

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Macro Economics was introduced by	A. Alfred Marshall B. J.M. Keynes C. N.W. Senior D. J.B. Clark
2	Under the kinked demand curve model, an increase in marginal cost will lead to:	A. <div>An increase in output level and a decrease in price.</div> B. <div>A decrease in output level and an increase in price.</div> C. <div>A decrease in output level and no change in price.</div> D. <div>Neither a change in output level our a change in price.</div>
3	What was the growth recorded by the manufacturing sector during 2005-06?	A. 4.2 percent B. 5.5 percent C. 7.3 percent D. 8.6 percent
4	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd
5	In the FY 2005-06 the GDP growth rate of Euro area was 1.3 percent, the developing nations 8.6 percent and the world was:	A. 3.5 percent B. 4.8 percent C. 4.5 percent D. 5.5 percent
6	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
7	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
8	Which of the following is true about supply curve under monopoly?	A. It is same as the competitive market supply curve B. It is the portion of marginal cost curve where marginal costs exceed the minimum value of average variable costs C. It is the result of market power and production costs D. None of the given statements is true
9	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
10	In 2005-06, the crop area of cotton was 3,096 thousand hectares and the crop area of rice was:	A. 2,620 B. 982 C. 8,303 D. 4,702
11	A market is said to be in equilibrium when:	A. Demand equals output B. There is downward pressure on price C. The amount consumers wish to buy at the current price equals the amount producers wish to sell at that price D. All buyers are able to find sellers willing to sell to them at the current price
12	Ushr implies on:	A. Agricultural product B. Industrial product C. Agricultural & industrial product

D. None of these

13 It is a Federal Tax:
A. Excise duty
B. Local Tax
C. Property Tax
D. None

14 The shape of AR and MR under perfect competition is:
A. Vertical
B. U-shape
C. Horizontal to ox-axis
D. None of these

15 As compared to existing firms, a new firm entering in monopolist market has:
A. High costs
B. Low costs
C. Equal costs
D. None of the given options

16 According to law of increasing return, marginal product:
A. Increases
B. Decreases
C. Remains constant
D. None of these

17 Name the water project to be completed in April 2009:
A. Gomal Zam Dam
B. Rainee Canal
C. Kachhi Canal
D. Mirani Dam

18 Which economist presented the Cardinal Theory of Utility:
A. Marshall
B. Canon
C. Kroose
D. J.B. Say

19 Give the share of commodity producing the sector in the GNP in 2005-06?
A. 2.5 percent
B. 4.3 percent
C. 3.8 percent
D. 7.2 percent

20 Canons of taxation describes:
A. Marshall
B. Keynes
C. Robbins
D. Adam Smith
