

## Principles of Banking Icom Part 2 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	State Bank of Pakistan Act is	A. 1932 B. 1962 C. 1984 D. 1997
2	The Bank are called Scheduled Bank which are registered with the.	A. Central Bank B. world Bank C. Bank of England D. All the above
3	Important functions of a central bank:	A. To issue currency notes B. To provide banking facilities to government C. To advise commercial banks D. All of the above
4	Non -Scheduled bank menas a bank which is not registred with.	A. Stock Exchange B. World Bank C. Central Bank D. Scheduled bank
5	Under fixed fiduciary system, if notes are issued in excess of fiduciary limit then how much value of precious metal or foreign exchange is kept as reserve for over issue	A. 5% B. 10% C. 30% D. 100%
6	Scheduled Banks can keep his toll assets outside the country.	A. 80% B. 60% C. 40% D. 20%
7	If the quaty of money in circulation increases then this situation is called:	A. Inflation B. Deflation C. Money market D. All of the above
8	Central Bank provide the facility to Scheduled Banks.	A. Rediscounting Bills B. Clearing House C. Transfer of Money D. All the above
9	Which is the quantitative method of credit control	A. Change in reserve ratio B. Change in margin requirement C. Selective control D. Publicity
10	If credit money is controlled by the sale and purchase of government securities, it is called	A. Direct action B. Moral persuasion C. Change in reserve ration D. Open market operation
11	The document acquire to convert non -scheduled into scheduled bank	A. Prospectus B. Debentures C. By laws copy D. Audited Annual Report
12	Which method or methods are prevailing in Pakistan for issuing notes	A. Fixed Fiduciary System B. Proportional Reserve System C. Both a and b D. None of the these
13	What is meant by margin requirement	A. To advance loan less than the value of security B. To give less amount as interest than the amount of loan C. To advance more loan than the value of security D. To advance loan equal to the value of security
14	Central bank bank supervises one of the following systems of a country:	A. Provincial B. Political C. Economical and financial D. None of the above

---

15	The institution responsible for the contraction and expansion of money in the best interest of general public is called:	A. Commercial bank B. Clearing house C. Central bank D. Chamber of commerce
16	Scheduled Banks are registered under state bank act.	A. 1956 B. 1984 C. 1962 D. 1932
17	Pakistan's central bank was established in:	A. 1947 B. 1948 C. 1949 D. 1950
18	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
19	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
20	Central bank is owned by	A. Public B. Government C. Commercial banks D. All of the above

---