

Economics - ICom Part 2 Principles of Economics Chapter 3 Short Questions Preparation

Q1. When did the govt of Pakistan issue ordianne of nationalization of banks.

Ans 1: On 31st Decemebr 1973

Q2. Which bank have been privatized from the nationalized banks.

Ans 1: 1- Habib Nnak Limited 2- United Bank Limited
3- Muslim Commercial bank limited 4- Allied bank limited

Q3. What is saving deposit.

Ans 1: Some people deposti their small saving with the bank which are called saving deposits. Depostiors cna drasw money at the time of need . Money cna be drawn from saving deposits upto a certain limit twice a week.

Q4. Write functions of a commercial bank.

Ans 1: 1- Accepting depostis of the people 2- Advancing loans to needy people

Ans 2: 3- Discounting bills of exchange
4- Transfer of money form one place to another.

Ans 3: 5- Performing agency services 6- Guardian of precious articles

Ans 4: 7- Direct investment

Q5. Define bank in the words of Prof. Renalds.

Ans 1: "Banks deals in mney rathr it is more appropriate to say that they deal in the transaction of loans.

Q6. What is over draft and banking system.

Ans 1: The amount of money which a bank allows its customer to draw over and above his own deposit is called over draft in banking system.

Q7. Which bank is now a govt. bank from teh nationalized banks.

Ans 1: National Bank Of Pakistan

Q8. What are profit.

Ans 1: In Islam interest is prohibited. So, the Islamic countries where interest-free banking is in operation, banks accept profit and loss sharing deposits instead of saving deposits.

Q9. What are non-scheduled banks.

Ans 1: These are the banks which have started their business without the permission of the central bank. No limit of their capital is fixed. They can start their business with the amount of capital they desire. They are not registered with the central bank and are not bound to deposit any proportion of their deposits. The central bank also does not help or guide them. In Pakistan, cooperative banks are of this type of bank.

Q10. Write kinds of commercial bank.

Ans 1: 1- Scheduled bank 2- Non-Scheduled bank
