment
18. the process of transforming the inputs like land, labor, capital and organization into output
   a. Distribution
   b. Supply
   c. Production
   d. None of these

19. production function is the statistical production function i.e., \( \Theta = KL^{a}C^{[1-a]} \)
   a. Mathematical production function
   b. Crobb-Douglas production function
   c. Numerical production function
   d. None of these

20. According to Cobb-Douglas production function nearly production is due to the labour input
   a. 25%
   b. 75%
   c. 100%
   d. None of these

21. The short run increases in production by increasing the variable input against a given quantity of fixed output
   a. Law of returns
   b. Law of variable proportion
   c. Law of return to scale
   d. None of these

22. The up and downs in the economic activity moving like a wave at regular intervals is known as
   a. Business cycles
   b. Fiscal theory
   c. Psychic theory
   d. None of these

23. The proponent of monetary theory is
   a. Prof. R. G Hawtery
   b. Prof. A.C Pigou
   c. Joseph Schumpeter
   d. None of these

24. Psychological theory put forward by
   a. A. C Pigou
   b. Joseph Schumpeter
   c. J.M Keynes
   d. None of these

25. theory is one of the oldest explanations of business cycles
   a. Climatic theory
   b. Innovation theory
   c. Hicks theory
   d. None of these

26. A high value of cross elasticity indicates that the two commodities are
27. The vertical demand curve for a commodity shows that its demand is -------------------
   a. Highly elastic
   b. Perfectly inelastic
   c. Fairly elastic
   d. Moderately elastic

28. Utility may be defined as ---------------------
   a. The Power of a commodity to satisfy wants
   b. The usefulness of a commodity
   c. The level of satisfaction given by a commodity
   d. The desire of a commodity

29. The economic analysis expects the consumer to behave in a manner which is ----------------
   a. Rational
   b. Irrational
   c. Emotional
   d. Indifferent

30. Law of diminishing Marginal Utility states -------------------
   a. Total utility diminishes with the consumption of every additional unit
   b. Utility always diminishes whether something is consumed or not
   c. Utility first increases and after that diminishes at every point
   d. None of these

31. Marginal Utility (MU) curve is always -----------------------
   a. MU is zero
   b. AU is the highest
   c. MU is highest
   d. MU is equal to AU

32. The falling part of a TU curve show ----------------
   a. Increasing Marginal Utility
   b. Decreasing Marginal Utility
   c. Zero Marginal Utility
   d. Negative Marginal Utility

33. Total utility curve is -------------------
   a. Convex to 'X' axis
   b. Convex to X-axis
   c. Concave or convex depending on situations
   d. Concave to Y-axis

34. A consumer reaches equilibrium at the point where -------------------------------
   a. MU=P
   b. MU<P
   c. MU>P
   d. TU=P

35. A falling MU curve illustrates ------------------
   a. The principle of diminishing Marginal Utility
   b. The principle of diminishing Marginal rate of substitution
c. The principle of equi-Marginal Utility  
d. None of these  
36. Which of the following is called as the Gossen's First Law?  
a. Law of substitution  
b. Law of equi-Marginal Utility  
c. The law of diminishing Utility  
d. The Law of indifference  
37. The price which a consumer would be willing to pay for a commodity equal to his --------
a. Marginal Utility  
b. Total Utility  
c. Average Utility  
d. None of these  
38. Total product will be maximum when  
a. MP is maximum  
b. AP is maximum  
c. MP is zero  
d. MP is negative  
39. Under the law of variable proportions, stage-1 is known as -------------------  
a. Stage of diminishing returns  
b. Stage of negative returns  
c. Stage of constant returns  
d. Stage of increasing returns  
40. Law of variable proportion comes under -------------------  
a. Short- run production  
b. Long run production function  
c. Both a & b  
d. None of these  
41. An isoquant represents all those input combinations which are capable of producing---------  
a. Same level of output  
b. Different level of output  
c. Either a & b  
d. Both a & b  
42. (a) Consumer Surplus  
   (b) Concept of compensating variation  
   (c) Utility index Number  
   (d) Input- output Model  
   Codes : (a) (b) (c) (d)  
   a. 1 2 3 4  
   b. 4 3 2 1  
   c. 4 2 3 1  
   d. 1 4 3 2  
43. In Cobb- Douglas production function elasticity of factor substitution is equal to --------  
a. Zero  
b. Infinity  
c. One
47. Equilibrium Price is the Price at which -----------------------
   a. Quantity demand equals quantity supplied
   b. Quantity demand exceeds quantity supplied
   c. Quantity demand exceeds quantity demanded
   d. None of these

48. The Marginal product curve is above the average product came when the average product is -----------------------------
   a. Increasing
   b. Decreasing
   c. Constant
   d. None of these

49. For a unitary elasticity of demand curve, the amount spent by a consumer on a good ---------
   a. Remains constant when price changes
   b. Increases when a price changes
   c. Decreases when price increases
   d. Decreases when price decreases

50. MC=MR and MR=AR means ------------------------
   a. The equilibrium position of a firm in the long period
   b. The equilibrium point of a firm under imperfect competition in the short period
   c. The equilibrium point of a firm under perfect competition
   d. A short period equilibrium point of a firm under perfect competition

51. The hypothesis that the firms seek to maximize their sales revenue own its origin to -------------------------
   a. W.J Baumol
   b. J.S Baumol
   c. W.J Hicks
   d. J.W Baumol

52. If the individual firms demand curve is coincident with the market demand curve then, 
   a. The firm is Price maker
   b. Monopolist
   c. MR=AR
   d. None of these

53. Under monopoly the supply curve is absent because
   a. The monopolist always makes profit
   b. There is no entry for others
   c. Equilibrium involves MC=MR and MR< P
   d. None of these

54. The degree of monopoly power can be measured by the formula
   a. $\frac{P - MC}{P}$
   b. $\frac{AR}{AR - MR}$
   c. $\frac{MR}{AR - MR}$
   d. $\frac{AAR - MR}{MR}$
55. Bilateral Monopoly means -------------------
   a. Two rival sellers only
   b. Two rival buyers only
   c. A monopoly seller buying his input from many suppliers
   d. A monopolist facing a monopolist

56. The equilibrium level of output for the pure monopolist profit will be ---------------
   a. AR=MC
   b. MR=MC
   c. MR>MC
   d. P<AC

57. A monopoly Producer usually earns
   a. Abnormal profit
   b. Normal profit
   c. Loss
   d. None of these

58. Which form of monopoly regulation is most advantageous for the consumer
   a. Price control
   b. Per unit tax
   c. Lump of tax
   d. None of these

59. Dumping means selling at
   a. A higher price in home market and a lower price in foreign market
   b. A lower price in home market and higher price in foreign market
   c. Same price in home market and foreign market
   d. None of these

60. The AR curve and industry demand curve are same
   a. In case of monopoly
   b. In case of oligopoly
   c. In case of Perfect competition
   d. None of these

61. The firms are under severe pressure to keep their costs low, a situation characterized by
   ------------------------
   a. Perfect competition
   b. Strong competition
   c. Oligopolistic completions
   d. Monopolist completions

62. Which of the following represents the AR curve of the firm
   a. Cst curve showing per unit of output
   b. Total receipts realized by the firm
   c. Demand curve of consumer for the firms
   d. None of these

63. The theory of monopolistic competition is developed by --------------------------
   a. E.H Chamberlin
   b. J.M Keyner
   c. Mrs John Roburson
   d. None of these

64. Monopolistic can fix
   a. Both price and output
b. Either price and output
c. neither price and output
d. None of these

65. Selling costs are incurred under monopolistic competition to ---------------
   a. Attract more customers
   b. Prevent its customers from going to others
   c. Establish superiority of its product
   d. All of the above

66. A firm under long run equilibrium under monopolistic competition makes only ------------
   a. Normal profits
   b. Monopoly profits
   c. Super normal profits
   d. Losses

67. The term group equilibrium is related to ------------------------
   a. Analysis of monopolistic competition
   b. Analysis of chamber line
   c. Analysis of monopolistic competition by E.H Chamberlin
   d. None of these

68. MC – curve should be kinked in
   a. Duopoly
   b. Monopsony
   c. Collusive oligopoly
   d. Oligopolistic competitions

69. Joint profits are maximized in the model cartel, which is a model of ---------------
   a. Duopoly
   b. Duopsony
   c. Oligopsony
   d. Oligopoly

70. A kinked demand curve is most consistent with which one of the following market situations
   a. Pure competition
   b. Pure monopoly
   c. Oligopoly
   d. Monopolistic competition

71. A monopolist can fix -----------------------
   a. Only price and not output
   b. Both price and output
   c. Either price or output
   d. None of these

72. Vertical supply curve is the characteristics of -----------------------
   a. Short – period market
   b. Long – period market
   c. Very long – period market
   d. Very short period market

73. In Cobb- Douglas production function \( \Theta = AK^\alpha L^\beta \) and \( \beta \) measures -------------
   a. Elasticity of substitution
   b. Input shares
   c. Output elasticities of input
74. In case of Giffen good ------------
   a. Price effect is negative
   b. Income effect is positive
   c. Both price effect and income effect are positive
   d. None of these

75. The situation in which TR= Tc, is known as
   a. Monopolistic competition
   b. Equilibrium level
   c. Break-even point
   d. Perfect competition

76. The relationship between price of a commodity and the demand for it----------
   a. Is a positive relationship
   b. Is an inverse relationship
   c. They are independent of each other
   d. None of these of these

77. Total utility is maximum at a point, the MU is ---------------------
   a. Positive
   b. Zero
   c. Negative
   d. None of these

78. The kinked demand curve is reflected in a discontinuity in the -----------------------
   a. Total revenue curve
   b. Marginal cost curve
   c. Average revenue curve
   d. Marginal revenue curve

79. In the long run, the market price of a commodity is equal to its minimum average cost of production if there is ------------------------
   a. Perfect competition
   b. Monopoly
   c. Oligopoly
   d. Monopolistic competition

80. Given the demand function θ=20/P, where P= Price of the product, θ=Quantity of product, the elasticity of demand at P=10 would be-------------------
   a. 0
   b. -1
   c. -2
   d. A

81. Price elasticity of demand in demand function Q=KL^aC^b is -----------------------
   a. A
   b. 1
   c. B
   d. Ab

82. If the price elasticity of demand id 0.5, 10% of increase in price leads to ------------
   a. 5% increase in demand
   b. 5% decrease in demand
   c. 0.5 units decrease in demand
83. For a competitive firm demand curve is also __________________
   a. The total revenue curve
   b. The AR curve
   c. The MR curve
   d. Both AR and MR curve

84. The slope of the Iso cost Line measures --------------------------
   a. The MRTS
   b. MRS
   c. The ratio of input prices
   d. Optional combination of inputs

85. Monopolistic competition and Oligopoly are alike in terms of -----------
   a. Non-Price competition
   b. Strong mutual interdependence
   c. Kinked demand Analysis
   d. The number of firms

86. ------------ is a tool of analysis used to explain the input – output relationship
   a. Production function
   b. Production relation
   c. Technological production
   d. None of the above

87. ------------ is a good or service that goes into the process of production.
   a. Output
   b. Input
   c. Variables
   d. Technology

88. ------------ production function is homogeneous of degree One
   a. Cobb-douglas
   b. CES production function
   c. Common production function
   d. None of these

89. The constancy of parameters implies a ---------------
   a. Linear demand function
   b. Constant demand function
   c. Multiple demand function
   d. Non-linear demand function

90. When a proportional change in output equates the proportional change in inputs. It exhibits ------------
   a. Constant return to scale
   b. Diminishing return to scale
   c. Increasing return to scale
   d. None

91. TC=a+bQ^2+Q^3 is of the --------------- function
   a. Cubic cost function
   b. Quadratic function
   c. Linear cost function
   d. None
92. ____________ method combines economic theory and statistical techniques of production
   a. Regression method
   b. Bivariate method
   c. Mean-deviation method
   d. None.

93. An association of business firms formed by an explicit agreement between them
   a. Oligopoly
   b. Monopoly
   c. Cartel
   d. None of these

94. ____________ is the period in which firms cannot change their size or unit, and new firms cannot enter the industry.
   a. Short run
   b. Long run
   c. Market period
   d. None of these

95. Marginal principle can be applied only where ____________
   a. MC and MR
   b. AC and AR
   c. DMC/DQ
   d. None of these

96. ____________ Cost refers to expected income foregone.
   a. Marginal cost
   b. Opportunity cost
   c. Sunk cost
   d. None of these

97. ____________ are the internal issues arising within a business organization.
   a. Operational issues
   b. Environmental issues
   c. Growth issues
   d. None of these

98. The difference between actual earnings and the opportunity cost is ____________
   a. Marginal gain
   b. Economic gain
   c. Opportunity gain
   d. None

99. ____________ refers to the change in the total utility obtained from the consumption of a additional unit of a commodity
   a. Marginal utility
   b. Additional utility
   c. Total utility
   d. None of these

100. ____________ good, if its demand decreases with the increase in income
    a. Superior good
    b. Inferior good
    c. Capital good
d. Consumer good

101. The price elasticity of demand is equal to one for a demand curve, which is -------
   a. Horizontal line
   b. Vertical line
   c. Rectangular hyperbola
   d. Downward moving line

102. Global 2008 financial crisis was created by -----------------
   a. Nationalized banks
   b. Sub-Prime market lending
   c. Bond market
   d. Interest rate mechanism

103. Dr. Y V Reddy was ----------------
   a. Chairman, UTI
   b. Chairman, IDBI
   c. Governor RBI
   d. Chairman LIC

104. Fiscal deficit is identified as ----------------
   a. Budgetary deficit + Government market borrowing and liabilities
   b. Total outlay- income received
   c. Budget deficit- public borrowing
   d. None of these

105. Lower turning point in a business cycle refers to ----------------
   a. Recession
   b. Expansion
   c. Down swing
   d. Recovery

106. Cost will decrease in ----------------
   a. Long period
   b. Short period
   c. operating at excess capacity
   d. Operating under increasing cost

107. Rectangular hyperbola is the shape of ----------------
   a. TFC
   b. AFC
   c. FC
   d. MC

108. ---------------- forecasting is done for a period usually not exceeding one year.
   a. Short term demand forecasting
   b. Long term forecasting
   c. Medium term forecasting
   d. None of these

109. ---------------- is the most extensively used method in India
   a. Survey method
   b. Graphic method
   c. Value method
   d. None of these

110. If factor prices and factor quantities move in the same direction, we have ---------
   a. Cost constant industry
b. An increasing cost industry
c. A decreasing cost industry
d. None of the above

111. What determines price under Perfect competition?
   a. Industry
   b. Firm
   c. Customer
   d. Government

112. A firm is in equilibrium when the following condition is fulfilled ------------
   a. MR=MC
   b. MC<MR
   c. MC=0
   d. MC>MR

113. What is the condition of optimum production?
   a. AC=MC
   b. AR=AC
   c. MR=MC
   d. All of these

114. When a firm will shut-down, its production in the short period.
   a. AR=AVC
   b. AR>AVC
   c. AR<AVC
   d. None of these

115. Monopoly means:
   a. A single seller of a particular product in the world
   b. A single seller of a product in India
   c. A single seller of a product in a particular town or city.
   d. None of these.

116. Price discrimination under monopoly is of ------------
   a. One type
   b. Two type
   c. Three type
   d. Four type

117. Price discrimination is possible only if ---------
   a. Buyers purchase the product and sell it in the same market
   b. Seller sells the product in only one market
   c. Buyers purchase the product and sell it in different market
   d. None of these

118. The theory of monopolistic competition has been developed by ---------
   a. P Sraffa
   b. E Chamberlin
   c. Marshal
   d. Joan Robinson

119. Which form of monopoly regulation is most useful for the consumer
   a. Price control
   b. Lump sum tax
   c. Per unit tax
   d. All of these
120. Selling costs have to be incurred in case of
   a. Perfect competition
   b. Imperfect competition
   c. Monopolistic competition.
   d. None of these

121. Study of collusive agreement is ********
   a. Monopoly
   b. Collusive oligopoly
   c. Non collusive oligopoly
   d. All of these

122. Kinked demand curve is theory of ********
   a. Collusive oligopoly
   b. Non collusive oligopoly
   c. Monopoly
   d. None of these

123. Kinked demand curve theory was developed in *******
   a. 1938
   b. 1939
   c. 1941
   d. 1943

124. The Kinked demand curve explains ********
   a. Demand flexibility
   b. Price rigidity
   c. Price flexibility
   d. Demand rigidity

125. The term “group equilibrium” is referred to ********
   a. Duopoly
   b. Monopolistic competition
   c. Perfect competition
   d. Oligopoly

126. What are the features of pure competition?
   a. A large of buyers and sellers
   b. Homogeneous product
   c. Free entry and exit
   d. All the above

127. Many firms producing homogeneous products are generally treated as
   a. Oligopoly
   b. Monopoly
   c. Perfect competition
   d. Duopoly

128. The average revenue curve under perfect competition will be ********
   a. Elastic
   b. Inelastic
   c. Perfectly elastic
   d. None

129. Duopsony is a market situation which is characterized by the existence of ******
   a. One buyer
   b. Three buyer
c. Two buyer
d. None of these

130. Monopsony market has 
   a. One seller
   b. One buyer and one seller
   c. One buyer
   d. None of these

131. The excess of what a firm can produce with his given plant size over what it actually produces is called
   a. Reserve capacity
   b. Excess capacity
   c. Productive capacity
   d. None of these

132. Which market situation is characterized by the existence of excess capacity
   a. Monopoly
   b. Oligopoly
   c. Monopolistic competition
   d. Perfect competition

133. What are the conditions of monopoly?
   a. Single seller
   b. Homogenous product
   c. Barriers to entry and exit
   d. All of the above

134. Elasticity of demand plays a significant role in the fixation of price in
   a. Perfect competition
   b. Monopoly
   c. Duopoly
   d. None of these

135. Who was first economist to have introduced the element of time in the theory of product pricing
   a. Adam Smith
   b. Alfred Marshall
   c. A. C. Pigou
   d. Paul M Sweezy

136. When the monopolist sells the commodity in to two different price is
   a. First degree
   b. Second degree
   c. Third degree
   d. None of these

137. is the sum of all individual demand schedule
   a. Individual demand schedule
   b. Market demand schedule
   c. Supply schedule
   d. Equilibrium demand schedule

138. is a list of prices and corresponding quantities
   a. Demand curve
   b. Demand schedule
c. Supply schedule
d. None of these

139. Ostentation means goods purchased not for ----------- but for snob appeal.
    a. Utility
    b. Direct satisfaction
    c. Demand
    d. None of these

140. Expenditure or outlag method was developed by ----------------------------
    a. Adam Smith
    b. Alfred Marshall
    c. J. B. Say
    d. D. Richardo

141. If price changes, total expenditure remains constant, ----------- elasticity exists.
    a. Unit
    b. Greater than
    c. Infinite
    d. Inelastic

142. Expert opinion method was originally developed by ------------------ in 1950
    a. Olaf Helmar
    b. Rand corporation
    c. Oxlam uty
    d. None of these

143. ----------- method, the future demand can be extrapolated by applying Binomial expansion method
    a. Extrapolation
    b. Barometric technique
    c. Regression
    d. None of these

144. The isoquants are convex to origin because of --------------
    a. Diminishing MRTs
    b. Increasing MRTs
    c. Increasing return
    d. None of these

145. Isoquants are known as -----------
    a. Equal revenue curves
    b. Equal cost curves
    c. Equal product curves
    d. Indifference curve

146. Rectangular hyperbola is the shape of -----------
    a. TFC
    b. AFC
    c. FC
    d. MC

147. Monopsony market has
    a. One seller
    b. One buyer and a one seller
    c. One buyer
    d. None of these
148. Who wrote the famous book "Economics of Imperfect Competition"
   a. A. C Pigou
   b. E.H Chamerlin
   c. Mrs. Joan Robinson
   d. None of these

149. Which market situation is characterized by the existence of excess capacity
   a. Monopoly
   b. Oligopoly
   c. Monopolistic competition
   d. None of these

150. MC Curve should be kinked in ------------------
   a. Duopoly
   b. Monopoly
   c. Collusive oligopoly
   d. None of these

151. Which firm is a price maker
   a. Monopoly
   b. Duopoly
   c. Oligopoly
   d. Perfect competitive

152. A monopolist is a ----------------
   a. Price maker
   b. Price taker
   c. Oligopoly
   d. Price discrumater

153. The AR curve of a monopoly firm is -----------
   a. Positively sloped
   b. Downward sloping
   c. Vertical
   d. None of these

154. Under Monopoly MR Curve lies ----------------
   a. Above AR
   b. Parallel to AR
   c. Below AR
   d. None of these

155. Under perfect collusion price is determined by -----------
   a. In dusting
   b. Firms
   c. Leader firm
   d. Cartel

156. Cross elasticity of demand for the product is ------------------ or negative
   a. Zero
   b. One
   c. Infinite
   d. None of these

157. Efficient allocation of resources is likely to be achieved under
   a. Monopoly
   b. Perfect competition
c. Any market form
d. None of these

158. ______________ is the quantity of output a firm obtains in total from a given quantity of input
   a. TPP
   b. AP
   c. MP
   d. None of these

159. Law of diminishing Marginal Utility states that
   a. Total Utility diminishes with the consumption of every additional unit
   b. Utility always diminishes whether some thing is consumed or not
   c. Utility first increases and after that diminishes at every point
   d. The additional benefit which a person derives from a given increases of his stock of a thing diminishes with every increase in stock that already has.

160. A consumer reaches equilibrium at the point where
   a. MU=P
   b. MU<P
   c. MU>P
   d. TU=P

161. Cardinal measure of utility is required in ______________
   a. Utility theory
   b. Indifference curve
   c. Revealed preference
   d. None of these

162. Value and capital was written by ______________
   a. Veblen
   b. Paul Allen
   c. J. R Hicks
   d. H. Leibenstein

163. MRS<sub>XY</sub> is the slope of
   a. Demand Curve
   b. ISO Cost Line
   c. Indifference Curve
   d. None

164. P<sub>X</sub>/P<sub>Y</sub> is the slope of ____________
   a. Indifference Curve
   b. ISO Cost Line
   c. Demand Curve
   d. None

165. In case of Giffen goods, Price effect is_____________
   a. Negative
   b. Positive
   c. Zero
   d. None

166. If demand curve is vertical, then ep is equal to
   a. 0
   b. 1
c. 2
d. ∞

167. Cross elasticity of demand between tea and sugar is
   a. +ve
   b. −ve
   c. Zero
   d. None

168. Isoquants are also known as ________________
   a. Equal revenue curve
   b. Equal cost curve
   c. Equal Product curve
   d. Indifference curve

169. Rectangular hyperbola is the shape of __________
   a. TFC
   b. AFC
   c. FC
   d. MC

170. Normal profits are considered as ________________
   a. Explicit cost
   b. Implicit cost
   c. Social cost
   d. Private cost

171. In the short run, the monopolist __________
   a. Incurs a loss
   b. Breaks down
   c. Makes a profit
   d. Any of the above

172. Price discrimination is possible under ________________
   a. Monopoly
   b. Any market from
   c. Oligopoly
   d. Perfect competition

173. Under monopoly, supply curve is absent because __________
   a. Non entry for others
   b. Monopolist always makes profit
   c. MC=MR and MR<P
   d. None

174. MC curve should be kinked in ________________
   a. Duopoly
   b. Monopoly
   c. Collusive oligopoly
   d. None

175. Dominant price leadership is a ________________
   a. Discriminating monopoly
   b. Partial monopoly
   c. Full monopoly
   d. None

176. Law of Demand refers to
a. Price – Supply relationship  
b. Price cost relationship  
c. Price – Demand relationship  
d. Price – Income relationship

177. In a typical demand scheduled quantity demanded  
a. Varies inversely with price  
b. Varies proportionately with price  
c. Varies directly with price  
d. Is independent

178. Normally when price per unit of a good falls its  
a. Quantity demanded increases  
b. Quantity demanded decreases  
c. Quantity demanded remains constant  
d. None of these

179. A fall in price of a commodity leads to  
a. A shift in demand  
b. A fall in demand  
c. A rise in income of consumers  
d. A fall in consumer’s income

180. Demand schedule is shown as  
a. Result of increase in the size of the family  
b. A result of charge in state  
c. A function of price alone  
d. None of these

181. A typical demand curve cannot be  
a. Convex to the origin  
b. A straight line parallel to Y axis  
c. A straight line parallel to X axis  
d. Rising upward to the right

182. When the law of demand operates the demand curve  
a. Slopes downward from left to right  
b. Slopes upward from left to right  
c. Slopes upward from right to left  
d. Parallel to horizontal axis

183. Two goods are consumed simultaneously are  
a. Identical  
b. Complementary  
c. Substitutes  
d. None of these

184. Which of the following pairs of commodity is an example of substitutes?  
a. Coffee and milk  
b. Diamond and cow  
c. Pen and ink  
d. Mustard Oil and coconut oil

185. Bread and butter, lamb and mint sauce, illustrate the type of interrelated demand known as
a. Rival Demand  
b. Composite Demand  
c. Competitive Demand  
d. Joint Demand  

186. A commodity, the price of which has fallen but is expected to fall further, will present a demand curve  
a. Regressive at lower end  
b. Regressive at upper end  
c. Linked in the middle  
d. Downward sloping to right  

187. _______________ for a commodity is one that arises on its own out of a natural desire to consume  
a. Indirect demand  
b. Autonomous demand  
c. Individual demand  
d. None of these  

188. ______________ price leadership, an experienced firm assumes the role of protecting the interest of all firms  
a. Dominant  
b. Aggressive  
c. Barometric  
d. None of these  

189. ______________ is a market with only two sellers  
a. Monopoly  
b. Duopoly  
c. Oligopoly  
d. Duopoly  

190. Monopsony is a market situation under which there is a ______________ of a product  
a. Single seller  
b. Single buyer  
c. Single market  
d. None of these  

191. The price of Bata's shoe are fixed as 99.95, this is ______________ type of pricing  
a. Marketing Pricing  
b. Zone Pricing  
c. Psychological Pricing  
d. Dual Pricing  

192. The pricing followed by wholesalers and retailers  
a. Mark up rising  
b. Geographical Pricing  
c. Cost plus Pricing  
d. None of these  

193. ________________ refers to a group of products which have similar physical features  
a. Business line  
b. Product line  
c. Price line
194. Which is the better measure of welfare?
   a. National Income
   b. Per capita Income
   c. Gross National Product
   d. Per capita Disposable income

195. A demand function is said to be linear when the slope of the demand curve remains ___________ throughout its length
   a. Constant
   b. Highest
   c. Zero
   d. None of these

196. Elasticity of demand with respect to change in consumer’s ___________ is income elasticity
   a. Price
   b. Income
   c. Expectations
   d. Related goods

197. ____________ elasticity is a measure of the average of responsiveness of the quantity demanded to a substantial change in the price
   a. Arc
   b. Income
   c. Price
   d. None of these

198. \( \frac{2(PQ)}{2Q} = \) __________
   a. MR
   b. TR
   c. AR
   d. None of these

199. ____________ is an extension of the simple expert opinion poll method
   a. Delphi method
   b. Market Study method
   c. Survey method
   d. None of these

200. ____________ is a graphical tool of analysis used to explain laws of returns to scale
   a. Isoquant Curve
   b. Iso cost Curve
   c. MC curve
   d. None of these
<table>
<thead>
<tr>
<th></th>
<th>1. c</th>
<th>2. b</th>
<th>3. b</th>
<th>4. a</th>
<th>5. b</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.</td>
<td>c</td>
<td>7. c</td>
<td>8. c</td>
<td>9. c</td>
<td>10. c</td>
</tr>
<tr>
<td>11.</td>
<td>a</td>
<td>12. a</td>
<td>13. a</td>
<td>14. b</td>
<td>15. a</td>
</tr>
<tr>
<td>16.</td>
<td>a</td>
<td>17. c</td>
<td>18. c</td>
<td>19. b</td>
<td>20. b</td>
</tr>
<tr>
<td>21.</td>
<td>b</td>
<td>22. a</td>
<td>23 a</td>
<td>24. a</td>
<td>25. a</td>
</tr>
<tr>
<td>26.</td>
<td>a</td>
<td>27. b</td>
<td>28. a</td>
<td>29. a</td>
<td>30. c</td>
</tr>
<tr>
<td>31.</td>
<td>a</td>
<td>32 c</td>
<td>33. a</td>
<td>34. a</td>
<td>35. a</td>
</tr>
<tr>
<td>36.</td>
<td>c</td>
<td>37. a</td>
<td>38. c</td>
<td>39.d</td>
<td>40. a</td>
</tr>
<tr>
<td>41.</td>
<td>a</td>
<td>42. d</td>
<td>43. b</td>
<td>44. c</td>
<td>45. a</td>
</tr>
<tr>
<td>46.</td>
<td>c</td>
<td>47. a</td>
<td>48. a</td>
<td>49. a</td>
<td>50. c</td>
</tr>
<tr>
<td>51.</td>
<td>a</td>
<td>52. b</td>
<td>53. c</td>
<td>54. a</td>
<td>55. d</td>
</tr>
<tr>
<td>56.</td>
<td>b</td>
<td>57. a</td>
<td>58. a</td>
<td>59. b</td>
<td>60. a</td>
</tr>
<tr>
<td>61.</td>
<td>b</td>
<td>62. c</td>
<td>63. a</td>
<td>64. b</td>
<td>65. d</td>
</tr>
<tr>
<td>66.</td>
<td>a</td>
<td>67. c</td>
<td>68. c</td>
<td>69. d</td>
<td>70. c</td>
</tr>
<tr>
<td>71.</td>
<td>c</td>
<td>72. d</td>
<td>73. c</td>
<td>74. c</td>
<td>75. c</td>
</tr>
<tr>
<td>76.</td>
<td>b</td>
<td>77. b</td>
<td>78. d</td>
<td>79.a</td>
<td>80. b</td>
</tr>
<tr>
<td>81.</td>
<td>b</td>
<td>82. b</td>
<td>83. d</td>
<td>84. c</td>
<td>85. b</td>
</tr>
<tr>
<td>86.</td>
<td>a</td>
<td>87. b</td>
<td>88. a</td>
<td>89. a</td>
<td>90. a</td>
</tr>
<tr>
<td>91.</td>
<td>a</td>
<td>92. a</td>
<td>93. c</td>
<td>94. a</td>
<td>95. a</td>
</tr>
<tr>
<td>96.</td>
<td>b</td>
<td>97. a</td>
<td>98. b</td>
<td>99. a</td>
<td>100. b</td>
</tr>
<tr>
<td>101.</td>
<td>c</td>
<td>102. b</td>
<td>103. b</td>
<td>104. c</td>
<td>105. a</td>
</tr>
<tr>
<td>106.</td>
<td>b</td>
<td>107. b</td>
<td>108. a</td>
<td>109. a</td>
<td>110.b</td>
</tr>
<tr>
<td>111.</td>
<td>a</td>
<td>112.a</td>
<td>113. c</td>
<td>114.a</td>
<td>115.c</td>
</tr>
<tr>
<td>116.</td>
<td>c</td>
<td>117. b</td>
<td>118.c</td>
<td>119.a</td>
<td>120.c</td>
</tr>
<tr>
<td>121.</td>
<td>b</td>
<td>122. b</td>
<td>123.b</td>
<td>124.b</td>
<td>125.b</td>
</tr>
<tr>
<td>126.</td>
<td>d</td>
<td>127. c</td>
<td>128.c</td>
<td>129.c</td>
<td>130.c</td>
</tr>
<tr>
<td>131.</td>
<td>b</td>
<td>132. c</td>
<td>133.d</td>
<td>134.b</td>
<td>135.b</td>
</tr>
<tr>
<td>136.</td>
<td>c</td>
<td>137. b</td>
<td>138.b</td>
<td>139.b</td>
<td>140.b</td>
</tr>
<tr>
<td>141.</td>
<td>a</td>
<td>142. b</td>
<td>143.a</td>
<td>144.a</td>
<td>145.c</td>
</tr>
<tr>
<td>146.</td>
<td>b</td>
<td>147. b</td>
<td>148.c</td>
<td>149.c</td>
<td>150.c</td>
</tr>
<tr>
<td>151.</td>
<td>d</td>
<td>152. a</td>
<td>153.b</td>
<td>154.c</td>
<td>155.d</td>
</tr>
<tr>
<td>156.</td>
<td>a</td>
<td>157. b</td>
<td>158.a</td>
<td>159.d</td>
<td>160.a</td>
</tr>
<tr>
<td>161.</td>
<td>a</td>
<td>162. a</td>
<td>163.c</td>
<td>164.b</td>
<td>165.b</td>
</tr>
<tr>
<td>166.</td>
<td>a</td>
<td>167. b</td>
<td>168.c</td>
<td>169.b</td>
<td>170.b</td>
</tr>
<tr>
<td>171.</td>
<td>d</td>
<td>172. a</td>
<td>173.c</td>
<td>174.c</td>
<td>175.b</td>
</tr>
<tr>
<td>176.</td>
<td>d</td>
<td>177. a</td>
<td>178.b</td>
<td>179.a</td>
<td>180.d</td>
</tr>
<tr>
<td>181.</td>
<td>a</td>
<td>182. b</td>
<td>183.a</td>
<td>184.d</td>
<td>185.a</td>
</tr>
</tbody>
</table>