

**Class: XII****Time Allowed: 20 minutes****MODEL PAPER EXAMINATION 2025****SUBJECT: BANKING****(SECTION "A")****Marks: 15****Note:** Attempt **ALL** question from this section. Each question carries **ONE** mark

1. A Bank is a financial institution that gets loans to _____.
 A. Spend B. Lend C. Save money D. None of these
2. Banks which originally acted as public company, but later were taken up by the government are _____ banks.
 A. Partnership B. Private C. Chartered D. Nationalized
3. Banks form Capital by _____.
 A. Receiving deposits B. Providing agency services C. Advancing loans D. None of these
4. _____ account is opened for a definite period of time without the expiry of which, the amount cannot be withdrawn.
 A. Current B. Savings C. Fixed Deposit D. Home savings
5. _____ controls and regulates the credit money in the country.
 A. Commercial Banks B. Central Bank C. Agricultural bank D. All of these
6. When a cheque bears the name of the receiver of cash, it is called _____ cheque.
 A. Bearer B. Order C. Cross D. None of these
7. A Bill of exchange is an order of payment by the _____.
 A. Drawer B. Drawee C. Acceptor D. None of these
8. When you use a credit card, you _____ money from the credit card company.
 A. Lend B. Borrow C. Steal D. None of these
9. A _____ is a pledge to repay money.
 A. Bill of exchange B. Cheque C. Promissory note D. None of these
10. A _____ is issued by a bank and is used with a Bill of exchange.
 A. Promissory note B. Cross Cheque C. Pay order D. Letter of credit
11. When a bank advances loans against pledge, mortgage or collateral securities, they are known as _____ loans.
 A. Risky B. Secured C. Non-secured D. None of these.
12. The outflow of foreign exchange brings a _____ balance of payment.
 A. Negative B. Positive C. Favorable D. None of these
13. Under _____, money can be transferred by a bank from one city or country to another in the shortest possible Time.
 A. Demand Draft B. Telegraphic Transfer C. Bill of exchange D. All of these
14. The main objective of this bank is to promote the agricultural development of Pakistan.
 A. PICIC B. IDBP C. ADBP D. NIT
15. _____ promotes international monetary cooperation, encourages expansion of trade and economic growth, and discourages policies that would harm prosperity among its member countries.
 A. IMF B. IFC C. IDA D. None of these

END OF SECTION A



Class: XII

MODEL PAPER EXAMINATION 2025

Time: 2 hours 40 minutes SUBJECT: BANKING (SECTION "B" AND SECTION "C")
SECTION "B" (SHORT ANSWER QUESTIONS)Total Marks 60
30 Marks

Q2:

Note: Attempt any **SIX** from this section. Each question carries **FIVE** marks

1. Give three differences between agricultural bank and industrial bank.
2. List the facilities provided by central bank to scheduled banks.
3. Describe life insurance companies.
4. List the essentials of Bill of exchange.
5. Define debit card, and what are its advantages.
6. Describe any three kinds of letter of credit.
7. Distinguish between balance of trade and balance of payment.
8. Briefly explain the functions of International Monetary Fund (IMF).
9. List the 5Cs of credit control.

SECTION "C" (DETAILED ANSWER QUESTIONS)

30 Marks

Q3:

Note: Attempt any **TWO** of the following. Each question carries **FIFTEEN** marks

1. Explain the kinds of banks by functions and ownership.
2. Define bank funds, and explain the principles of employing bank funds.
3. Define exchange control and its aims. Explain the control devices used to control foreign exchange.

END OF PAPER