

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

Q1. Define Capital Market.

Ans 1: It is a market in which long-term financial instruments which usually mature in more than one year are traded.

Q2. Whom Khushali bank established.

Ans 1: Khushali bank is a microfinance poor bank established by Federal Govt. in 2000 as part of Govt.

Q3. What is RIBA

Ans 1: In Islamic terminology interest is called RIBA

Q4. What is primary function.

Ans 1: Include issue of notes, regulation and supervision of the financial system bankers bank, lender of the last resort, banker to Govt. and conduct monetary policy.

Q5. What is Mudarabah.

Ans 1: A form of partnership where one party provides the funds while the other provides expertise and management.

Q6. What is PLS deposit.

Ans 1: Pakistan bank maintain PLS account, instead of interest, the depositors, share profit with the banks.

Q7. What is Ijarah.

Ans 1: A contract or lease under which an Islamic bank provide equipment building or other assets to the client against an agreed rental together with undertaking that at the end of lease period.

Q8. What is non-traditional or promotional functions.

Ans 1: Include development of financial framework in Pakistan, training of bankers, provision of credit to priority sectors like agriculture, directing the process of Islamization of banking system.

Q9. Whom State bank is established.

Ans 1: It was established in 1948

Q10. What is secondary function.

Ans 1: Include the agency functions like management of public debt and foreign exchange . The bank maintains close relationship with internal functional institutions.
