

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