

- Q.4 When MU is positive, what happens to TU?
- It decreases
 - It becomes the highest
 - It remains constant
 - It increases
- Q.5 The slope of the indifference curve is equal to which of the following?
- One
 - Marginal utility
 - Marginal rate of substitution
 - None of the above
- Q.6 _____ refers to the cost which varies directly with the level of output.
- Variable cost
 - Explicit cost
 - Fixed cost
 - Total cost

SECTION-B

Note: Objective/Completion type questions. All questions are compulsory. (6x1=6)

- Q.7 The primary objective of managerial economics is to help managers make better decisions. True/False

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- Q.8 The law of demand states that as the price of a good or service increases, the quantity demanded of that good or service also increases. True/False
- Q.9 In a perfectly competitive market, there are many buyers and sellers, and firms can enter or exit the market without restriction. True/False
- Q.10 The law of diminishing marginal utility states that as a consumer consumes more of a good, the additional satisfaction they receive from each additional unit consumed will eventually decrease. True/False
- Q.11 An indifference curve shows the combinations of two goods that give a consumer the same level of utility or satisfaction. True/False
- Q.12 Marginal cost is the additional cost of producing one more unit of output, and is calculated as the change in total cost divided by the change in output? True/False

SECTION-C

Note: Short answer type questions. Attempt any eight questions out of ten questions. (8x4=32)

- Q.13 Write a short note on term utility.
- Q.14 Explain /increase and decrease of demand.
- Q.15 Discuss the roles of managerial economics.

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