

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. Subsides D. Investment
2	It increases rate of capita 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 expence with	A. Colombo plan B. Tokyo plan C. Karachi Plan D. London Plan
10	Governmet finance is called.	A. National finance B. Public finance C. Private finance D. a and b above
11	Pakistan Per capita income of constnat prics 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. Credite card C. Currency D. Prize Bond
15	Nationalisation of banks was done in	A. 1974 B. 1976 C. 1978

16 It is assumption of quantity theory of money

A. Velocity of circulation of money constant
B. Affects only industrial sector
C. Makes distribution of national income better
D. Has no effect on distribution of income

17 Our exports mainly consist of.

A. Cotton Product
B. Machinery
C. Sports goods
D. a and c above

18 In circular flow model

A. Govt. owns productive resources
B. Firms own productive resources
C. Households own productive resources
D. Rent of land is not included

19 Central bank's rate of lending to commercial banks is called.

A. Interest rate
B. Discount rate
C. Money rate
D. Inflation rate

20 The following is not a bank liability.

A. Demand deposit
B. Time deposit
C. Loan
D. Saving Deposit
