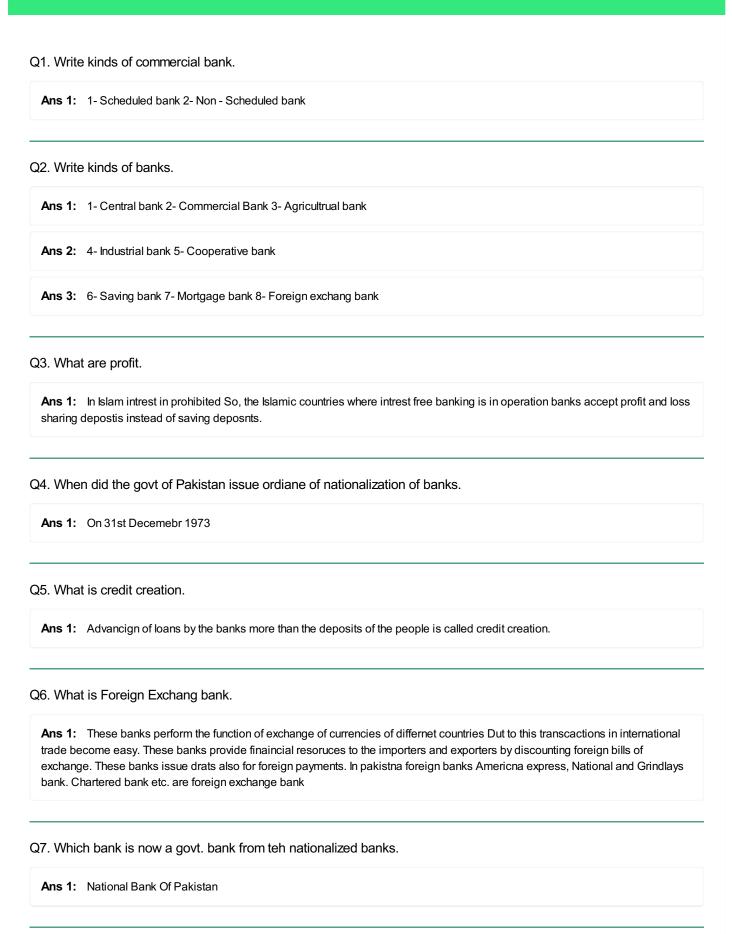


## Economics - ICom Part 2 Principles of Economics Chapter 3 Short Questions Preparation



- Q8. 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.
- Q9. 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.
- Q10. What are non -scheduled banks.

**Ans 1:** Thse are the banks which have started their business without the permission of centralbank. No limit of their capital is fixed. They cna stat 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. Central bank also does not help or guide them In pakistan, ccoperative baks are of this type of bank.