

BOARD OF INTERMEDIATE EDUCATION, KARACHI

INTERMEDIATE EXAMINATION

MODEL PAPER 2026

ECONOMICS PAPER – II

Max. Marks: 80

(Science General and Humanities Groups – Regular & Private Group) Time: 2 hours 40 minutes

SECTION ‘B’

(SHORT-ANSWER QUESTIONS) (Marks: 40)

MACRO ECONOMICS (20 Marks)

2. Answer any **Four** of the following part questions. All part questions carry equal marks.

- i) Calculate NNP and NI, if GNP is Rs.50,000, depreciation cost is Rs.5,000, indirect tax is Rs.20,000 and subsidies are Rs.10,000.
- ii) Define Barter System. Enlist its problems.
- iii) State the functions of the Central Bank.
- iv) Differentiate between Private Finance and Public Finance.
- v) Explain the Quantity Theory of Money.
- vi) Differentiate between Domestic Trade and International Trade.

PAKISTAN ECONOMICS (20 Marks)

3. Answer any **Four** of the following part questions. All part questions carry equal marks.

- i) Describe any three functions of State Bank of Pakistan.
- ii) State the significance of roads in the economic development of Pakistan.
- iii) What are the causes of inflation in Pakistan?
- iv) Name the various means of Transportation and Communication in Pakistan.
- v) State the problems of Cottage industries in Pakistan.
- vi) Describe the Economic significance of Zakat.

SECTION ‘C’

(DETAILED-ANSWER QUESTIONS) (Marks: 40)

MACRO ECONOMICS (20 Marks)

Note: Answer any **One** of the following questions. All questions carry equal marks.

4. a) Define National Income.
b) Describe various concepts of National Income.
5. a) Differentiate Direct Tax and Indirect Tax.
b) Describe the merits and demerits of Indirect Tax.

PAKISTAN ECONOMICS (20 Marks)

Note: Answer any **One** of the following questions. All questions carry equal marks.

6. a) Differentiate Balance of Trade and Balance of Payment.
b) What are the causes of unfavourable balance of payment of Pakistan?
7. a) Explain the objectives of economic planning in Pakistan.
b) Describe the significance of exports in the economic development of Pakistan.

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INTERMEDIATE EXAMINATION

MODEL PAPER 2026

ECONOMICS PAPER – II

Max. Marks: 20

(Science General and Humanities Groups – Regular & Private Group)

Time: 20 minutes

SECTION ‘A’

(MULTIPLE CHOICE QUESTIONS – M.C.Qs.)

(Marks : 20)

NOTE:

- i) This section consists of 20 part questions and all are to be answered. Each part question carries 1 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.

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

- i) This is not a function of the National Bank of Pakistan:
* Advancement of loans * Receipts of deposits
* Transference of money * Issuance of currency
- ii) Balance of Payment includes:
* Visible items only * Invisible items only
* both Visible and Invisible items * Services
- iii) The rate of Zakat is:
* 2.5% * 3.5% * 4.5% * 7.5%
- iv) The Quantity theory of Money was presented by:
* Marshall * Keynes * Fisher * Ricardo
- v) During inflation:
* Price rises * Purchasing power increases
* Poor becomes rich * Standard of living rises
- vi) Issuance of currency notes in Pakistan is the function of the:
* Planning Commission * State Bank of Pakistan
* Commercial Banks * National Bank of Pakistan
- vii) The most important source of government revenues is:
* Fees * Prices * Taxes * Royalties
- viii) Net National Product is equal to:
* GNP – Direct Tax * GNP – Subsidies
* GNP – Depreciation * GNP – Indirect Tax
- ix) The reward of land is:
* Profit * Rent * Wage * Interest
- x) This is not a function of money:
* Determination of Interest rate * Store of Value
* Standard of Value * Medium of Exchange
- xi) State Bank of Pakistan was established in the year A.D.:
* 1947 * 1948 * 1949 * 1950
- xii) ‘CPEC’ stands for:.
* China – Pakistan Education Control * China – Pakistan Energy Commission
* China – Pakistan Economic Corridor * China – Pakistan Economic Corporation
- xiii) The largest seaport of Pakistan is:
* Karachi * Gawadar * Bin Qasim * Kaiti Bandar
- xiv) The Second Five year Plan was, on the whole, considered:
* a failure * a success * encouraging * discouraging
- xv) This not an indirect tax:
* Income tax * Sales tax * Custom duty * Excise duty
- xvi) The Canons of Taxation were presented by:
* Adam Smith * Marshall * Robbins * Keynes
- xvii) Credit Control is the responsibility of:
* Industrial Bank * Central Bank
* Commercial Bank * Agriculture Bank
- xviii) Extensive cultivation is possible in countries where land is:
* Abundant * Scarce * Very fertile * Barren
- xix) This not a problem of barter system:
* lack of double coincidence * lack of deferred payment
* lack of measure of value * Divisibility of goods
- xx) Pakistan gets major portion of its income from export of:
* Cotton and its product * Rice
* Sports goods * Leather and its products

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