

BHMCT/Managerial Economics

Item Text	Option Text 1	Option Text 2	Option Text 3	Option Text 4
An example of macro economic concept can be	Company income statement	National income	Personal wealth of the general manager	Profit and loss statement of a firm
Managerial economics relies on data provided by	Geography	Political science	Statistics	Culture
Which of the following is not a subject matter of micro economics?	Theory of value	Theory of distribution	Welfare economics	Theory of Motivation
One of the limitation of micro economics is that	it allocates resources	it assumes Lassiez faire policy	it focuses on welfare	it makes production decision
If $E_d = \infty$ then demand would be	Relatively elastic	Inelastic	Perfectly elastic	Unit elastic
Demand cannot be classified as	Income demand	Individual demand	Cross demand	Super demand
Which of the following is NOT a method used to calculate elasticity of demand	Ratio method	credit method	Percentage method	total outlay method
According to law of diminishing marginal utility consumer wants to	maximize time	maximize utility	maximize consumption	maximize number of products
Quantity of goods offered for sale at a particular price at a certain period of time is known as	Quantity	Stock	Supply	Sale
Generally stock is	more than supply	less than supply	not related to supply	never sold
Increased Tax on a commodity _____ cost of production	Reduces	less cost	Increases	Reduces its price

BHMCT/Managerial Economics

Contraction of supply means	Reduction in consumption	Reduction in number of suppliers	Increase in supply	Fall in supply due to fall in price
Which is NOT an example of Fixed cost?	Rent	Raw material	Interest on capital	Salary
Marginal cost is	Cost of producing a lot of output	Total cost	Cost of producing an additional unit	Cost of raw material
In the long run, fixed cost becomes _____	Non – existent	Zero	Variable	Remains same like short run
The cost of one thing in terms of the alternative given up is known as:	Production cost	Physical cost	Real cost	Opportunity cost
The law of Variable proportion is a law which deals with short run factors were as Law of return to scale deals with ---	supply factor	utility factor	Long run factors	A' factor
In the short run when the marginal product is zero and total product is at	Remains constant	maximum level	Increase	First decreases and then constant
The law of returns to scale has three phases, which of the following is not included is	The law of increasing returns.	The law of constant returns	the Law of marginal utility	The law of decreasing returns
In production function TP is Total product, AP is average product and MP is	marginal promotion	marginal product	market product	Mean product