

Principles of Banking ICOM Part 2 English Medium Chapter 2 Online Test

Sr	Questions	Answers Choice
1	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of the above
2	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
3	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
4	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account D. All of the above
5	Which is teh secondary function of commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. All of these
6	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
7	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
8	The forms of cash reserve of commercial bank:	A. Cash in hand B. Reserve with central bank C. Recievable from other banks D. All of the above
9	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
10	Which of the followig is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
11	Which amount is available for salaried and low income persons:	A. Current account B. Saving account C. Fixed deposit D. All of the above
12	A commercial bank keeps less cash reserve if:	A. Cheque is used in most of the transactions B. Cheque house facility is available C. Rediscounting facility is available D. All of the above
13	While deposting money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these
14	The current account nd saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these
15	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All of these

		D. All the above
16	Banking companies ordinance is	A. 1962 B. 1984 C. 1932 D. 1694
17	Which is the secondary function of a commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. all of these
18	If the rate of interest (profit) on the bank deposits is higher then the banks keep:	A. Less cash reserve B. Less margin rate C. More cash reserve D. None of the above
19	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
20	Bank draft is issued by the bank when the debtor and creditor belongs to.	A. To different cities/Country B. With in same city C. Two different families D. All these