

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

Sr	Questions	Answers Choice
1	GNP includes	A. A Loan from a bank B. A loan from one's parents C. A brokers commission D. Gifts and donations
2	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
3	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
4	It is deducted from GNP to find NNP	A. Saving B. Direct taxes C. Depreciation allowance D. Subsidies
5	A TV set purchased from a retail store is an example of.	A. Final goods B. Surplus goods C. Capital goods D. Intermediate goods
6	Which is a flow concept.	A. Number of my shirts B. My monthly income C. My total wealth D. Money Supply
7	Which is the largest figure	A. NNP B. GNP C. DPI D. PI
8	There are methods of measuring national income	A. 5 B. 4 C. 2 D. 3
9	Which statement is true	A. National Income = National expenditure - indirect taxes B. $NI = GNP - NNP$ C. $NI = PI$ D. $NI = NNP - \text{Indirect taxes}$
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	Direct taxes are not included in	A. DPI B. PI C. NNP D. a and c above
12	Transfer payments means	A. Bank loans B. The payment without work C. Tax payments D. Payments made to all factors of production
13	Transfer payments means.	A. Bank loans B. The payment without work C. Payments made to all factors of production D. Tax payments
14	Which statement is true	A. $NNP = GNP - \text{Depreciation}$ B. $NNP = NI$ C. $NI = GNP - NNP$ D. $NI = PI$

C.  $NNP = DPI$   
D.  $NNP = GNP + \text{Depreciation}$

15 We measure national income by this method.

A. Expenditure method  
B. Income method  
C. Product method  
D. As of the above

16 The largest part of national income goes to

A. Consumption  
B. Investment  
C. Saving  
D. Transfer payment

17 If we deduct direct tax from personal income we get.

A. Net National income  
B. Disposable income  
C. Personal saving  
D. Per capital income