

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Welfare economics is the branch of economics which deals with:	A. Positive issues B. Normative issues C. Micro issues D. Macro issues
2	A firm is charging a different price for each unit purchased by a consumer. This is called:	A. First-degree price discrimination B. Second-degree price discrimination C. Third-degree price discrimination D. None of the given options
3	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
4	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
5	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output