

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-13
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 Letter of credit is a/an:
* **Request** * Order * Promise * Agreement
- ii) The usual numbers of parties involved in a cheque is:
* Two * **Three** * Four * Five
- iii) This is not a credit instrument:
* Cheque * Promissory note * Bill of Exchange * **Postal order**
- iv) 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
- v) Personal identification number is used for:
* **ATM Card** * Credit Card * Bank Loan * Paying Tax
- vi) Difference of visible imports and exports is called:
* Balance of Payment * Adverse Balance of Payment
* Adverse Balance of Trade * **Balance of Trade**
- vii) Drawee of cheque is:
* Drawer * Bank * Endorser * **Payee**
- viii) Pay-in-slip is used for:
* Withdrawal of Cash * Getting Loan * Granting Loan * **Depositing Cash**
- ix) In endorser only signs on the back of negotiable instrument, it is called:
* Restrictive endorsement * **Blank endorsement**
* Special endorsement * Conditional endorsement
- x) A bill of exchange is:
* **Unconditional order** * A conditional order
* Unconditional promise * Conditional promise
- xi) The bank which is not registered with the central bank is called:
* Statutory Bank * **Non-scheduled Bank**
* Commercial Bank * Scheduled Bank
- xii) Bank can pay this cheque to anyone:
* **Bearer cheque** * Cross cheque * Stale Cheque * Order cheque
- xiii) Notice must be served in case of dishonour of:
* Cheque * Promissory note * **Bill of Exchange** * Letter of Credit
- xiv) The overdraft facility only provided on:
* Basic Banking Account * Saving Account
* **Current Account** * Fixed Deposit Account
- xv) Rediscounting of bills of exchange is a function of:
* Schedule Bank * Commercial Bank * Exchange Bank * **Central Bank**
- xvi) The first ever regular bank in banking history was the:
* Bank of England * Bank of America
* **Bank of Venice** * Bank of Barcelona