

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-10

- 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.

Write this Code No. in the Answerscript.

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

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