

## NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The total cost (TC) function is given as: $TC = 200 + 5Q$ . What is the fixed cost?	A. 5Q B. 5 C. $5 + (200/Q)$ D. 200
2	The real exchange rate is defined as the:	A. Market exchange rate adjusted for prices B. Market exchange rate adjusted for interest rates C. Market exchange rate D. Exchange rate determined by the government
3	What was the number of buffaloes in 2005-06?	A. 12 million B. 28.4 million C. 34 million D. 40 million
4	The shape of AR and MR under perfect competition is:	A. Vertical B. U-shape C. Horizontal to ox-axis D. None of these
5	Who is the writer of Wealth of Nation?	A. Marshall B. Adam Smith C. Robbins D. Keynes
6	Rent of building is included in:	A. Fixed cost B. Variable cost C. Marginal cost D. Selling cost
7	Given the amount of gross fixed investment percentage of GDP during 2005-06.	A. 14.2 percent B. 18.4 percent C. 25.0 percent D. 26.6 percent
8	Reward the labour is:	A. Interest B. Wages C. Profit D. Rent
9	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
10	The quality of a good which satisfies a human want is called as:	A. Service B. Cost C. Utility D. None
11	What remains after deduction of direct taxes lions the personal income:	A. NNI B. DPI C. NDI D. GNP
12	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
13	Double counting in national income refers to:	A. Counting a product more than once B. Counting a product at the final stage of output process C. Counting both as product and as factor payment D. Counting both as real goods and as money flow
14	During 2005-06 maize was grown on an area of 982 thousand hectares and its production	A. 3.5 million tones B. 4.2 million tones

	was:	C. 5.2 million tones D. 6.7 million tones
15	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
16	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
17	International trade has the benefits:	A. One B. Three C. Two D. Unlimited
18	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
19	What was the contribution of the services sector to the GNP in FY 2005-06.	A. 9.2 percent B. 3.5 percent C. 8.8 percent D. 4.7 percent
20	Which of the following event will lead towards cost-push inflation and therefore stagflation?	A. An increase in taxes on individuals B. A decrease in real interest rates C. A union settlement that increases wage levels D. An increase in government purchases