

BOARD OF INTERMEDIATE EDUCATION, KARACHI
INTERMEDIATE EXAMINATION, 2016 (ANNUAL)

Date: 04.05.2016
9:30 a.m. to 9:50 a.m.

ECONOMICS PAPER – II
(Science General Group)

Max. Marks: 20
Time: 20 minutes

The correct answers are highlighted in red colour.

SECTION 'A'
MULTIPLE CHOICE QUESTIONS – (M.C.Qs.)

Code No: EC-01

Write this Code No. in the Answerscript.

NOTE:

- i) This section consists of 20 part questions and all are to be answered. Each question carries one mark.
- ii) Do not copy the part questions in your answerbook. Write only the answer in full against the proper number of the question and its part.
- iii) The code of your question paper is to be written in bold letters in the beginning of the answerscript.

1. Choose the correct answer for each from the given options:

- i) National Income does not include:

* Profit and Rent	* Wages and Salaries
* Interest and Capital	* Transfer payments
- ii) Reward of capital is/are:

* Profit	* Rent	* Wages	* Interest
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- iii) Reward of this factor of production is not pre-determined:

* Labour	* Capital	* Land	* Entrepreneur
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- iv) The Geographical mobility of this factor of production is not possible:

* Labour	* Land	* Capital	* Organization
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- v) The Theory of Rent was presented by:

* Adam Smith	* Prof. Marshall	* Prof. Robbins	* Ricardo
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- vi) During inflation:

* Prices are increased	* Poverty is decreased
* Purchasing power is increased	* Production is increased
- vii) The law of Increasing returns is also called the Law of:

* Increasing cost	* Decreasing cost	* Marginal cost	* Constant cost
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- viii) This is not the function of a commercial bank:

* Accepting deposits	* Advancing loans
* Services of agencies	* Issuing of currency
- ix) This is not an indirect tax:

* Excise duty	* General sales tax	* Custom duty	* Income tax
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- x) The central bank follows this policy for the stabilization of general price level in the country:

* Fiscal policy	* Monetary policy
* Commercial policy	* Administrative policy
- xi) The maximum ratio of non-developmental expenditure of federal government is on:

* Defence	* Education	* Debt service	* Law and order
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- xii) The State Bank of Pakistan was established in:

* 1947	* 1948	* 1949	* 1950
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- xiii) The income which indicates the living standard of the people of a country is known as:

* Personal income	* Per capita income
* Disposable personal income	* Net national income
- xiv) Banking activities in Pakistan are controlled by the:

* National Bank of Pakistan	* Finance Ministry
* Secretary of Finance	* State Bank of Pakistan
- xv) In Pakistan, Commercial Banks were nationalized on:

* 1 st Jan. 1972	* 1st Jan. 1974	* 1 st Jan. 1976	* 1 st Jan. 1978
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- xvi) The payment of Zakat is compulsory for every:

* Rich person	* Muslim	* Citizen	* Sahib-e-Nisab Muslim
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- xvii) If estimated revenue of a budget is greater than the expenditure, it is a:

* Balanced budget	* Surplus budget	* Deficit budget	* Unbalanced budget
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- xviii) The Agricultural Development Bank of Pakistan was established in:

* 1954	* 1961	* 1973	* 1981
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- xix) The rate of Zakat is:

* 1.5%	* 2.5%	* 3.5%	* 4.5%
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- xx) The fiscal year of Pakistan starts from:

* 1 st January	* 1 st June	* 1st July	* 1 st December
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