

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	Which of the following is a withdrawal from the circular flow of income stream.	A. Taxation B. Consumption C. Subsidies D. Investment
2	It increases rate of capital formation	A. Less saving B. New Technology C. Rapid Population growth D. High Interest
3	A bank has Rs5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits	A. 0 B. 5 m C. 10 m D. 25 m
4	An asset is liquid when it is	A. Being traded frequently B. Earning a good rate of return C. Is money or easily converted into money D. All of the above
5	Pakistan started its first five year plan in	A. 1947 B. 1950 C. 1955 D. 1960
6	Which of the following tax is best example of ability to pay principle of taxes	A. excise tax on cigarettes B. Highway tolltax C. Personal income tax D. Proportional sales tax
7	Contribution of Industrial sector in Pakistan economy is.	A. 24% B. 24% C. 14% D. Less than 10%
8	Country is poor if it has.	A. Less production of goods per capita B. Less amount of gold C. Less amount of foreign currency D. Less exports
9	Pakistan Started its planning experience with	A. Colombo plan B. Tokyo plan C. Karachi Plan D. London Plan
10	Government finance is called.	A. National finance B. Public finance C. Private finance D. a and b above
11	Pakistan Per capita income of constant prices in 2020 is in dollars	A. 1450 B. 2450 C. 4450 D. 6450
12	Foreign Trade are	A. Benefits developed countries B. Benefits underdeveloped countries C. Benefits all countries D. Benefits democratic countries
13	The share of 20% of population which forms the lowest income group gets share of Pakistan's national income as.	A. 6% B. 9% C. 12% D. 15%
14	Which is money	A. Cheque B. Credit card C. Currency D. Prize Bond
15	Nationalisation of banks was done in	A. 1974 B. 1976 C. 1978 D. 1980

D. 1980

16	It is assumption of quantity theory of money	<p>A. Velocity of circulation of money constant</p> <p>B. Affects only industrial sector</p> <p>C. Makes distribution of national income better</p> <p>D. Has no effect on distribution of income</p>
17	Our exportw mainly counsist of.	<p>A. Cotton Product</p> <p>B. Machinery</p> <p>C. Sports goods</p> <p>D. a and c above</p>
18	In circular flow model	<p>A. Govt. owns productive resources</p> <p>B. Firms own productive resources</p> <p>C. Households own productive resorces</p> <p>D. Rent of land is not included</p>
19	Central banks rate of lending to commericalbanks is called.	<p>A. Interest rate</p> <p>B. Discount rate</p> <p>C. Money rate</p> <p>D. Inflation rate</p>
20	The following is not a bank liability.	<p>A. Demand deposit</p> <p>B. Time deposit</p> <p>C. Loan</p> <p>D. Saving Deposit</p>