

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The shape of AR and MR under perfect competition is:	A. Vertical B. U-shape C. Horizontal to ox-axis D. None of these
2	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
3	Marginal cost curve always intersects average cost curve at:	A. The maximum point B. The central point C. The minimum point D. The vertical point
4	Name the water project to be completed in April 2009:	A. Gomal Zam Dam B. Raineer Canal C. Kachhi Canal D. Mirani Dam
5	Average revenue is equal to:	A. Price B. Total revenue C. Marginal revenue D. Average cost
6	When price falls supply:	A. Expands B. Contracts C. Remains zero D. Becomes fixed
7	According to law of diminishing marginal utility, the marginal utility:	A. Increases B. Remains constant C. Diminishes D. Negative
8	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd
9	How much amount was allocated for Prime Minister's special initiative for livestock during 2005-06 ?	A. Rs. 672 million B. Rs. 812 million C. Rs. 1,696 million D. Rs. 2,400 million
10	What was the number of buffaloes in 2005-06?	A. 12 million B. 28.4 million C. 34 million D. 40 million
11	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
12	Welfare economics is the branch of economics which deals with:	A. Positive issues B. Normative issues C. Micro issues D. Macro issues
13	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
14	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
15	In inflation prices:	A. Increase B. Do not change C. Decrease D. None of these

		D. Become zero
16	A monopolistically competitive firm in short run equilibrium:	A. Will make negative profit (lose money). B. Will make zero profit (break-even) C. Will make positive profit D. Any of the given are possible.
17	The quality of a commodity which satisfies the human wants:	A. Usefulness B. Loss C. Utility D. Return
18	In 2005-06 the share of chemicals was 9.08 percent and the share of electricals was:	A. 4.6 percent B. 8.2 percent C. 11.78 percent D. 16.3 percent
19	What was the percentage in the production of cotton yarn during July-March 2005-06?	A. 11.1 percent B. 15.2 percent C. 17.6 percent D. 19.2 percent
20	If total expenditure decrease with the rise in prices elasticity of demand will be:	A. Equal to unity B. Less than unity C. Greater than unity D. Equal to zero