

ICS Part 2 Economics English Medium Chapter 1 Online Test

Sr	Questions	Answers Choice
1	If indirect taxes are deducted from NNP and subsidies are added, we achieve	A. Personal savings B. DPI C. National Income D. Per capita income
2	The largest type of income in Pakistan is	A. Compensation of employees B. Rental income C. Proprietors income D. Corporate profits
3	Personal income includes.	A. Direct taxes B. Indirect taxes C. Depreciation D. None of the above
4	If $C = 200$ and $I = 40$ Then Y will equal	A. 160 B. 240 C. 200 D. 8000
5	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
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	To determine the correct level of GNP, it is necessary to.	A. Add up the values of goods and services during one year B. Add up all savings C. Count all imports D. Add up the value of semi finished goods
8	Which of the following would NOT be included in GNP	A. Govt. Transfer payments B. Govt. Purchase of an airplane C. Payment for construction of highway D. Salary paid for the president's secretary
9	It is avoided to make correct estimate of national income.	A. Free services B. Double counting C. Export earnings D. All of the above
10	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
11	Circular flow of income links	A. Income expenditure B. Govt taxes govt expenditure C. Exports, imports D. Saving and investment
12	It is considered as transfer payments	A. Salaries of govt employees B. Bonus of bank employees C. Inemployment allowance paid by govt D. Free medical care to offers.
13	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
		A. Less production of goods per capita

14	Country is poor if it has.	B. Less amount of gold C. Less amount of foreign currency D. Less exports
15	The goods which are used directly by the people are called.	A. Consumer goods B. Capital good C. Direct good D. None
16	Which is the largest figure	A. NNP B. GNP C. DPI D. PI
17	Govt. transfer payment include	A. Social security benefits B. Welfare benefits C. Student scholarships D. All of the above
18	GNP includes	A. A loan from a bank B. A loan from one's parents C. A broker's commission D. Gifts and donations
19	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
20	The largest part of national income goes to	A. Consumption B. Investment C. Saving D. Transfer payment