

## Principles of Economics Icom Part 1 English Medium Chapter 9 Online Test

Sr	Questions	Answers Choice
1	Net national product is found by	<p>A. Subtracting tax from gross national product</p> <p>B. Subtracting transfer payments from gross national product</p> <p>C. Subtracting depreciation allowance from gross national product</p> <p>D. Subtracting subsidies from gross national product</p>
2	Oligopoly means:	<p>A. Single seller</p> <p>B. Two seller</p> <p>C. Multiple sellers</p> <p>D. Multiple buyers</p>
3	Which thing should be added in net national product to get gross national product	<p>A. Direct taxes</p> <p>B. Indirect taxes</p> <p>C. Depreciation allowance</p> <p>D. Subsidies</p>
4	Equilibrium level of national income means that point where	<p>A. Consumption = saving</p> <p>B. Consumption = investment</p> <p>C. Income = saving + investment</p> <p>D. Saving = Investment</p>
5	Because of increase in national income	<p>A. Standard of living rises</p> <p>B. Standard of living falls</p> <p>C. No change occurs</p> <p>D. None of three</p>
6	Which one of the following is not called Gross national product	<p>A. Economic national product</p> <p>B. Joint national product</p> <p>C. Composite national product</p> <p>D. All the three</p>
7	Which is subtracted from gross national product to find gross domestic product	<p>A. Depreciation allowance</p> <p>B. Net income received from foreign sources</p> <p>C. Indirect taxes</p> <p>D. Transfer payments</p>
8	Difference between total revenue and total cost presents:	<p>A. Price</p> <p>B. Profit</p> <p>C. Production</p> <p>D. Loss</p>
9	If we subtract direct taxes from personal income, we get	<p>A. Net national income</p> <p>B. Net domestic income</p> <p>C. Disposable personal income</p> <p>D. Personal savings</p>
10	Monopoly refers to:	<p>A. Single buyer</p> <p>B. Single seller</p> <p>C. Single producer</p> <p>D. Both b and c</p>
11	Net foreign income is	<p>A. Exports - imports</p> <p>B. Exports + imports</p> <p>C. Income received by exports</p> <p>D. Income received by imports</p>
12	Firms earn abnormal profit when:	<p>A. <math>AR = AC</math></p> <p>B. <math>AR &lt; AC</math></p> <p>C. <math>AR &gt; AC</math></p> <p>D. <math>AC = AR</math></p>
13	The income which a person can use according to his will is called	<p>A. Personal income</p> <p>B. Disposable personal income</p> <p>C. Net income</p> <p>D. Per capita income</p>
14	Which is not counted in national income	<p>A. Interests</p> <p>B. transfer payments</p> <p>C. Profits</p>

D. Kents

15	Disposable personal income means	A. Total of incomes B. Income of an industry after fulfilling all the needs C. After paying personal taxes, income of the people who provide factors of production D. Save income of a person after the payment of the taxes
16	Method of measuring national income	A. National income=Gross national product - depreciation allowance B. National income= Net national product - Indirect costs C. National income= Net national product + subsidies D. National income= Net national product - indirect taxes + subsidies
17	Concept of equilibrium level of national income in comprehensive way was presented by	A. Professor keynes B. Professor Marshall C. Professor hicks D. Professor Lipsay
18	Individual income means	A. Total of incomes received from any means by the people B. Total of incomes of entrepreneurs of the country C. Income of a particular person D. Income of a family
19	Duopoly refers to:	A. Single seller B. Two seller C. Multiple sellers D. Multiple buyers
20	Transfer payment means that income	A. Which can move from one place to order place i.g. money etc. B. Which is received without labour, e.g. Zakat, gift, pension etc C. Which is received after hardwork D. Which is received by exports