

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

Sr	Questions	Answers Choice
1	Money market is a market of loans for	A. Short term B. Medium term C. Long term D. All the above
2	Written instrument by one bank to another bank.	A. Bill of exchange B. Draft C. Bearer cheque D. None of these
3	The leader of capital market in Pakistan.	A. Central bank B. Government C. Commercial Banks D. None of these
4	Account Suitable for business woman	A. Current Account B. Saving account C. Fixed deposited account D. All these
5	Pay Order is issued by the bank when the debtor and creditor belongs to.	A. Two different cities B. With in same city C. Two different counties D. All these
6	Foreign exchange control reduces the	A. Circulation of capital B. Export of capital C. Import of capital D. None of the above
7	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
8	For commercial banks " Advancing loans' are.	A. Assets B. Liabilities C. Expenses D. All of these
9	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above
10	The document acquire to convert non -scheduled into scheduled bank	A. Prospectus B. Debentures C. By laws copy D. Audited Annual Report
11	Scheduled Bank Can be registered under SBP Act.	A. 1956 Sec. 38 (1) B. 1957 Sec. 37 (1) C. 1956 Sec. 137 (1) D. 1956 Sec. 43(1)
12	Which bank does keep the precious articles of public into its custody	A. Central bank B. Industrial bank C. Commercial bank D. None of these
13	Who can issue participation term certificates.	A. Firm B. Company C. Cooperative society D. All of these
14	Running Finance is also known as.	A. Saving Account B. Current Account C. Overdraft D. Fixed Account
15	The signature of the following is compulsory on B/E:	A. Bank B. Drawee C. Drawer D. Both (B) & (C)

16	What is the nature of credit instrument IOU	A. An autograph B. A monograph C. A holograph D. A sonograph
17	Joint Stock Company can open only.	A. Fixed deposited account B. Saving account C. B.B.A . Account D. Current account
18	Specialized credit institutions includes.	A. BEL B. NIT C. ICP D. All of these
19	In case of inflation in the country, the rate of margin is:	A. Increased B. Reduced C. Waived D. All of the above
20	A form of written agreement between the customer and his bank is.	A. Cheque book B. Bank Statement C. A/c opening form D. Pass book
21	According to registration , bank is divided into followings categories:	A. Home and foreign bank B. Central and commercial bank C. Scheduled and non-scheduled bank D. All of the above
22	Which type of loan is advanced by commercial banks for meeting day-to-day requirements:	A. Short term loan B. Medium term loan C. Long term loan D. All of the above
23	Upper specie point is got by adding the delivery charges in following metal	A. Silver B. Gold C. Iron D. Copper
24	After 31st Decemebr 1965 Pakistan use	A. Min. Reserve system B. Fixed Fiduciary system C. Proportional Reserve D. None of these
25	What is the example of Scheduled bank	A. Habib bank Ltd. B. Allied bank Ltd. in Pakistan C. Both a and b D. None of these
26	An organized money market is always.	A. Not elastic B. Less elastic C. More elstastic D. Elastic
27	Bank draft once issued can not be.	A. Honored B. Dishonored C. sent D. Paid
28	For customer Money deposited int Bank is.	A. Liability B. Asset C. Saving and Asset D. Expense
29	It is the right of a customer to.	A. Draw cheque B. Receive pass book C. Receive cheque book D. All these
30	The bills of exchange which is paid after the expiry of fixed period of time called	A. Accommodation bill B. Sight bill C. Time bill D. All of the above
31	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
32	Letter of credit is opened by.	A. Importer 's bank B. Exporter's bank C. Wholse seller D. None of these
33		A. Debtor B. Bailer

33	when customer deposit his money in bank he become.	B. Debtor C. Mortgagee D. Creditor
34	The main purpose of commercial bank is.	A. Welfare B. Issue notes C. Earn Profits D. All these
35	Because of high reserve ratio the credit creation power.	A. Constant B. Increases C. Decreases D. Zero
36	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
37	A pass book is issued to:	A. Current account holder B. Saving account holder C. Both A & B D. None of the above
38	The main content of bank draft.	A. bank branch B. Payee C. Date D. All of these
39	In Case of Fixed Deposit the rate of interest is.	A. Constant B. High C. Low D. None of these
40	Bank pays money at its counter for:	A. Bearer cheque B. Order cheque C. Both (A) & (B) D. Crossed cheque
41	The acceptance of bill with some condition is called.	A. Dishonor acceptance B. Documentary acceptance C. Qualified acceptance D. General acceptance
42	In case of inflation Bank rate.	A. Constant B. Decreases C. Increases D. None of these
43	Which of the following is the most elastic method for issuing notes.	A. Full fiduciary system B. Minimum Reserve system C. Proportional Reserve system D. None of these
44	Grace days are given to debtor for the payment of:	A. Bills of exchange B. Promissory note C. Treasury bill D. Cheque
45	What is the purpose of using credit card	A. To purchase goods and services B. To win the prize from banks C. To travel abroad D. To invest the saving
46	Which is appointed by govt. to certify the negotiable instrument:	A. Private attorney B. Public attorney C. Notary public D. Gazetted Officer
47	Due to good Banking system which sector showed Rapid growth.	A. Agriculture sector B. Industrial sector C. Banking Sector D. All of these
48	Commercial bank creates the following Money	A. Metallic B. Credit C. Paper D. All the above
49	Which is demanded by a bank at the time of opening new account	A. Birth certificate B. Source of income C. Educational qualification D. All of the above
50	In these days Banks are formed under companies ordinance.	A. 1962 B. 1932 C. 1984 D. 1013

51	Saving accounts encourage the habit of saving among	A. Low income persons B. Investors C. Business people D. All of the above
52	Under Islamic modes of financing, lending includes	A. Service charges B. Qarze-Hasna C. Both a and b D. None of the above
53	The change in demand and supply of foreign currency effects	A. Exchange rate B. Traveller's L.C C. Letter of credit D. None of these
54	Grace days are given to debtors for payment.	A. 3 days B. 4 days C. 5 days D. 6 days
55	Commercial bank is factory of creating credit.	A. Crowther B. Gilbert C. Reynold D. H.I .Heart
56	Main parties in bill of exchange are.	A. Three B. Two C. Four D. Five
57	The person who opens an account with the bank is called	A. Employee of bank B. Customer of bank C. Account holder of bank D. Owner of bank
58	Feature of postal order	A. Serial no B. value C. Commission D. All of these
59	Which of the following banks cannot open its new branch without the permission of central bank	A. Non-scheduled bank B. Scheduled bank C. Chartered bank D. All of the above
60	Money Lenders usually known as.	A. Sheikh B. Nawab C. Seth D. Debtors
61	Institutions of money market in Pakistan.	A. Central Bank B. Commercial Bank C. Specialized institutions D. All of these
62	The person who opens a bank account is called:	A. Owner of bank B. Customer of bank C. Employee of bank D. None of them
63	State Bank of Pakistan Act is	A. 1932 B. 1962 C. 1984 D. 1997
64	Certain Percentage of Gold to issue currency notes.	A. Fixed Fiduciary method B. Proportionate Reserve C. Min. Reserve system D. None of these
65	Negotiable credit instrument do not include.	A. Bank draft B. Cheque C. Postal orders D. Treasury bill
66	The loan given against some security are known as.	A. Unsecured loans B. Demand loans C. Secured loans D. All the above
67	An unconditional order of payment by one bank to another bank.	A. Bill of exchange B. Promissory note C. Draft D. None of these
68	Stock certificate is a document issued by	A. Commercial bank B. Central bank C. Limited companies D. Stock-market

69	Honoured cheque is a cheque which is	A. Accepted by drawee for payment B. Accepted by payee C. Accepted by endorsee D. All of the above
70	Which of the following customers does not have more rights on bank:	A. Individual customer B. Joint customer C. Minor customer D. All have the same
71	Current account is suitable for	A. Capitalists B. Salaried persons C. Business community D. None of the above
72	Pledge means loan given against	A. Immovable property B. Movable property C. Both a and b D. None of these
73	In Pakistan "ATM" was first of an introduced Ltd.	A. Habib Bank Ltd. B. Allied Bank Ltd. C. Muslim Commercial Bank Ltd. D. National Bank of Pakistan.
74	Central bank provides the following facility to scheduled banks:	A. Feast B. Godown C. Clearing house D. None of the above
75	The loans obtained for meeting the administrative expenses and purchase of raw material are:	A. Short term loans B. Medium Term loans C. Long Term loans D. All of the above
76	Why does a bank grant loans to businessmen	A. To purchase raw material B. To pay wages C. To pay development expenditures D. All the above
77	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
78	Quality of good security includes.	A. Easy salable B. Disputed C. Source of expense D. All these
79	A mechanism by which international indebtedness is settled between one country and another.	A. Indebtedness B. Foreign Debts C. Foreign exchange D. All these
80	Market for medium and long term loans.	A. Capital market B. Money market C. Open market D. None of these
81	A person in whose favour the rights of bill are transferred is called	A. Drawer B. Payee C. Endorsee D. All of the above
82	Person gets finance from bank in terms of Mudarba Act as	A. Mudarib B. Creditor C. Aamil D. None of these
83	The money deposited in the bank is considered by a customer as	A. Asset B. Liability C. Investment D. Saving
84	A person who writes the bill is called	A. Drawee B. Drawer C. Payee D. Acceptor
85	In modern Banking introductory reference is not required in.	A. Current account B. Saving Account C. B.B.A. Account D. All these
86	Which of the following parties of a letter of credit is called beneficiary	A. Importer B. Exporter C. Issuing bank

		C. Opening bank D. Advising bank
87	If an old joint stock company opens the account then a bank demands for last few years:	A. Balance sheet B. Annual report C. Both (a) & (b) D. None of the above
88	Bill of exchange doesn't involved trade dealing.	A. Trade bill B. Accommodation bill C. Both a and b D. None of these
89	Why commercial banks keep a certain amount of money as reserve	A. Meeting the requirements of customers B. Meeting the requirements of central bank C. Acquiring the satisfaction of having cash D. Expanding the banking business
90	Crossing which contains the name of a particular bank is called	A. Regular crossing B. Irregular crossing C. General crossing D. Special crossing
91	Riba Bank of Sweden became central bank in:	A. 1568 B. 1668 C. 1768 D. None of the above
92	Documents required to convert non scheduled bank into scheduled bank.	A. Memorandum of Association B. Articles of Association C. Audited Annual Report D. All the above
93	Most of the experts agreed that the word "Bank" has been derived from the word.	A. Banque B. Banco C. Bancus D. Back
94	The demand for foreign exchange comes when.	A. Purchases of foreign securities B. Students go abroad C. Goods are imported D. All of these
95	What is the name of central bank of Pakistan	A. State Bank of Pakistan B. National Bank of Pakistan C. Bank of Pakistan D. Habib Bank Limited
96	The first Pakistan notes were issued in the denomination of Rs. 5, Rs.10, Rs.100 in	A. 31st December 1965 B. 23rd March 1940 C. Jan 1962 D. October 1948
97	What type of institution a bank is:	A. Financial B. Social C. Religious D. All of the above
98	Beginning of Bank draft by.	A. Kings B. Money Lenders C. Merchants D. Gold smith
99	Central bank supervises one of the following systems of a country:	A. Provincial B. Political C. Economical and financial D. None of the above
100	The commercial banks may be:	A. Scheduled B. Non-scheduled C. Foreign D. All of the above
101	Banking companies ordinance is	A. 1962 B. 1984 C. 1932 D. 1694
102	Which of the following is an order of payment by one post office for another post office	A. Postal order B. Money order C. Both a and b D. None of these
103	The charge or price for the use of money is called	A. Profit B. Commission C. Interest

		D. Dividend
104	Capital market deals in	A. Common stocks B. Shares C. Debentures D. All of these
105	The word credit has been derived from a latin word.	A. Credo B. Credere C. Creditor D. None of these
106	Drawer and drawee belongs to same country.	A. Domestic bill B. Foregin bill C. Trade bill D. Accommodation bill
107	When was the "Bank of Venice" established:	A. 1127 B. 1147 C. 1157 D. 1187
108	Who can issue participation term certificates	A. Firm B. Company C. Cooperative society D. All the above
109	The services provided by online banking includes.	A. Depositing money B. Transfer money C. With draw money D. All of these
110	How many benefits of economy	A. 2 B. 3 C. 4 D. 5
111	Which is the Primary functionof a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
112	Why does it necessary for a customer t sign the specimen signature card	A. To match with the signatures when cheque is presented for payment B. To make exercise of signatures C. To complete documentary requirements D. To obtain new cheque book
113	The payment of draft is made on.	A. Sight B. Demand C. By psot D. Phone call
114	Which term is used in connection with monetary policy	A. Bank rate B. Exchange rate C. Wage rate D. Market rate
115	Qualitative methods of monetary policy donot include.	A. Bank rate policy B. Direct Actions C. Publicity D. Moral persuasion
116	Which of the following is a non-commercial letter of credit	A. Irrevocable letter of credit B. Red-clause letter of credit C. Special letter of credit D. Traveller's letter of credit
117	Participation term certificate are issued by.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society
118	Which document indicates the authority and limitation of bank	A. Memorandum B. Articles C. Certificate of incorporation D. Prospectus
119	Credit instrument drawn by one bank on another bank is called	A. Cheque B. Bills of exchange C. Bank draft D. Treasury bill
120	Quaid -e- Azam opened his bank account in.	A. 1940 B. 1945 C. 1957 D. 1987

121	Market for short term loans.	A. Money market B. Capital market C. Open market D. All of these
122	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of the above
123	When was the National Bank Of Pakistan established:	A. 1948 B. 1949 C. 1950 D. 1951
124	Which of the following terms is used regarding the confirmation of death of bank customer	A. Stopped account B. Cancelled account C. Deceased account D. Closed account
125	The leader of money and capital market in Pakistan.	A. Government B. Central Bank C. Commercial Banks D. None of these
126	Which one is the Secondary function commercial bank.	A. Accept deposits B. Advance loans C. Collections of cheques D. All these
127	The money market deals in.	A. promissory note B. Bill of exchange C. Treasury bills D. All of these
128	Which institution is not the member of money market	A. Commercial bank B. Discount houses C. HBFC D. All the above
129	The other name of cash credit is.	A. Overdraft B. Cash finance C. Running finance D. None of these
130	The higher the cash reserve ratio.	A. Credit creation zero B. Credit creation constant C. Higher the credit creation D. Lower the credit creation
131	The draft which is drawn and paid into two different countries.	A. Inland draft B. Ordered draft C. Foreign draft D. Home draft
132	The name of the person is written on cheque as:	A. Drawer B. Drawee C. Payee D. None of these
133	Memorandum includes	A. 05 Clauses B. 06 Clauses C. 10 Clauses D. 12 Clauses
134	Capital market does not deal in	A. Shares B. Treasury bills C. Debentures D. Bonds
135	Important source of income for Bank.	A. Deposits B. Current Account C. Saving account D. Issued loans
136	The first Pakistan Notes were issued in the denomination of.	A. Rs. 5 B. Rs. 10 C. Rs. 100 D. All of these
137	The person who accepts the bill of exchange on behalf of drawee is called.	A. Debtor B. Payee C. Drawee D. Acceptor
138	At Present the Governor of State Bank of Pakistan is.	A. Dr. Ishrat Hussain B. Saleem Raza C. Shahid Hafiz Kardar D. Shahid Mahmood Wathani

139	Safest cheque for making payment is:	A. Crossed cheque B. Order cheque C. Bearer cheque D. All of the above
140	Nature of Bank Accounts also help in determining the ratio of.	A. Cash Reserve B. Capital C. Partnership D. None of these
141	Normally bank does not pay interest on	A. Saving Account B. Fixed Deposit Account C. Current Account D. B.B.A. Account
142	The forms of cash reserve of commercial bank:	A. Cash in hand B. Reserve with central bank C. Receivable from other banks D. All of the above
143	What is the major reason of Pakistan's unorganized money market	A. Lack of cooperation among financial institutions B. Absence of democracy C. Issuance of loan on political basis D. All the above
144	The bank that makes payment to the exporter after receiving L.C. is called.	A. Advising bank B. Informatory bank C. Paying bank D. All of these
145	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account
146	Person who receives the amount of cheque from bank is called:	A. Drawee B. Payee C. Endorsee D. All of the above
147	Running finance means customer has balance at bank.	A. Debit Balance B. Credit Balance C. Favorable balance D. None of these
148	No minimum balance limit required in.	A. Current Account B. Saving Account C. Foreign Account D. B.B.A Account
149	If there is no guarantee to honour a letter of credit then it is called:	A. Confirmed letter of credit B. Irrevocable letter of credit C. Unconfirmed letter of credit D. None of the above
150	ATM is used to withdraw money from the	A. Branch of bank in which we have the account B. Any branch of concerned bank C. Other banks D. All the above
151	Which principle is followed by central bank to issue currency notes	A. Currency principle B. Banking principle C. Both principle D. None of the above
152	Negotiable credit instrument.	A. Control credit B. Stop credit C. Create credit D. None of these
153	In Pakistan before 1974 commercial Banks were formed under.	A. Co's act 1932 B. Co's Act 1913 C. Co's Act 1984 D. None of these
154	When were the Pakistani banks nationalized:	A. 1974 B. 1984 C. 1990 D. 1994
155	The first central bank of indo-Pak	A. Bank of Calcutta B. Imperial bank C. Reserve bank of India D. None of the above

156	Credit Card, ATM card and Debit Card are.	A. Metallic money B. Paper Money C. Plastic Money D. Bank Money
157	The transmission of following is stopped due to clearing house:	A. Credit money B. Metallic money C. Cash money D. All of the above
158	The Central Bank sells Govt. Securities in.	A. Summer B. Deflation C. Winter D. Inflation
159	When customer deposits his money in a bank, he becomes	A. Mortgagee B. Creditor C. Debtor D. None of the above
160	The main sources of a bank funds are.	A. Deposits B. Bank own funds C. Both a and b D. None of these
161	Where are the stock certificates sold and bought	A. At commercial bank B. At central bank C. At post office D. At stock exchange
162	IOU is a document	A. Negotiable B. Non-negotiable C. Conditional negotiable D. Unconditional negotiable
163	The currency unit of the capital of IDB is	A. Riyal B. Dollar C. Dinar D. None of these
164	A Joint Stock company opens the account in the bank.	A. Saving Bank B. Current Account C. B.B.A. Account D. Term Deposit Account
165	How many benefits of bankers	A. 4 B. 5 C. 6 D. 7
166	Overdraft is also know as.	A. Cash Credit B. Running finance C. Cash finance D. All the above
167	The part of deposits kept with the central bank is called:	A. Cash reserve B. Margin C. Interest rate D. All of the above
168	Central bank does not provide the following facility to non-scheduled bank	A. Rediscounting of bills B. Clearing house C. Transfer of money D. All the above
169	The kind of commercial letter of credit includes.	A. Revocable L.C. B. Unconditional L.C. C. Confirmed L.C. D. All of these
170	Non -Scheduled bank menas a bank which is not registred with.	A. Stock Exchange B. World Bank C. Central Bank D. Scheduled bank
171	Illiterate person provies on cheque for his indentification.	A. Photograph B. Birth Certificate C. Thum Impression D. All these
172	Which one is the primary function of a bank	A. Accepting deposits B. Advancing loans C. Both these D. None of these
173	Scheduled bank keeps a certain amount of its deposits with central bank as	A. Reserve capital B. Bank rate

		C. Subscribed capital D. Authorized capital
174	Scheduled bank is registered under state bank of Pakistan Act	A. 1965 B. 1956 C. 1950 D. None of the above
175	Who does get the benefit of opening an account in bank:	A. Bank B. Account holder C. Government D. All of the above
176	What is the number of members in the managements body of PICIC	A. 12 B. 21 C. 5 D. 7
177	A blind person can open account with bank.	A. Current account B. Fixed deposit account C. Saving account D. All the above
178	Scheduled Banks are registred under state bank act.	A. 1956 B. 1984 C. 1962 D. 1932
179	Which form of automated payment would be better in paying wages to employee	A. BACS B. Standing order C. Direct Debit D. Credit transfer
180	Which affairs of Banks are revealed by articles of Banks.	A. Internal B. External C. Political D. Financial
181	Example of consortium Bank.	A. SBP B. Orion Bank C. MCB D. NBP
182	Services provided by on line banking	A. Depositing the money into the account B. Withdrawal the money from bank C. Transfer of money D. All the above
183	Which of the following industry is financed by PICIC	A. Depends upon local raw material B. Manufactures export goods C. Establishes under national development program D. All the above
184	Who are called the ancestors of modern banks.	A. Merchant B. Money Lenders C. Gold Smiths D. All of these
185	Draft Drawn and paid in two differnet countries is called.	A. Foreign draft B. Demand draft C. Local draft D. None of these
186	When goods are made available as security for a loan from bank.	A. Hypothecation B. Mortagage C. None of these D. Both a and b
187	Three grace days are given to debtors for payment.	A. Bill of exchange B. Promissory note C. Bank draft D. All of these
188	Beginning of Bank draft by	A. Kings B. Money lenders C. Merchants D. gold smith
189	Bill in which drawer belonging to two different countries:	A. Inland bill B. Foreign bill C. Accommodation bill D. None of the above
190	Credit cards payment are considered.	A. Credit payment B. Cash Payment C. Both a and b D. None of these

191	What is common between bank and customer.	A. Account No. B. Sereial No C. Drawee D. Cheque No
192	The loan which can be demanded at any time are called	A. Short term loans B. Demand loans C. Overdraft D. All the above
193	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All the above
194	In L.C. the other name of exporter's bank is.	A. Paying bank B. Advising bank C. Negotiating bank D. All of these
195	Which of the following banks performs its functions according to the instructions of central bank	A. Foreign bank B. Scheduled bank C. Non-scheduled bank D. All the above
196	The purpose of credit card is.	A. Sell goods B. Control credit C. Purchase goods D. None of these
197	It is necessary for scheduled bank to.	A. Obey SBP B. Submit report to SBP C. Get the Book checked D. All the above
198	What is written on the leaf of a cheque about customer	A. Name B. Address C. Telephone number D. Account number
199	The following bank can open its branch in foreign country	A. Scheduled bank B. Non-scheduled bank C. Both a and b D. None of the these
200	The primary function of commercial bank are	A. Accepting deposits B. Advancing loans C. Both a and b D. None of these
201	Long term loan is advanced against the following security:	A. Non-material B. Material C. Personal D. All of the above
202	Parties involved in postal order	A. Two B. Three C. Four D. Five
203	Drawer and payee of inland promissory note belong to	A. Same country B. Different countries C. Different cities D. None of the above
204	Modern central banking system started in	A. 18th Century B. 19th Century C. 20th Century D. None of these
205	Which document is attached to the application for the registration of bank	A. Memorandum of bank B. Articles of bank C. Prospectus D. All the above
206	Qualitative methods of monetary policy do not include:	A. Direct actions B. Publicity C. Bank rate policy D. Moral pursuation
207	Termination of banker relationship by the customer due to.	A. Change of place B. Death of customer C. Poor services D. All of these
208	Which one is not the feature of good Banking system.	A. Economic development B. Inflation C. Larger Capital

		C. Larger Capital D. Trust of public
209	Which document a joint stock company has to provide at the time of opening account with bank	A. Shares B. Copy of bye-laws C. Audited annual report of company D. Certificate of incorporation
210	When bank provides finance to its customer under an agreement of Modaraba, the customer becomes	A. Consumer B. Zarib C. Aamal D. None of the above
211	Cheque is a written order of customer to:	A. keep the amount B. Transfer the amount C. Pay the amount D. Recieve the amount
212	List of Directors is required at the stage of.	A. Registration B. Incorporation C. Promotion D. Commencement
213	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
214	Pay-in-slip is a written evidence of:	A. Transferring money B. Depositing money C. With draw money D. All of the above
215	In Pakistan, the interest free modes of financing have been divided into	A. Two groups B. Three groups C. Four groups D. None of these
216	To make payments of variable amounts to a stated A/c	A. Direct Debit B. Standing order C. Inter bank transfer D. Clearing House system
217	When a bank accepts real estate as security by way of mortgage then it is called	A. Aamal B. Zarib C. Mortgager D. Mortgagee
218	Customer can withdraw money only after the expiry of fixed time	A. From saving account B. From current account C. From fixed deposit D. From all the above
219	The banks under special ordinance are formed:	A. By the president of any bank B. By the president of world bank C. By the president of a country D. All of the above
220	The bill whihc is payable on its presentation is called.	A. Sight bill B. Time bill C. Trade bill D. Accommodation bill
221	Trade related Islamic modes of financing do not include	A. Musharika B. Mark up C. Leasing D. Hire-purchase
222	In case of non-negotiable instruments, the rights can:	A. Be tranferred B. Not be transferred C. Be conditionally transferred D. All of the above
223	Which party of the L.C. is called beneficiary.	A. Opening bank B. Buyer C. Exporter D. Ex porter's bank
224	The market in which funds are borrowed of lent for a period of over one year.	A. Money market B. Capital market C. Open market D. None of these
225	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five

A. ID Card

226	Amount with drawn from Bank without using cheque.	B. VISA card C. ATM and Debit Card D. Credit Card
227	The loan which is granted by by bank to account holder on temporary basis called	A. Cash credit B. Overdraft C. Demand loan D. None of the above
228	Which Fiqah does allow the deduction of Zakat in the application form of account opening	A. Hindu B. Shia C. Sunni D. None of the above
229	Evolutionary history of early banks includes.	A. Merechnats B. Money Lenders C. Gold smiths D. All these
230	When did the National Bank start its functions as the agent of SBP:	A. 1949 B. 1950 C. 1951 D. 1952
231	On which of the following amount of overcraft, bank receives interest:	A. Fix B. Total C. Used D. All of the above
232	How many merits of debit card	A. 5 B. 6 C. 7 D. 8
233	When two or more persons open an account under a single title is called.	A. Joint Account B. Single title account C. B.B.A. Account D. None of these
234	What type of account is preferred by a businessman	A. Saving account B. Fixed deposits C. Current account D. Foreign currency account
235	The detail in the memorandum of bank is recorded :	A. In one paragraph B. In seperate paragraphs C. On one page D. All of the above
236	Under which Section Scheduled Bank can open new branch.	A. Section 38 B. Section 39 C. Section 40 D. Section 41
237	While depositing money in your a/c , you must use.	A. Pay - in slip B. Deposit slip C. Credit voucher D. All these
238	Which method is used for the formation of bank	A. Royal order B. Special ordinance C. Company's ordinance D. All of the above
239	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
240	Which letter of credit is issued for a single or particular transaction:	A. Fixed B. Revocable C. Red clause D. Green Clause
241	Temples were used as early banks in.	A. Italy B. Room C. Greece D. Iraq
242	Which of the following is the valid method of making payment.	A. Credit card B. pay order C. Bank Draft D. All of these
243	What is the objective of foreign exchange control	A. To stabilize exchange rate B. To increase government revenue C. Favorable balance of payment D. All the above

244	Who is responsible for loan in case of joint customer:	A. All partners of persons B. Person having authority to deal with bank C. Active partner D. None of the above
245	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
246	Drawer and Drawee belongs to two different cities.	A. Inland bill B. Short bill C. Long bill D. Foreign bill
247	In case of bank draft the drawer is.	A. Debtor B. Creditor C. Bank D. Account holder
248	Which amount is available for salaried and low income persons:	A. Current account B. Saving account C. Fixed deposit D. All of the above
249	An account holder does not need to write a cheque to withdraw money from following account	A. Saving account B. Fixed deposit account C. Current account D. None of the above
250	Quantitative methods are control on	A. Banks B. Currency C. Govt. D. Public
251	Commercial bank create money.	A. Metallic B. Credit C. Paper D. All these
252	The amount of money in the amount of account holder is called:	A. Profit B. Interest C. Deposit D. Loan
253	An increase in the reserve requirement causes.	A. More credit Creation B. Less Credit Creation C. Stop credit creation D. None of these
254	The person in whose favour the rights of receiving the amount of cheque transferred:	A. Endorser B. Payee C. Endorsee D. All of the above
255	Bills of exchange has three:	A. Owners B. Parties C. Shareholders D. None of the above
256	Which letter of credit is automatically renewed by fulfilling certain conditions	A. Fixed B. Documentary C. Confirmed D. Revolving
257	The goods or items accepted as security for advancing loan should not be:	A. Durable B. Insured C. Under burden D. Liquid
258	What is the status of an account if opened by a government institution	A. A non-trading concern B. An individual C. A joint-stock company D. A joint customer
259	Cheque is a credit instrument which is	A. Negotiable B. Conditionally negotiable C. Non negotiable D. None of the above
260	On which account a bank does not pay interest	A. Saving account B. Fixed deposits C. Current account D. All of the above
261	Essentials of successful banking.	A. Large capital B. Secured loans C. Inflation

		<p>C. Insurance</p> <p>D. Both of these</p>
262	The document which reveals the ownership of goods kept on port.	<p>A. Bill of lading</p> <p>B. Dock warrant</p> <p>C. Railway receipt</p> <p>D. Delivery order</p>
263	Which account is considered a non transferable account.	<p>A. Saving Account</p> <p>B. Current Account</p> <p>C. B.B.A. Account</p> <p>D. Term Deposit Account</p>
264	Which of the following Account will be non-remuneration account.	<p>A. Current account</p> <p>B. Saving Account</p> <p>C. Fixed Deposit account</p> <p>D. B.B.A. Account</p>
265	The exchange of one country's currency for another foreign currency.	<p>A. Exchange Rate</p> <p>B. Money change</p> <p>C. Foreign exchange</p> <p>D. None of these</p>
266	Main uses of bank funds are	<p>A. Advancing loans</p> <p>B. Direct investment</p> <p>C. Both a and b</p> <p>D. None of these</p>
267	Which of the following functions is performed by commercial bank	<p>A. Issuance of currency notes</p> <p>B. Credit creation</p> <p>C. Rediscounting of bills</p> <p>D. Preparation of monetary policy</p>
268	Deposits create	<p>A. Inflation</p> <p>B. Loan</p> <p>C. Monopoly</p> <p>D. All the above</p>
269	What are the objectives of monetary policy	<p>A. Stability in price</p> <p>B. Exchange stability</p> <p>C. Stability in capital market</p> <p>D. All of the above</p>
270	Postal order is the example of.	<p>A. Negotiable credit instrument</p> <p>B. Cash instrument</p> <p>C. Non negotiable credit instrument</p> <p>D. None of these</p>
271	Which of the following is a valid method of receiving payment from debtors.	<p>A. Debit card</p> <p>B. Credit card</p> <p>C. ATM card</p> <p>D. Cash</p>
272	If Central Bank wants to decrease the quantity of money in country it	<p>A. Sells Securities</p> <p>B. Purchase Securities</p> <p>C. Create Credit</p> <p>D. All the above</p>
273	Which bank does discount the bills of public	<p>A. Commercial bank</p> <p>B. Agricultural bank</p> <p>C. Industrial bank</p> <p>D. All of the above</p>
274	IDB was opened on	<p>A. Oct. 1973</p> <p>B. Oct. 1975</p> <p>C. Oct. 1977</p> <p>D. None of these</p>
275	Who used to take gold and precious metal as safe custody.	<p>A. Merchants</p> <p>B. Kings</p> <p>C. Money Lenders</p> <p>D. Gold Smiths</p>
276	The person who draws the bill is called.	<p>A. Debtor</p> <p>B. Drawee</p> <p>C. Drawer</p> <p>D. Acceptor</p>
277	The Islamic ideology council presents its formal report for Islamic banking in	<p>A. June, 1978</p> <p>B. June, 1979</p> <p>C. June, 1980</p> <p>D. None of these</p>
278	Amount of crossed cheque is received:	<p>A. From bank's counter</p> <p>B. Issuing new cheque</p> <p>C. From bank's manager</p> <p>D. None of the above</p>

A. Foreign bills of exchange

279	Which method is mostly used in making foreign payment	<p>A. Foreign bank of exchange</p> <p>B. By post</p> <p>C. By telegraph</p> <p>D. None of these</p>
280	The person who is committed to manager the property of other.	<p>A. Trustee</p> <p>B. Bailee</p> <p>C. Morggagee</p> <p>D. None of these</p>
281	The statement of Pakistan was inaugurated by:	<p>A. Liaqat-Ali-Khan</p> <p>B. Abdul-Rub-Nishar</p> <p>C. Quaid-e-Azam</p> <p>D. Nawaz-Sharif</p>
282	Crossing makes the cheque:	<p>A. Unsafe</p> <p>B. Unacceptable</p> <p>C. Safe</p> <p>D. Acceptable</p>
283	Official empowered by theGovt. attest the negotiable instruments by his seal.	<p>A. Gazette officer</p> <p>B. Notary public</p> <p>C. Public attorney</p> <p>D. None ofthese</p>
284	Investment trusts and finance houses.	<p>A. As open market</p> <p>B. Money market</p> <p>C. Capital market</p> <p>D. None of these</p>
285	The draft which is drawn and paid in two different countries.	<p>A. Inland draft</p> <p>B. Ordered draft</p> <p>C. Foreign draft</p> <p>D. Home draft</p>
286	When ADFC came into existence	<p>A. 1951</p> <p>B. 1961</p> <p>C. 1965</p> <p>D. 1970</p>
287	Commercial letter of credit is issued for the facility of:	<p>A. Ambassadors</p> <p>B. Common people</p> <p>C. Businessmen</p> <p>D. All of the above</p>
288	Cheque book is not use in.	<p>A. Current Account</p> <p>B. Foreign Currency Account</p> <p>C. B.B.A account</p> <p>D. Fixed deposited Account</p>
289	Up to December 1965, Pakistan used method of note issue.	<p>A. Proportional Reserve system</p> <p>B. Min. Reserve system</p> <p>C. Fixed fiduciary system</p> <p>D. All of these</p>
290	the loans which cna be demanded back by bank at any time are called.	<p>A. Short term loans</p> <p>B. Overdrats</p> <p>C. Demand loans</p> <p>D. Running Finance</p>
291	Which document is demanded by central bank for the conversion of non-scheduled bank into scheduled bank	<p>A. Prospectus of bank</p> <p>B. Copy of bye-laws</p> <p>C. Audited annual report of bank</p> <p>D. Certificate of incorporation</p>
292	The person who pledges the goods with the banker as security is called.	<p>A. Pledgee</p> <p>B. Mortagager</p> <p>C. Pledger</p> <p>D. Mortagagee</p>
293	The money sent through post office from one country to another	<p>A. Traveller's cheque</p> <p>B. Bank draft</p> <p>C. Letter of credit</p> <p>D. International money order</p>
294	Clubs, cooperative societies, and associations etc. are entitled as following concern	<p>A. Partnership</p> <p>B. Non-trading</p> <p>C. Trading</p> <p>D. All the above</p>
295	The cheque which cannot be cashed on the bank counter.	<p>A. Bearer cheque</p> <p>B. Crossed cheque</p> <p>C. Order cheque</p> <p>D. Both bearer and order</p>
296	Bank draft is always in the form of.	<p>A. Hand written</p> <p>B. Printed</p> <p>C. Stamp paper</p> <p>D. None of these</p>

297	The rate of exchange determined by two countries following non-convertible paper currency system is a point where	A. The purchasing power of currency is same B. The purchasing power of currency is different C. The purchasing power of currency is zero D. None of the above
298	Which bank is called the mother or central banks	A. Reserve bank of India B. Bank of England C. State Bank of Pakistan D. Bank of Venice
299	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
300	For how many years the governor of State Bank of Pakistan is appointed:	A. 3 years B. 7 years C. 10 years D. None of the above
301	What is necessary to continue or keep an account with the bank	A. Introductory preference B. Minimum required balance C. Phone number D. Political stability
302	How many parties are involved in bank draft.	A. Four B. Three C. Two D. None of these
303	It is the duty of the bank to.	A. Honor cheque B. Keep secrecy C. Safe custody D. All these
304	Content of money order includes.	A. Fixed amount B. Non transferable C. Identification D. All of these
305	Which of the following is a limitation in credit creation.	A. Initial deposit B. Use of cheques C. Use currency D. all of these
306	The person who will receive the amount of bill of exchange is.	A. Debtor B. Payee C. Drawee D. Acceptor
307	A cheque which cannot be cashed at bank's counter	A. Bearer B. Order C. Crossed D. None of the above
308	Whose role is considered important in the beginning of cheque:	A. Three B. Merchants C. Goldsmiths D. Money lenders
309	Retirement of bill means	A. Payment of bill before due date B. Dishonoring of bill due to non-payment C. Protesting of bill D. Dishonoring of bill due to non-acceptance
310	Qarz-Hasna is available for the studies of	A. Engineering B. Agriculture C. Commerce D. All the above
311	If Central Bank wants to increase the quantity of money in country it.	A. Sells securities B. Purchase securities C. Create Credit D. All the above
312	Cheque signed by drawer without filling is called	A. Plain B. Blank C. Open D. Traveller's cheque
313	The advantages of E-Banking are.	A. Time saving B. No need to carry cash C. Facility of BACS

		D. All of these
314	E-Banking provides benefits to the following	A. Accountholder B. Banker C. Economy D. All the above
315	I Owe You is a written instrument drawn by	A. Trader B. Debtor C. Creditor D. All the above
316	The instruments which are used in foreign receipts and payments called.	A. Letter of credit B. Foreign debts C. Foreign exchange D. None of these
317	The Governor of SBP is appointed for.	A. Five years B. Four years C. Three years D. Two years
318	The change in the address of abnk should be intimated to registrar within:	A. Eight days B. Ten days C. Eighteen days D. Twenty eight days
319	Which of the following cannot open account in a bank	A. Pargah-nasheen women B. Minor or infant C. Lunatic or mental patient D. Non-trading concern
320	The term foreign exchange includes	A. Bank draft B. Letter of credit C. Foreign B/E D. All the above
321	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
322	Parties involved in a cheque.	A. A/c holder B. Bank C. Payee D. All of these
323	The example of non commercial letter of credit.	A. Red clause L.C. B. Green clause LC. C. Traveler's L.C. D. Documentary L.C.
324	The types of local or home trade are.	A. Regail trade B. Wholesale trade C. Interport D. Both a and b
325	Payment of sight bill is made on.	A. Demad B. Fixed period C. Expiry D. Presentation
326	Decrease in the value of home currency as compare to foreign currency.	A. Inflation B. Devaluation C. Deflation D. All these
327	The rate at which commercial banks and centrla bank buys and sells foreign currency.	A. Bank Rate B. Inter Bank rate C. Intrest rate D. Discount rate
328	Who can endorse the cheque:	A. Holder of cheque B. Drawer of cheque C. Both A & B D. None of these
329	Which type of letter of credit authorized the exporter to obtain an advance before the shipment of goods	A. Documentary letter of credit B. Green-clause letter of credit C. Confirmed letter of credit D. Red-clause letter of credit
330	Which of the following relationships occurs if a customer deposits his money in a bank	A. Bank as a debtor and customer as a creditor B. Bank as a creditor and customer as a debtor C. Bank as an agent and customer as a principle D. Bank a modarib and customer as

		an amal
331	The head office of IDB is in	A. Jeddah B. Islamabad C. Tehran D. Dubai
332	Before opening account in bank, a married women is asked about her:	A. Husband's name B. Father's name C. Mother's name D. All of the above
333	Which one can be crossed :	A. Money order B. Postal order C. Credit card D. All of the above
334	The Lady Phd. Governors of State Bank of Paksitan inluded.	A. M. Yaqoob B. Ishrat Hussain C. Shamshad Akhtar D. All of these
335	Present commercial Banks are teh Developed form of the business of.	A. Money Lenders B. gold smiths C. Money changers D. Merchants
336	Money market is market of loans for.	A. Long term B. Short term C. Medium term D. None of these
337	The loan against which no security is kept by bank are.	A. Secured loans B. Unsecured loans C. Demand loans D. None of these
338	Teh section of Banking company ordinance of Paksitan 1962 the minimum Capital Requireemnt of Scheduled Banks in or outside Pakistan is.	A. Sec. 14 B. Sec . 13 C. Sec. 16 D. Sec. 17
339	The word IOU means.	A. I am your creditor B. I am your debtor C. I am your friend D. None of these
340	The acceptance of bill without some condition is called.	A. Dishonor acceptance B. Documentary acceptance C. Qualified acceptance D. General acceptance
341	Customer can with draw money only after the expiry of fixed time:	A. From saving account B. From current account C. From fixed deposit D. From all of the above
342	Maintenance of minimum balance is not required in	A. Current account B. Basic banking account C. Saving account D. None of these
343	The numebr of parties in a cheque are.	A. Two B. Five C. Four D. Three
344	A trustee is the:	A. Owner of property B. Care taker of property C. Mortgagee of property D. None of the above
345	A contractual relationship between bank and its customers.	A. Debtor B. Principal C. Bailor D. All of these
346	The various kinds of exchange rate includes.	A. Official rate B. Spot rate C. Forward rate D. All of these
347	Bills of exchange is a negotiable instrument which contains	A. A written order B. Conditional written order C. Unconditional written order D. None of the above A. Siah deposits

348	The current account and saving account is also called	A. Current account B. Chequing account C. Demand deposits D. All of these
349	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
350	Account payee only in the transverse parallel line.	A. Bearer cheque B. Special crossing C. General crossing D. None of these
351	Main parties of promissory note are	A. One B. Two C. Three D. Four
352	The more increase in exchange rate for a country under gold standard is called	A. Lower specie point B. Middle specie point C. Upper specie point D. None of the above
353	If a credit card is lost, what should the holder do.	A. Report to employer B. Report to bank C. Report to insurance co. D. All the above
354	The nature of relation between bank and customers is:	A. Debtor and creditor B. Agent and principal C. Bailor and bailee D. All of the above
355	Following is an example of Non-Operating Account.	A. Current Account B. Fixed Deposit Account C. Foreign Currency A/c D. Saving Account
356	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above
357	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
358	The bill of exchange who's tenor is less than three month is.	A. Long bill of exchange B. Foreign bill of exchange C. Short bill of exchange D. Sight bill of exchange
359	What kinds of business does a commercial bank do	A. Accepts deposits and advances loans B. Issues currency notes C. Re-discounts the bills of exchange D. All the above
360	Negotiable credit instruments includes	A. Bank draft B. Postal order C. I.O.U D. Money order
361	When was ADBP established	A. 1957 B. 1961 C. 1963 D. 1965
362	Bills of exchange is a written order which is always	A. Conditional B. Unconditional C. Partially conditional D. All of the above
363	How many merits of scheduled bank	A. 12 B. 13 C. 14 D. 15
364	Documents of title to goods includes.	A. Dock warrant B. Bill of lading C. Delivery order D. All the above
365	A cheque which can be cashed by its holder	A. Bearer B. Order C. Crossed

		D. Plain
366	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
367	Pakistan's central bank was established in:	A. 1947 B. 1948 C. 1949 D. 1950
368	The various kind of bank draft includes.	A. Inland draft B. Crossed bank draft C. Foreign draft D. All of these
369	Muslims commercial Bank was established on.	A. 1947 B. 1948 C. 1951 D. 1949
370	Teh stock exchange markets in Pakistan are.	A. Two B. Three C. Four D. Five
371	The purpose of using credit card is.	A. Purchase goods and services B. Deposit cheque C. Withdraw money D. Deposit cash
372	Purchasing power theory of foreign exchange was given by.	A. Hartly B. Gustav Cassel C. D. Cock D. None of these
373	Who started the use of bank draft:	A. Kings B. Merchants C. Money lenders D. Goldsmiths
374	"EFT" stands for	A. Electronic Funds transfer B. Economic financial theory C. Electronic financial techniques D. Effective fund telegram
375	Scheduled banks means a bank which is registered with	A. Stock exchange B. Central bank C. World bank D. All of the above
376	State Bank of Pakistan issues to scheduled banks for dealings in foreign exchange	A. Statement B. License C. Certificate D. All the above
377	Where is the head office of ZTBL	A. Karachi B. Lahore C. Peshawar D. Islamabad
378	Crossing of cheque is cancelled by	A. Drawer B. Drawee C. Holder D. All of the above
379	Adjusting a debit balance against a credit balance by the bank is called.	A. Balancing B. Adjustment C. Setting off D. All these
380	Central Bank Act as Lender of Last Resort to.	A. Scheduled Bank B. Foreign Bank C. Non-Scheduled bank D. All the above
381	Cheque is a written order drawn on	A. Endorsee B. Bank C. Customer D. All of the above
382	How many merits of credit card	A. 7 B. 8 C. 9 D. 10
	The documents which present a summary and balance of accounts of an A/C holder in	A. Balance sheet B. Pass book

383	The documents which present a summary and balance of accounts of an A/C holder in bank.	B. Pass book C. Prospectus D. Bank Staement
384	Bank draft is an order	A. Of court B. Conditional C. Unconditional D. Of government
385	Decrease in cash reserve ratio of scheduled Banks.	A. No effect B. Decrease in credit creation C. Increase in credit creation D. Stop credit creation
386	Collateral parties in bill of exchange are.	A. Acceptor B. Endorser C. Endorsee D. All these
387	What is necessary to withdraw money through ATM.	A. ATM card B. PIN number C. ATM terminal D. All of these
388	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these
389	The money market in Pakistan	A. Is developed B. Is underdeveloped C. Both a & b D. Does not exist
390	How many products of E banking	A. 5 B. 6 C. 7 D. 8
391	Which party to L.C. is called beneficiary.	A. Import B. Export C. Advising bank D. Opening bank
392	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
393	the developed form of red clause L.C. is.	A. Revocable L.C. B. Green clause L.C. C. Unconfirmed L.C. D. All of these
394	Which method of note issue is prevailing in Pakistan after 1965	A. Min. Reserve System B. Proportional system C. Fixed Fiduciary system D. None of the above
395	Which of the following can be cancelled by the issuing bank without the consent of the other parties	A. Revocable letter of credit B. Irrevocable letter of credit C. Revolving letter of credit D. Unconditional letter of credit
396	Treasury bill is a :	A. Negotiable credit instrument B. Non-negotiable credit instrument C. Debentures D. Shares
397	The first stage or step between importer and exporter for the purpose of sale and purchase is:	A. Oath or undertaking B. Agreement C. Contract with bank D. Issuing of L.C
398	PTC are issued in place of	A. Shares B. Debentures C. Bonds D. None of these
399	The market where foreign monies are bought and sold is.	A. Stock market B. Foreign exchange markets C. Open market D. None of these
400	Endorser of promissory note is a :	A. Person who promises to pay B. Person who receives the amount of note C. Person in whose favour the rights are transferred

		<p>and transferred</p> <p>D. Person who transfers the rights of note</p>
401	Pakistan has used methods of note issue.	<p>A. Proportional reserve system</p> <p>B. Min. Reserve system</p> <p>C. Both a and b</p> <p>D. Fixed fiduciary system</p>
402	Which type of a bill can be discounted form bank.	<p>A. Sight bill</p> <p>B. Time bill</p> <p>C. Dishonored bill</p> <p>D. Unaccepted bill</p>
403	The examples of short term monetary assets includes.	<p>A. Bills of exchange</p> <p>B. Promissory note</p> <p>C. Treasury bill</p> <p>D. All of these</p>
404	When was the first central bank of sub-continent established:	<p>A. 1635</p> <p>B. 1732</p> <p>C. 1835</p> <p>D. 1935</p>
405	Drawee of the bank draft is a	<p>A. Bank which issues a draft</p> <p>B. Bank on which the draft is drawn</p> <p>C. Payee of draft</p> <p>D. Sender of amount by draft</p>
406	The main sources of bank's fund are	<p>A. Own capital</p> <p>B. Deposits</p> <p>C. Loan from other banks</p> <p>D. All the above</p>
407	Long term is advanced against the following security:	<p>A. Non-material</p> <p>B. Material</p> <p>C. Personal</p> <p>D. All of the above</p>
408	When was the "Bank of England" got the monopoly ovwe note issue:	<p>A. 1728</p> <p>B. 1758</p> <p>C. 1768</p> <p>D. 1778</p>
409	Non- Scheduled banks are formed under co-opiative society Act.	<p>A. 1932</p> <p>B. 1925</p> <p>C. 1984</p> <p>D. 1911</p>
410	On opening Saving Account the Bank Provide.	<p>A. Pass Book</p> <p>B. Pay in slip</p> <p>C. Cheque book</p> <p>D. All of these</p>
411	Endorsment of a cheque is always:	<p>A. Written</p> <p>B. Oral</p> <p>C. Written and registered</p> <p>D. All of the above</p>
412	Which of the followig is not an example of Plastic money.	<p>A. Debit card</p> <p>B. ATM card</p> <p>C. Credit card</p> <p>D. Currency notes</p>
413	Any Co.which transact the business of banking in Pakistan.	<p>A. Chartered co.</p> <p>B. Joint stock co.</p> <p>C. Banking co.</p> <p>D. All of these</p>
414	bank is the developed form of	<p>A. The business of moneylenders</p> <p>B. The business of merchants</p> <p>C. The business of goldsmiths</p> <p>D. None of the above</p>
415	The person in who's favor a cheque is endorsed is called.	<p>A. Endorser</p> <p>B. Debtor</p> <p>C. Endorsee</p> <p>D. None of these</p>
416	Participation term certificates are issued in place of.	<p>A. Shares</p> <p>B. Debentures</p> <p>C. NIT Units</p> <p>D. All these</p>
417	The charger of commercial Bank is.	<p>A. Momorandum</p> <p>B. Articles</p> <p>C. Prospectus</p> <p>D. None of these</p>

418	The primary objective of a central bank is to	A. Earn profit B. Advance loans to traders C. Safeguard the national interest D. All of the above
419	What is necessary to withdraw money through ATM	A. I.D. card B. Cheque C. Pin code D. None of these
420	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
421	What is common between bank and customer	A. Account no. B. Cheque no. C. Serial no D. Drawee
422	Who does get the benefit of opening an account in bank.	A. Bank B. Account Holder C. Government D. All these
423	Term "or order" is written in order cheque after:	A. Drawer's name B. Payee's name C. Customer's name D. Endorsee's name
424	Parties involved in cheque.	A. Account Holder B. Bank C. Payee D. All these
425	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
426	Promissory note means a:	A. Promise to pay fixed amount on fixed date B. Promise to pay currency notes on fixed date C. Promise to pay goods on fixed date D. All of the above
427	How many features of good money market	A. 12 B. 15 C. 17 D. 20
428	If drawer of cheque is a payee himself then what word is written after the word pay:	A. Order B. Bearer C. Self D. None of the above
429	A Modarba may be for	A. Specific or multi purpose B. Perpetual C. Specific period D. All the above
430	The capital of stat bank of the time of establishment was.	A. Rs. 30 millions B. Rs. 450 millions C. Rs.300 millions D. Rs. 30 billions
431	Letter of credit state a limit of.	A. Credit B. Time period C. Bank D. None of these
432	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
433	Account suitable for salaried person.	A. Fixed Deposit account B. Current Account C. Saving Account D. Term Deposit Account
434	A representative handed over cheques to other banks are called.	A. Outward clearing B. Direct cheaning C. Inward Clearing D. Indirect Clearing
		A. Material change B. Endorsement

435	If drawing of a cheque signs o its back for transferring the rights to another person is called	B. Endorsement C. Crossing D. Acceptance
436	On issuance of bank draft bank gets.	A. Tax B. Commission C. Profit D. Duty
437	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
438	PICIC was established as	A. Private company B. Limited company C. Partnership D. None of the above
439	If the exporter is not the receiver (beneficiary) of money then a letter of credit is called:	A. Resolving B. Back to Back C. Transferable D. None of the above
440	The document which reveals the ownership of goods kept on port:	A. Bill of lading B. Dock warrant C. Delivery order D. Railway receipt
441	Loan Create	A. Monopoly B. Inflation C. Deposits D. All the above
442	A form of written agreement between bank and customer is	A. Cheque book B. Pass book C. Application form for opening account D. None of the above
443	The price of one country's currency in term other country's currency is called	A. Foreign currency B. Traveller's L.C. C. Exchange rate D. None of these
444	Which bank account is exempted from income tax and zakat:	A. Saving account B. Fixed deposit C. Foreign currency account D. All of the above
445	Which function does a central bank not perform	A. Credit creation B. Advancing loans C. Lender of last resort D. Banker of the public
446	Over draft facility is provided only on.	A. Saving Account B. Fixed Deposit Account C. Current Account D. All the above
447	Which of the followign cannot open account in a bank.	A. Lunatic B. Minor C. Parda Nasheen woman D. All of these
448	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
449	While deposting money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these
450	Account Suitable for businessmen	A. Saving account B. Fixed Account C. PLS account D. Current Account
451	All information of pass book is filled by.	A. Bank officials B. Payee C. Drawer D. Account Holder

452	Cheque consists of future date is called.	A. Out date B. Post dated C. Anti dated D. None of these
453	In how many days would a schque between banks clear through the clearing system.	A. 7 days B. 3 days C. 10 days D. 5 days
454	The features of debit card, credit card and ATM card.	A. magnetic strip B. Specific number C. electronic ship D. All of these
455	How many minimum promoters are required to sign on an application for the registration of commercial bank	A. Two B. Five C. Seven D. Ten
456	Account suitbale for business woman.	A. Current account B. Saving account C. Fixed deposit account D. None of these
457	Where is the head office of IDBP:	A. Lahore B. Faisalabad C. Islamabad D. Karachi
458	Money creative bank is	A. Central bank B. Commercial bank C. Consumer bank D. Both a and b
459	How many functions of money market	A. 10 B. 12 C. 11 D. 15
460	It is the duty of a customer to.	A. Follow banking hours B. Safety of cheque book C. Care ful filling of cheque D. All these
461	The central bank works under the rules framed by:	A. Government B. People C. Different banks D. All of the above
462	Crossing makes the cheque	A. Acceptable B. Dishonour C. Safe D. None of these
463	When the demand of any county's currency increses than the rate of exchange becomes.	A. Unfavorable B. Favorable C. Equilibrium D. None of these
464	Which of the following nature does IOU have.	A. An autograph B. A monograph C. A sonograph D. A holograph
465	Minor person of a bank is one who is below.	A. 15 years B. 16 years C. 18 years D. 17 years
466	Which bank is called the mother of Central Banks.	A. World Bank B. Bank of Vence C. Royal Bank of Scotland D. Bank of England
467	The demand for and supply of foreign exchange is regulated by.	A. Central bank B. World bank C. Commercial bank D. All of these
468	the nature of relations between banker and customers is.	A. Bailer and Bailee B. Agent and principal C. Debtor and creditor D. All the above
469	Inland sight bill of exchange is usually used in.	A. Domestic trade B. Inter port trade C. Foreign trade D. None of these

		D. None of these
470	Bank is bound to honour the cheque of customer if:	A. Required amount is available in amount B. Cheque is according to rules of conduct C. There is no restriction by government D. All of the above
471	Who was the founder of commercial bank	A. Goldsmiths B. Merchants C. Money lenders D. All the above
472	Principle of advancing loan by bank are.	A. Principle of income B. Principle of safety C. Principal of liquidity D. All the above
473	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
474	The bill of exchange who's tenor is more than three month is.	A. Sight bill of exchange B. Foreign bill exchange C. Long bill exchange D. Short billof exchange
475	The loans on which high rate of interest is charged :	A. Medium term loans B. Long term loans C. Short term loans D. Demand loans
476	What is recieved by the post office on money order:	A. Profit B. Interest C. Commision D. All of the above
477	To meet the modern banking transactions Requirements SBP introduced.	A. E- Banking B. Islamic Banking C. Office banking D. All of these
478	What kind of power does commercial bank possess regarding credit creation	A. Unlimited power B. Limited power C. No power D. All the above are possible
479	Promissory note drawn by two or more persons is called	A. Individual promissory note B. Joint promissory note C. Foreign promissory note D. All of the above
480	The person is whose favor thebill is endorsed is.	A. Endorsee B. Endorser C. Debtor D. Acceptor
481	Major function of Central Bank is.	A. Open account B. Provide lockers C. Issue currency notes D. All of the above
482	Bill which is drawn without any trade transcation	A. Sight bill B. Time bill C. Trade bill D. Accommodation bill
483	If there is no gurantee to honour the L.C. It is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Unconfirmed L.C.
484	Capital market does not deal in.	A. Debentures B. Treasury bills C. Bonds D. Shares
485	Saving account can be opened by:	A. An individual B. A group of persons C. The institutions D. All of the above
486	The merits of credit card.	A. Easy payment B. Proof of payment C. Loan Facility D. All of these

487	Margin means the difference between amount of loan and.	A. Value of overdraft B. Market value C. Value of security D. None of these
488	Paying bank with respect to a letter of credit is called.	A. Advising bank B. Informatory bank C. Both these D. None of these
489	The bank can cover the loan by selling out the.	A. Capital B. Credit card C. Security D. None of these
490	For more credit creation a bank must have.	A. More demand deposits B. More fixed deposits C. More time deposited D. All of these
491	Draft drawn and paid in two different parties in the same country is called.	A. Foreign draft B. Demand draft C. Local draft D. None of these
492	Non negotiable credit instruments are.	A. Letter of credit B. I.O.U C. Money order D. All of these
493	Head of any government institution can open account with a bank in the capacity of	A. Consumer B. Principal C. Employee D. None of the above
494	Endorsee of cheque is a person	A. Who receives the amount of cheque B. In whose favour the rights of cheque are transferred C. On whom the cheque is drawn D. Who draws a cheque
495	If a credit is lost, what should the holder do.	A. Report to employer B. report to bank C. Report to insurance co. D. All the above
496	What does the bank receive on issuing a letter of credit:	A. Profit B. Interest C. Commission D. Duty
497	It is the right of the bank to.	A. Right to lien B. Charge of services C. Right of setting off D. All these
498	In Pakistan BEL, NIT and ICP are credit institutions.	A. Unorganized B. Specialized C. Non specialized D. All these
499	Money market deals in	A. Promissory note B. Bills of exchange C. Marketable securities D. All the above
500	Parties involved in money order.	A. Two B. Three C. Four D. Five
501	Who does accept the responsibility for repayment debt	A. Guarantor B. Personal security C. Both a and b D. None of these
502	Account suitable for business woman.	A. Current account B. Saving account C. Fixed deposit account D. All these
503	Overdraft facility is not allowed to.	A. Minor B. Lunatic C. Parda Nashen woman D. Both b and c
		A. Employee of bank

504	The person who opens an account with the bank is called	B. Customer of bank C. Account holder of bank D. Owner of bank
505	The bank branch on which the draft is drawn is.	A. Drawer B. Payee C. Drawee D. None of these
506	Can open new branch without the consent of Central Branch.	A. Scheduled Bank B. State Bank of Pakistan C. Non-Scheduled Bank D. Bank of England
507	Credit card payments are considered.	A. Cash payments B. Credit payments C. Both these D. None of these
508	Another name of fixed deposit receipt is.	A. Term Deposit receipt B. Capital receipt C. Cash Deposit receipt D. Revenue receipt
509	Under which Section Scheduled Bank are bound to keep 80% of their Asset in country.	A. Section 38 B. Section 33 C. Section 37 D. Section 40
510	Which of the following institution was working before the establishment of ADBP	A. Agricultural development finance corporation B. Agricultural development bank C. Both a and b D. None of the above
511	The principle of not issue is	A. Currency principle B. Discount rate principle C. Bank rate principle D. All the above
512	American express Bank is an example of.	A. School Bank B. Exchange Bank C. Consortium Bank D. None of these
513	Payee has to give his identification to bank for receiving the amount of:	A. Bearer cheque B. Order cheque C. Blank cheque D. Crossed cheque
514	According to Sir John Paget, a bank is an institution which :	A. Accepts the deposits of general public B. Honours the cheques C. Advances loan D. All of the above
515	What does IOU mean	A. I am a debtor to you B. I am a creditor to you C. Both a and b D. None of these
516	In financial crises, the central bank issues loan to	A. Non-scheduled bank B. Foreign bank C. Scheduled bank D. All the above
517	Which bank was formed under the royal order	A. Bank of Venice B. State Bank of Pakistan C. Bank of Barcelona D. Chartered bank of England
518	Min. Paid up capital of scheduled Bank in Pakistan on 31st December 2011 will be.	A. Rs. 05 million B. Rs. 06 million C. Rs. 10 Billion D. Rs. 07 billion
519	The quantitative methods of credit control are in nature.	A. General B. Selective C. Optional D. None of these
520	For Transactions the merchants used to issue.	A. Passport B. Promissory note C. Identity card D. Bill of exchange
521	What percentage of total assets a scheduled bank is bound to keep within the country	A. 60% B. 70% C. 80% D. 90%

		C. 90 % D. 90%
522	In Pakistan Islamic Banking system was introduced in .	A. 1974 B. 1981 C. 1984 D. None of these
523	Pass Book is nto issued in.	A. Saving Account B. Fixed Deposit Account C. BBA Account D. Current Account
524	Which of the following takes responsibility to manage the property of another	A. Trustee B. Bailee C. Mortgagee D. All the above
525	State Bank of Paksitan was established on	A. 1st July 1949 B. 1st July 1948 C. 1st July 1694 D. 1st July 1964
526	State Bank of Pakistan can also be called as.	A. Central Bank B. Reserve Bank C. Monetary Authority D. All the above
527	The external value of local currency is stablized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
528	On every cheque bank gets.	A. Tax B. Profit C. Duty D. Commission
529	Qualitative methods are control over.	A. Currency B. Govt C. Banks D. Public
530	Bank Should advance loan to only those who are stornng.	A. Domestically B. Socially C. Financially D. None of these
531	Which document does reveal the internal affairs of a bank	A. Memorandum of bank B. Articles of bank C. Certificate of incorporation D. Prospectus
532	Commercial bank can be	A. Scheduled B. Foreign C. Non Sheduled D. All these
533	Treasury bill means:	A. Amount of government B. Evidence of governments debt C. Promise of government to pay D. None of the above
534	The amount of loan should be less than.	A. Value of security B. Market value C. Face value D. Hidden value
535	Manage the internal affairs of Bank.	A. Prospectus B. Memorandum C. Articles D. All of these
536	In case of negotiable instruments, the rights can:	A. Be tranferred B. Not be transferred C. Be conditionally transferred D. All of the above
537	Which of the following is useful in facilitating trade relation between the businessmen of different countries	A. Bank draft B. Money order C. Letter of credit D. Stock certificate
538	Modern commercial Bank are teh developed form of the Busniess of.	A. Gold Smith B. Merchants C. Money Lenders D. All these
		A. Statutory Bank B. Development bank

539	Bank of England and Royal Bank of Scotland are an examples of.	B. Development bank C. Royal Bank D. Non eof these
540	The relation ship between Cash Reserve and credit creation is.	A. No relationship B. Direct C. Inverse D. One way
541	Which bank account continues after the with drawal of total amount:	A. Current saving B. Fixed deposit C. Saving account D. All of the above
542	Choose the correct institutions in money market in Pakistan	A. State bank of Pakistan B. Specialized credit institutions C. Commercial banks D. All of the above
543	In case of mortgage, the property remains in the possession of:	A. Lender (creditors) B. Borrower (debtors) C. The government D. All of the above
544	Which Of the following is the objective of central bank.	A. Economic Development B. Helping govt. C. Welfare of Economy D. All the above
545	Which instrument is not dealt at stock exchange	A. Shares B. Debentures C. Both a and b D. Bills of exchange
546	In an organized money market the interest rate is.	A. Less B. More C. Uniform D. All these
547	The main characteristics of bank draft.	A. Written B. On demand C. Certain payment D. All of these
548	Which of the following rate keeps the balance of payments in equilibrium	A. Discount rate B. Interest rate C. Exchange rate D. Market rate
549	How many institutions in money market in Pakistan	A. 7 B. 8 C. 9 D. 10
550	Which of the following gets facility due to commercial letter of credit:	A. Home traders B. Exporter C. Importer D. Both exporter and importer
551	The number of financial institutions in money is	A. Limited B. Fixed C. Unlimited D. All are possible
552	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Chrage card D. Gurantee card
553	A developed or organized money market is always	A. Elastic B. Less elastic C. More elastic D. Not elastic
554	If a bank is unable to submit prospectus at the time of registration, then it has to submit:	A. Statement in lieu of prospectus B. Certificate of incorpoation C. Certificate of commencement D. None of the above
555	The bank of charges interest on.	A. Deposits B. Overdraft C. Running finace D. Both b and c
556	Person having an account with a bank or having some similar relation with the bank is called	A. Owner B. Debtor C. Consumer D. Customer

557	The leader of money market in Pakistan.	A. Central Bank B. Government C. Commercial Banks D. None of these
558	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
559	Which of the following theories is associated with the working of international gold standard	A. Mint par parity theory B. Purchasing power theory C. Balance of payments theory D. All of the above
560	The type of Foreign or international trade are.	A. <sup>Import</sup> B. Export C. Interport D. All these
561	Bank is asked to take care the property of his client is called.	A. Bailee B. Pawnee C. Mortgagee D. Trustee
562	Who is the leader or supervisor of money market	A. Government B. Central bank C. Commercial bank D. Money lender
563	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
564	Account example from Zakat and Tax	A. B.B.A. Account B. Current account C. Foreign Currency Account D. None of these
565	Non -Scheduled banks are formed under.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society Act
566	The word Bank has been derived from the German word	A. Back B. Bancus C. Banco D. None of the above
567	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
568	Riba is the word of following language	A. Urdu B. Arabic C. English D. French
569	Which of the following is not an objective of central bank.	A. Economic development B. Helping Govt C. Welfare of economy D. Credit creation
570	How many benefits of customers	A. 5 B. 6 C. 7 D. 8
571	Which letter of credit is accompanied by some documents	A. Confirmed B. Documentary C. Non-documentary D. All the above
572	Married women can open following account in bank:	A. Saving account B. Current account C. Fixed amount D. All of the above
573	The automatic delivery of banking products and services to customers through interactive electronic communication is called	A. E banking B. Electronic banking C. Both a and b D. None of these
574	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account

		D. All of the above
575	The loans which are issued for the period of one to five year called	A. Demand loans B. Short term loans C. Medium term loans D. Long term loans
576	How many advantages of e banking	A. 3 B. 4 C. 5 D. 6
577	Thenature of relations between banker and customers is.	A. Bailer and Bailee B. Agent and principal C. Debtor and creditor D. All the above
578	When was the "Reserve Bank of India" established:	A. 1925 B. 1935 C. 1940 D. 1945
579	Bank of England was established in.	A. 1494 B. 1694 C. 1920 D. 1668
580	Difference between hypothecation and pledge is.	A. Possession of goods B. Ownership C. Possession of documents D. None of these
581	Electronic banking transaction Ordinance is.	A. 1974 B. 2002 C. 1984 D. 1962
582	The life blood of acommercial bank.	A. Deposits B. With drawals C. Liabilities D. All these
583	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
584	Which of the following is meant for presenting a summary and balance of accounts of bank customers	A. Bank statement B. Balance sheet C. Pass book D. Prospectus
585	Features of I.O.U. are	A. Written form B. Evidence of debt C. Fixed amount D. All of these
586	When was the process of Islamization of banking started in Pakistan	A. 1977 B. 1980 C. 1982 D. 1982
587	A bill which can be rediscounted from central bank	A. Sight bill B. Time bill C. Both a and b D. None of these
588	The commercial banks provide the following type of loan by discounting the B/E:	A. Short term B. Medium term C. Long term D. All of the above
589	Parties involved in I.O.U	A. Three B. Four C. Two D. Five
590	Which is the quantitative method of credit control	A. Change in reserve ratio B. Change in margin requirement C. Selective control D. Publicity
591	The departments of State Bank of Pakistan includes.	A. Note issuing deptt B. Bankng deptt C. Foreign exchange deptt D. All the above
592	When was PICIC established	A. 1950 B. 1951

592	When was first note introduced	C. 1957 D. 1961
593	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
594	Exchange banks are commonly known as.	A. Foreign bank B. Central bank C. Consortium Bank D. None of these
595	What is called a good security	A. Whose price can be determined easily B. Which does not have any government restriction C. Whose ownership is totally clear D. All the above
596	Purchasing power theory of foreign exchange was presented in.	A. 1920 B. 1962 C. 1694 D. 1881
597	What is the full form is ATM	A. Automated Teller Machine B. <div><table id="AcrFinder" style="box-sizing: inherit; color: rgb(64, 64, 64); font-size: 13px; border-spacing: 0px;">&lt;tbody style="box-sizing: inherit;"&gt;&lt;tr data-cat="3" style="box-sizing: inherit;"&gt;&lt;td style="box-sizing: inherit;"&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Asynchronous&lt;/span&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Transfer&lt;/span&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Mode&lt;/span&gt;&lt;/td&gt;&lt;/tr&gt;&lt;/tbody&gt;&lt;/table&gt;&lt;/div&gt; C. <div><table id="AcrFinder" style="box-sizing: inherit; color: rgb(64, 64, 64); font-size: 13px; border-spacing: 0px;">&lt;tbody style="box-sizing: inherit;"&gt;&lt;tr data-cat="4" style="box-sizing: inherit;"&gt;&lt;td style="box-sizing: inherit;"&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Air&lt;/span&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Traffic&lt;/span&gt;&lt;span class="hvr" style="box-sizing: inherit;"&gt;Management&lt;/span&gt;&lt;/td&gt;&lt;/tr&gt;&lt;/tbody&gt;&lt;/table&gt;&lt;/div&gt; D. None of these</table></div></table></div>
598	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%
599	In Islamic banking overdraft means.	A. Debit balance B. Running finance C. Favorable balance D. Nil Balance
600	Which is the secondary function of a commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. all of these
601	State Bank of Pakistan Act is.	A. 1956 B. 1932 C. 1962 D. 1984
602	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
603	The parties involved in a gurantee are.	A. Debtor B. Creditor C. Guarantor D. All these
604	Relation between banker and customer terminates when a	A. Customer becomes mad or lunatic B. Customer becomes insane or

604	Relation between banker and customer terminates, when a :	mental C. Customer dies D. All of the above
605	Bills of exchange is	A. An order to pay B. A request to pay C. A promise to pay D. All of the above
606	Methods for making foreign payments includes.	A. Letter of credit B. Foreign bills of exchange C. Foreign bank draft D. All of these
607	Cheque is a credit instrument.	A. Partial negotiable B. Negotiable C. Non negotiable D. None of these
608	Bill brokers and discount houses work in.	A. <sub>Open market</sub> B. Capital market C. Money Market D. None of these
609	Which of the following changes cause to change in foreign exchange rate	A. Change in export and imports B. Change in capital flow C. Change in bank rate D. All the above
610	Rapid transfer of funds is the feature of good.	A. Open market B. Money market C. Discount house D. None of these
611	Scheduled Banks can keep his total assets outside the country.	A. 80% B. 60% C. 40% D. 20%
612	The principle of note issue are.	A. Currency Principles B. Banking Principles C. Both a and b D. None of these
613	The facilities provided by ATM machine includes	A. Mini Statement B. Transfer funds C. Balance inquiry D. All of these
614	Term dishonoring of cheque is used when	A. Bank refuses to pay B. Bank stops the payments C. Bank delays the payments D. Bank gives cheque to clearing house
615	The following is not used in E-Banking	A. Credit card B. Debit card C. Cheque D. All the above
616	It is necessary for scheduled bank to	A. Act on the instructions of central bank B. Submit report to central bank C. Get the books checked D. All the above
617	Which of the following is a limitation in credit creation	A. Initial deposit B. Use of cheques C. Use of currency D. All of these
618	Cheque is always payable on.	A. Phone call B. At sight C. After banking hour D. On demand
619	The amount (capital) received by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
620	Which things can be accepted by bank as security at the time of granting loan	A. Gold and silver B. Property C. Shares and debentures of company D. All the above
		A. Bank draft B. Promissory note

621	The document which is used to transfer the deposit from one bank to another is.	B. Promissory note C. Bill of exchange D. All these
622	Generally, the instruments which are used in foreign receipts and payments called	A. Exchange rate B. Foreign exchange C. Letter of credit D. All of the above
623	The L.C. which is accompanied by some documents is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Simple L.C.
624	The draft having two transvers parallel lines on its face is called.	A. Order bank draft B. Crossed bank draft C. Transverse draft D. All of these
625	Drawee of bank draft is.	A. Creditor B. Debtor C. Issuing bank D. Paying bank
626	What was the capital of State bank of Pakistan at the time of establishment	A. 30 millions B. 300 millions C. 30 billions D. 300 billions
627	What % of shares of IDBP was held by the Govt. at the time of its establishment:	A. 49% B. 50% C. 51% D. 55%
628	Joint-stock company can open the following account in bank	A. Fixed B. Current C. Saving D. All the above
629	Which of the following is not a right of a bank.	A. Charge commission B. Close account without notice C. Charge interest on O/D D. None of these
630	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
631	Central Bank provide the facility to Scheduled Banks.	A. Rediscounting Bills B. Clearing House C. Transfer of Money D. All the above
632	Beginning of cheque by.	A. Gold smiths B. Merchants C. Kings D. Money lenders.
633	Habib Bank Limited was formed on.	A. 1941 B. 1931 C. 1951 D. 1961
634	The other name of credit voucher is.	A. Credit note B. Cash credit C. pay in slip D. Debit note
635	Scheduled bank is bound to keep with the Country.	A. 80% of Total Assets B. 60% of Total Assets C. 40% Total Assets D. 20% Total Assets
636	Quaid -e-Azam opened his bank account in.	A. ABL B. MCB C. HBL D. NBP
637	Which of the following is a highly marketable security	A. Document of title to goods B. Shares and debentures C. Immovable property D. All the above
638	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

A. To control credit money

639	What is the objective of clearing house	A. To control credit money B. To clear the transactions of different banks C. Training of banking staff D. Re-discounting of bills
640	Which of the following accounts is non-transferable	A. Saving account B. Fixed deposit account C. Current account D. None of the above
641	The important types of banker's letter of credit:	A. Two B. Three C. Four D. None of these
642	The method which is mostly use in making foreign payments are.	A. Telegraphic transfer B. Foreign bill of exchange C. By post D. All of these
643	Central bank is owned by	A. Public B. Government C. Commercial baks D. All of the above
644	Open market operation means.	A. Purchase and sale of shares B. Purchases and sale of securities C. Purchase and sale of assets D. None of these
645	On every cheque bank gets	A. Profit B. Commission C. Tax D. Duty
646	Bank or incomplete bill is called.	A. Foreign bill B. Local bill C. Short bill D. Dishonored bill
647	In the Presence of Clearing House Scheduled Banks keeps.	A. Less Cash Reserve B. More Cash Reserve C. No cash reserve D. Fixed cash reserved
648	The document by which the people are invited to buy the shares of bank is called	A. Memorandum of bank B. Articles of bank C. Certificate of incorporation D. Prospectus of bank
649	IDB provides finance to	A. All countries B. Asian countries C. European countries D. Member Muslim Countries
650	ZTBL issues the loans for:	A. Fishing and forest B. Breeding of cattles C. Diary farming D. All of the above
651	Second stage of formation of bank is called.	A. Incorporation B. Commencement C. Issue of shares D. Promotion
652	Bank prefers to advance loan on such documents	A. Which are easy to keep B. Which are transferable C. Whose price can be determined easily D. All the above
653	The types of credit instrument are.	A. Four B. Two C. three D. None of these
654	the precautions while advancing loan by bank are.	A. Safety of loan B. Durable security C. Liquidity D. All the above
655	Commercial Bank is a factory of creating credit.	A. Crowther B. Gilbert C. Reynold D. H.I.Heart
656	Non-scheduled bank can	A. Deal in foreign exchange B. Attain the of public confidence C. Open new branch without

656	From scheduled bank can	C. Open new branch without permission D. All the above
657	Which of the following is provided to customer for opening the profit and loss term deposit account	A. Cheque bank B. Pay-in-slip C. Pass book D. Fixed deposits receipt
658	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
659	Illiterate person provides to bank for his identification	A. Birth certificate B. Impression of thumb C. Photograph D. All the above
660	To make regular payments of a fixed amount to a stated A/c	A. Direct Debit B. Standing order C. Inter bank transfer D. All of these
661	The Weapons of Monetary policy are.	A. Two B. Three C. Four D. Five
662	Dr. Shamshad Akhter is the Governor of State Bank of Pakistan.	A. 12th B. 13th C. 14th D. 15th
663	Drawee fo bills of exchange is a person	A. Who receives the amount of bill B. On whom the bill is drawn C. Who accepts the bill D. In whose favour the bill is transferred
664	How many institutions of money market	A. 6 B. 5 C. 4 D. 7
665	Example of marketble security are.	A. Debentures B. Shares C. Postal order D. Both a and b
666	The supply of foreign exchange arises when.	A. Goods are exported B. Students comes of country C. Sale of Foreign securities D. All of these
667	The person who accepts the bill of exchange is.	A. Debtor B. Drawer C. Payee D. None of these
668	The loans which can be demanded back by bank at any time are.	A. Short term loans B. Medium Tem loans C. Long term loans D. Demand loans
669	Which of the following institution was converted into IDBP:	A. Pakistan industrial finance corporation B. Pakistan investment corporation C. Industrial bank D. Pakistan industrial and credit investment corporation
670	In the presence of clearng house the use of cash transactions between banks	A. Increases B. Decreases C. Stops D. NO effect
671	Formula for calculating total credit creation:	A. New deposit x 1/Reserve ratio B. New deposit x Reserve ratio/1 C. Reserve ratio x 1/New deposit D. None of the above
672	Sate Bank of Pakistan advises the federal and provincial governments on following matter	A. Administrative B. Financial C. Political D. All the above
673	Part of cash of scheduled banks kept by centrla bank as per law is called.	A. Specific reserves B. Satutory reserves

		C. Gneral Reserves D. All the above
674	The temples were used as banks in:	A. Italy B. Rome C. China D. Greece
675	Which one of the following is not the preference of state bank of Pakistan	A. Expansion in banking system B. Control over the supply of money C. Equal distribution of credit D. To earn maximum profit
676	Central Bank is the Leader of.	A. Capital Market B. Money Market C. Both a and b D. Open market
677	What is the example of non scheduled bank	A. Sindh provincial cooperative bank B. Meezan bank C. Habib bank D. Allied bank
678	The customer who keep his precious articles in bank for safe custody	A. Bailer B. Creditor C. Debtor D. Morgagagers
679	When the State Bank of Pakistan came into existence	A. 1947 B. 1948 C. 1949 D. 1970
680	Bills of exchange can be cashed from bank before maturity by:	A. Overdraft B. Renewal C. Discounting D. None of the above
681	These thories of foreign exchange rate include.	A. Mint par parity theory B. Ppurchasing power theory. C. Botha a and b D. All of these
682	Which of the following is a non commercial L.C.	A. Revolving L.C. B. Traveler 's cheque C. Unconfirmed L.C. D. Special L.C.
683	Which of the following is not use to E-Banking .	A. ATM card B. Credit card C. Cheque D. Debit cards
684	In L.C. the other name of importer's bank is.	A. Buyer bank B. Opening bank C. Issuing bank D. All of these
685	Commercial bank is called:	A. Banker's bank B. Bank of public C. Custodian of foreign exchange D. Banker to the Government
686	Transfer of money from one palce to another place with the help of post office.	A. Cheque B. Draft C. Money order D. None of these
687	The nature of money market in Pakistan.	A. Under developed B. Developed C. Dualistic nature D. None of these
688	Imperial Bank was established in:	A. 1921 B. 1925 C. 1932 D. 1937
689	A customer places his valuables with thebank for safe custody is called.	A. Debtor B. Bailor C. Bailee D. Creditor
690	The person who endorse the bill of exchange in called.	A. Endorser B. Trustee C. Enddorser D. Drawee

A. Money market

691	The market in which funds are borrowed or lent for less than one year.	A. Money market B. Capital market C. Open market D. All these
692	State Bank of Pakistan Amendment Act is.	A. 1932 B. 1997 C. 1962 D. 1956
693	Which of the following is used to finance the people who want to travel abroad	A. Traveller's letter of credit B. Traveller's cheque C. Circular note D. All the above
694	Bank draft is a credit instrument.	A. Negotiable B. Non negotiable C. Unreadable D. None of these
695	The value of security should be more than.	A. Market value B. Cost value C. Amount of loan D. None of these
696	Written evidence of depositing money into bank.	A. Cheque book B. Pay in Slip C. Pass Book D. None of these
697	What is the number of members in the management body of ZTBL	A. 5 B. 8 C. 10 D. 12
698	What is the purpose of monetary policy	A. To control banking system B. To control supply of money C. To control foreign exchange D. To control stock market
699	Which of the following banks accepts deposits and advances loans	A. Cooperative bank B. Mortgage bank C. Commercial bank D. Central bank
700	Cheque is always crossed by	A. Drawer B. Drawee C. Holder D. All of the above
701	Bank Provide finance on the basis of Mudarba Act as.	A. Aamil B. Mudarib C. Debtor D. None of these
702	The slip which is used to deposit money into bank account.	A. Deposit slip B. Pay in slip C. Credit voucher D. All these
703	Negotiable instruments are defined by Act.	A. 1881 B. 1857 C. 1694 D. 1935
704	The products of E-Banking are.	A. ATM cards B. Credit cards C. Debt cards D. All of these
705	The amount Calculated on pre-determined rate and no relationship with the risk of P/L is called.	A. Commission B. Rent C. Interest D. Carriage
706	A good security is one which is.	A. Perishable B. Marketable C. Disputed D. All the above
707	Increase in ratio of cash reserve of scheduled banks.	A. Increase of credit creation B. Stop credit creation C. Decreased in credit creation D. None of these
708	When was Islamic Banking System introduced in Pakistan:	A. 1970 B. 1972 C. 1981 D. 1982

709	United Bank Ltd. was formed on.	A. 1959 B. 1949 C. 1694 D. 1957
710	Who is called a drawee of cheque	A. Payee B. Bank C. Customer D. Endorsee
711	The rate which keeps the balance of payment in equilibrium.	A. Equilibrium rate B. Foreign exchange rate C. Currency Rate D. Dollar rate
712	I.O.U. Is a credit instrument.	A. Negotiable B. Non Negotiable C. Partial Negotiable D. Conditional negotiable
713	When cheque is cashed then its main foil is given to:	A. Bank B. Customer C. Government D. None of these
714	Bill of exchange is written order whihc is always.	A. Unconditional B. conditional C. Compulsory D. None ofthese
715	If the demand of any country's currency increases then rate of exchange becomes	A. Favorable B. Unfavorable C. Both a and b D. None of these
716	Security is a powerful tool that ensure tthe repayment of:	A. Deposit B. Dept C. Interest D. None of the above
717	The main uses of bank funds are.	A. Cash reserve B. Granting loan C. Issuing shares D. None of these
718	The letter of credit which can be endorsed to another person is called:	A. Special L.C B. Transferable L.C C. Revolving L.C D. None of the above
719	What is meant by the principle of diversity regarding issuance of loan	A. Lending only to those who can repay the debt at short notice B. Lending against some material security C. Lending in terms of sure repayment D. Lending to different businesses or individuals
720	The person who opens an account with the bank is called	A. Employee of bank B. Customer of bank C. Account holder of bank D. Owner of bank
721	State Bank of Pakistan was established on.	A. Tuesday 1st July 1948 B. Wednesday 1s July 1948 C. Thursday 1st July 1948 D. Friday 1st July 1948
722	For selling shares Bank issues	A. Tickets B. Prospectus C. Certificate D. Tokens
723	Who did print the cheque in specific form for the first time or firstly:	A. Imperial Bank B. Bank of England C. State Bank of Pakistan D. None of the above
724	Rate of interest in case of fixed deposit is	A. Low B. High C. Both D. None of the above
725	Which is teh secondary function of commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. All of these

726	Two transverse parallel lines on the face of cheque.	A. Crossing of cheque B. Dishonoring of cheque C. Endorsed of cheque D. Retirement of cheque
727	In Pakistan the bank nationalized Act is.	A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974
728	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
729	Stock exchange market in Pakistan.	A. LSE B. KSE C. ISE D. All of these
730	The main objectives of foreign exchange control are.	A. Stabilize exchange rate B. Increase Govt. Revenue C. Protect domestic industries D. All of these
731	Short term monetary assets are also called as.	A. Marketable debt securities. B. Near money C. Short term monetary assets D. All these
732	Which of the following is highly marketable security.	A. Documents of title B. Goods and produce C. Shares and debentures D. all the above
733	Bank of England was formed in:	A. 1594 B. 1694 C. 1794 D. 1894
734	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
735	Alteration in cheque must be signed by.	A. Payee B. Debtor C. Drawer D. All of these
736	What is meant by hypothecation	A. To hand over the goods or documents of title to goods by a customer to the bank as a security against a debt B. To hand over the documents of property by a customer until the repayment of debt C. A type of security in which neither the ownership nor the possession passes to the bank D. A receipt of loan which shows that money has been borrowed against an immovable property as a security
737	The important (basic) kinds of accounts opened in commercial banks are:	A. Two B. Three C. Four D. countless
738	First woman Governor of State Bank of Pakistan was.	A. Dr. Ishrat Hussain B. Kassim Parekh C. S.U. Durani D. Dr. Shamshad Akhtar
739	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
740	When a person deposits money in a bank, it is the beginning of	A. Bank and customer business B. Bank and customer relationship C. Lending and borrowing between bank and customer D. Relation of confidence and trust
741	The kind of non commercial letter of credit includes.	A. Traveler L.C. B. Circular note C. Credit card

C. Credit card  
D. All of these