# Economics - ICS Part 1 Economics English Medium Chapter 13 Short Questions Test

Q1. Whom Khushiali bank estblished.

**Ans 1:** Khushali bank is a microfiance poor bank esbished by Federal Govt. in 2000 as part of Govt.

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Q2. What is RIBA

**Ans 1:** In Islamic terminology interest is called RIBA

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Q3. Define Salam

**Ans 1:** Salam means a contract in which advance payment is made for goods to be delivered later on.

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Q4. What is Mark up.

**Ans 1:** In this method of lonas a bank purchases goods from a client and after some period sells the same goods back to the client at a higher agreed price.

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Q5. What is primary function.

**Ans 1:** Include issue of notes, regulation and supervision of the financial system bankers bank, lender of the lasst resort, banker to Govt. and conduction monearty policy.

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Q6. What is policy rate.

**Ans 1:** The discount rate is also called policy rate beacuse this rate indicates the direction in which state bank wants to act .

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Q7. Whom State bank is established.

**Ans 1:** It was established in 1948

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Q8. What is Equity Capital.

**Ans 1:** The share capital is called equity capital of the firm

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Q9. What is Bai Mjajjal

**Ans 1:** Bai Muajjal means a credit sale,it is a contractin which the bank earns a profit margin on his purchase price and allows the buyer to pay the price of the ocmmodity at a future date.

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Q10. What is Musharkah.

**Ans 1:** Musharkakh is contract for some joint business in which the Islamic bank and some oter party jounty povide funds and share profits and losses .

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