

NAT II Management Science Economy

Sr	Questions	Answers Choice
1	Who is responsible for profit and loss in the business:	A. Capitalist B. Entrepreneur C. Labour D. Middleman
2	As more of a good is consumed, then total utility typically:	A. Increases at a decreasing rate. B. <div>Decreases as long as marginal utility is negative</div> C. <div>Decreases as long as marginal utility is positive</div> D. <div>Is negative as long as marginal utility is decreasing.</div>
3	The Kachhi Canal water project shall be completed in:	A. September 2008 B. June 2008 C. April 2009 D. December 2008
4	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
5	The interest rate parity is the basic identity that relates which of the following?	A. Interest rates and exchange rates B. Interest rates and inflation rate C. Exchange rates and inflation rate D. Discount rate and inflation rate
6	In inflation prices:	A. Increase B. Do not change C. Decrease D. Become zero
7	Who wrote "The Nature and Significance of Economics":	A. Adam Smith B. Marshall C. Robbins D. Keynes
8	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
9	What was the production of cotton in 2005-06?	A. 12.4million bales B. 16.2 millionbales C. 18.8 million bales D. 24.1 million bales
10	A monopolistically competitive firm in short run equilibrium:	A. <div>Will make negative profit (lose money).</div> B. Will make zero profit (break-even) C. Will make positive profit D. Any of the given are possible.
11	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
12	What is deducted from GNP to find GDP:	A. Depreciation allowance B. Net income received from abroad C. Indirect as D. Transfer payments
13	Canons of taxation describes:	A. Marshall B. Keynes C. Robbins

14 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

15 What was the number of buffaloes in 2005-06?

A. 12 million
B. 28.4 million
C. 34 million
D. 40 million

16 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

17 Inflation on prices:

A. Decrease
B. Remains constant
C. Increase
D. Become zero

18 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

19 Average revenue is equal to:

A. Price
B. Total revenue
C. Marginal revenue
D. Average cost

20 International trade has the benefits:

A. One
B. Three
C. Two
D. Unlimited
