NAT II Management Science Economy

Sr	Questions	Answers Choice
1	The elasticity of demand of durable goods is:	A. Zero B. More than unity C. Less than unity D. Equal to unity
2	The price elasticity of demand measures the responsiveness of quantity demanded to:	A. Quantity demanded B. Quantity supplied C. Price D. Output
3	If money supply is fixed by the central bank then in interest rate money supply space, money supply curve will be:	A. Horizontal B. Vertical C. Negatively sloped D. Positively sloped
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	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
6	The supply of perishable goods is:	A. Fixed B. Variable C. Minor change D. Zero
7	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
8	Under the kinked demand curve model, an increase in marginal cost will lead to:	A. An increase in output level and a decrease in price. B. A decrease in output level and an increase in price. C. A decrease in output level and no change in price. D. Neither a change in output level our a change in price.
9	It is a Federal Tax:	A. Excise duty B. Local Tax C. Property Tax D. None
10	Who is responsible for profit and loss in the business:	A. Capitalist B. Entrepreneur C. Labour D. Middleman
11	"Government collects zero revenue if the tax rate is 0% and if the tax rate is 100%." Which of the following best describes this statement?	A. Consumption curve B. Supply curve C. Laffer curve D. Investment curve
12	Phases of trade cycle are:	A. One B. Three C. Two D. Four
13	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins D. Adam Smith
14	Personal income includes:	A. Direct taxes B. Indirect taxes C. Undivided profit D. Both 2nd and 3rd

15	Which Economists presented the law of diminishing marginal utility:	A. Robbins B. Malthus C. Adam Smith D. Marshall
16	In 2005-06 the real GDP growth of USA was 3.5 percent, of China 9.9 percent, Japan 2.7 percent, India 8.0 percent and of Pakistan was:	A. 6.6 percent B. 1.6 percent C. 4.6 percent D. 5.0 percent
17	What was the share of livestock to the GNP during 2005-06?	A. 4.7percent B. 6.5percent C. 3.5percent D. 8.0percent
18	In 2005-06, the crop area of sugarcane in thousand hectares was:	A. 540 B. 642 C. 756 D. 907
19	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
20	A monopolistically competitive firm in the long run equilibrium:	A. Will make negative profit. B. Will make zero profit. C. Will make positive profit D. Any of the given are possible.