

## ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	Undistributed profits are considered.	A. Income earned but not received B. Income earned and received C. Income received but not earned D. None of the above
2	Circular flow of income links	A. Income expenditure B. Govt taxes govt expenditure C. Exports ,imports D. Saving and investment
3	National income is a measure of	A. The size of government revenue B. Payments made to factor of production C. Production of goods per day D. Total working hours
4	Which statement is true	A. National Income = National expenditure - indirect taxes B. $NI = GNP - NNP$ C. $NI = P1$ D. $NI = NNP - Indirect taxes$
5	Net Exports are	A. Total Exports plus total imports B. Total exports minus total imports C. Total exports divided by total imports D. Total imports minus total exports
6	Market value of all final goods and services produced in a country during a year is definition	A. GNP B. NNP C. NI D. Consumption
7	In terms of national income accounts, multiple counting refers to.	A. The addition to GNP of multiple units of a good B. Counting currently produced goods more than once C. The inclusion in GNP of gross spending and taxes D. Counting both goods and services
8	Transfer payments include.	A. Daily wages, pensions B. Pensions Zakat C. Taxes, pocket money D. Zakat , taxes
9	It is transfer payment	A. Payment of college tuition B. A social security payment C. Payment for a leased car D. Interest paid for a bank loan
10	When National income is estimated by expenditure method we include.	A. All govt expenditure B. All households expenditure C. All of the above D. All expenditure of the business sector
11	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
12	GNP is always.	A. Less than NNP B. Greater than NNP C. Equal to NNP D. Is found from NNP
13	It is counted in GDP	A. Sale price of an old car B. A TV set produced this year but not sold C. Purchase of 100 shares of PSO D. The leisure people consume
		A. Consumer goods

14	The goods which are used directly by the people are called.	B. Capital good C. Direct good D. None
15	Corporate tax is levied on	A. Landlords B. Importers C. Big companies D. Municipal corporations
16	Net investment is	A. Gross investment minus household investment B. Gross investment minus govt. investment C. Gross investment minus capital consumption allowance D. None of the above
17	Consumption spending does NOT include.	A. Household's purchases of clothes B. Household's purchase of a car C. Household's payment of rent for an apartment D. Household's purchase of shares of a business corporation
18	Total value of all final goods and services produced annually by a country.	A. NNP B. GNP C. GDP D. NI
19	GNP is	A. Total Sales in the economy B. Total monetary transactions in an economy C. Sum of market values of all goods and services produced in an economy D. Total spending in an economy
20	GNP includes	A. A Loan from a bank B. A loan from one's parents C. A broker's commission D. Gifts and donations