

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

Date: 11.05.2016  
2:30 p.m. to 2:50 p.m.

PRINCIPLES OF COMMERCE PAPER II  
(BANKING)  
(Commerce Group – Regular & Private)

Max. Marks: 16  
Time: 20 minutes

The correct answers are highlighted in red colour.

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

Code No:POC-07  
Write this Code No. in the Answerscript.

- NOTE:**
- i) This section consists of 16 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) The bank which is not registered with the central bank is called:  
\* Statutory Bank \* **Non-scheduled Bank**  
\* Commercial Bank \* Scheduled Bank
- ii) Bank can pay this cheque to anyone:  
\* **Bearer cheque** \* Cross cheque \* Stale Cheque \* Order cheque
- iii) Notice must be served in case of dishonour of:  
\* Cheque \* Promissory note \* **Bill of Exchange** \* Letter of Credit
- iv) The overdraft facility only provided on:  
\* Basic Banking Account \* Saving Account  
\* **Current Account** \* Fixed Deposit Account
- v) Rediscounting of bills of exchange is a function of:  
\* Schedule Bank \* Commercial Bank \* Exchange Bank \* **Central Bank**
- vi) The first ever regular bank in banking history was the:  
\* Bank of England \* Bank of America  
\* **Bank of Venice** \* Bank of Barcelona
- vii) The Letter of credit is a/an:  
\* **Request** \* Order \* Promise \* Agreement
- viii) The usual numbers of parties involved in a cheque is:  
\* Two \* **Three** \* Four \* Five
- ix) This is not a credit instrument:  
\* Cheque \* Promissory note \* Bill of Exchange \* **Postal order**
- x) The name of the first central bank in the world is the:  
\* **Bank of England** \* Bank of Scotland  
\* Bank of Amsterdam \* State Bank of Pakistan
- xi) Personal identification number is used for:  
\* **ATM Card** \* Credit Card \* Bank Loan \* Paying Tax
- xii) Difference of visible imports and exports is called:  
\* Balance of Payment \* Adverse Balance of Payment  
\* Adverse Balance of Trade \* **Balance of Trade**
- xiii) Drawee of cheque is:  
\* Drawer \* Bank \* Endorser \* **Payee**
- xiv) Pay-in-slip is used for:  
\* Withdrawal of Cash \* Getting Loan \* Granting Loan \* **Depositing Cash**
- xv) In endorser only signs on the back of negotiable instrument, it is called:  
\* Restrictive endorsement \* **Blank endorsement**  
\* Special endorsement \* Conditional endorsement
- xvi) A bill of exchange is:  
\* **Unconditional order** \* A conditional order  
\* Unconditional promise \* Conditional promise