

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	According to law of increasing return, marginal product:	A. Increases B. Decreases C. Remains constant D. None of these
2	During 2005-06 maize was grown on an area of 982 thousand hectares and its production was:	A. 3.5 million tones B. 4.2 million tones C. 5.2 million tones D. 6.7 million tones
3	In monopoly, which of the following is NOT true?	A. Products are differentiated B. <div>There is freedom of entry and exit into the industry in the long run</div> C. The firm is a price maker D. There is one main seller
4	Rent of building is included in:	A. Fixed cost B. Variable cost C. Marginal cost D. Selling cost
5	During 2005-06, the construction sector contributed 9.2 percent to GNP and the share of fishing was:	A. 9.2percent B. 4.4percent C. 1.9percent D. -3.6percent
6	International trade has the benefits:	A. One B. Three C. Two D. Unlimited
7	To find the profit maximizing level of output, a firm finds the output level where:	A. Price equals marginal cost B. Marginal revenue and average total cost C. Price equals marginal revenue D. None of the given options
8	The aggregate supply curve is the relationship between:	A. <div>The price level and the real domestic output purchased</div> B. <div>The price level and the real domestic output produced</div> C. <div>The price level which producers are willing to accept and the price level purchasers are willing to pay.</div> D. <div>The real domestic output purchased and the real domestic output produced.</div>
9	The growth rate of Sri-lanka in 2005-06?	A. 4.4 percent B. 5.9 percent C. 1.8 percent D. 7.5 percent
10	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
11	Reward for capital is called:	A. Rent B. Interest C. Wages D. Profit
12	When national income is increases:	A. Standard of living increases B. Standard of living decreases C. Remains same D. Bad thing
13	Consumer goods are those goods which are used by a man:	A. Directly B. Off and On C. Indirectly D. Never

14	Income elasticity show the relationship between:	A. Income and demand B. Income and consumption C. Income and price D. Income and saving
15	Ushri implies on:	A. Agricultural product B. Industrial product C. Agricultural & industrial product D. None of these
16	If we compare Gross Domestic Product (GDP) with Gross National Product (GNP) then:	A. $GNP = GDP - \text{Net income from abroad}$ B. $GNP = GDP + \text{Net income from abroad}$ C. $GNP = NNP - \text{Net income from abroad}$ D. $GNP = NNP + \text{Net income from abroad}$
17	A nation's balance of payments can be affected by changes in:	A. Foreign income B. The differential between domestic and foreign interest rates C. The real exchange rate D. All of the given options
18	Who is responsible for profit and loss in the business:	A. Capitalist B. Entrepreneur C. Labour D. Middleman
19	How many methods can be used for cultivation:	A. One B. Two C. Three D. Four
20	The GDP growth rate of agriculture sector in 2005-06 was:	A. 2.5 percent B. 4.3 percent C. 1.6 percent D. 9.3 percent