

ICS Part 2 Economics English Medium Online Test

Sr	Questions	Answers Choice
1	PI is equivalent to	A. DPI Minus personal taxes B. DIP Plus unearned receipts C. DPI Minus income earned but not received D. NI plus unearned receipts minus personal taxes
2	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
3	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
4	GNP includes	A. A loan from a bank B. A loan from one's parents C. A broker's commission D. Gifts and donations
5	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
6	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
7	It is deducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciation allowance D. Subsidies
8	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
9	Which is a flow concept.	A. Number of my shirts B. My monthly income C. My total wealth D. Money Supply
10	Which is the largest figure	A. NNP B. GNP C. DPI D. PI
11	There are methods of measuring national income	A. 5 B. 4 C. 2 D. 3
12	Which statement is true	A. National Income = National expenditure - indirect taxes B. $NI = GNP - NNP$ C. $NI = PI$ D. $NI = NNP - \text{Indirect taxes}$
13	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 of the above

		D. All expenditure of the business sector
14	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
15	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
16	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
17	Which statment is true	A. $NNP = GNP - Depreciation$ B. $NNP = N1$ C. $NNP = DPI$ D. $NNP = GNP + Depreciation$
18	We measure natonalincome by this method.	A. Expenditure method B. Income method C. Product method D. As of the above
19	The largest part of national income goes to	A. Consumption B. Investment C. Saving D. Transfer payment
20	If we deduct direct tax from personal income we get.	A. Net National income B. Disposable income C. Personal saving D. Per capital income