

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Who is the writer of Wealth of Nation?	A. Marshall B. Adam Smith C. Robbins D. Keynes
2	Who is responsible for profit and loss in the business:	A. Capitalist B. Entrepreneur C. Labour D. Middleman
3	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
4	What is deducted from GNP to find GDP:	A. Depreciation allowance B. Net income received from abroad C. Indirect as D. Transfer payments
5	The quality of a commodity which satisfies the human wants:	A. Usefulness B. Loss C. Utility D. Return
6	What was the production of cotton in 2005-06?	A. 12.4million bales B. 16.2 millionbales C. 18.8 million bales D. 24.1 million bales
7	Marginal cost curve always intersects average cost curve at:	A. The maximum point B. The central point C. The minimum point D. The vertical point
8	In 2005-06, bajra was grown on 438 thousand hectares and its production in thousand tons was:	A. 190 B. 221 C. 350 D. 475
9	A tax on the accounting profits of corporations is known as:	A. Sales tax B. Excise tax C. Corporate income tax D. Personal income tax
10	Give the share of commodity producing the sector in the GNP in 2005-06?	A. 2.5 percent B. 4.3percent C. 3.8percent D. 7.2percent
11	Which sector contributed to 22 percent to GDP in Pakistan in 2005-06?	A. Services B. Transport C. Mining D. Agriculture
12	The economy gets prosperity during:	A. Recession B. Boom C. Depression D. Recovery
13	Which of the following is TRUE for a Giffen good?	A. Its marginal utility is zero B. Its demand curve is perfectly elastic C. Its substitution effect is positive D. Its demand curve is positively sloped
14	The elasticity of demand of durable goods is:	A. Zero B. More than unity C. Less than unity D. Equal to unity
15	The methods of measuring elasticity of supply are:	A. Three B. Two C. Four D. One

		D. Five
16	"Government collects zero revenue if the tax rate is 0% and if the tax rate is 100%." Which of the following best describes this statement?	A. Consumption curve B. Supply curve C. Laffer curve D. Investment curve
17	The production of gram in 2005-06, in thousand tons was:	A. 450 B. 500 C. 527 D. 750
18	Which of the following will be TRUE if real income rose and the interest rate fell following an increase in government purchases?	A. IS curve must be vertical B. LM curve must be vertical C. Central Bank must have increased the money supply at the same time D. Central Bank must have decreased the money supply at the same time
19	Under the kinked demand curve model, an increase in marginal cost will lead to:	A. An increase in output level and a decrease in price. B. A decrease in output level and an increase in price. C. A decrease in output level and no change in price. D. Neither a change in output level nor a change in price.
20	Consumer goods are those goods which are used by a man:	A. Directly B. Off and On C. Indirectly D. Never