

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

| Sr | Questions | Answers Choice |
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| 1 | 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 |
| 2 | If a credit is lost, what shuld the holder do. | A. Report to employer B. report to bank C. Reort to insurance co. D. All the above |
| 3 | While depositing money in your a/c , you must use. | A. Pay - in slip B. Deposit slip C. Credit voucher D. All these |
| 4 | The commercial banks may be: | A. Scheduled B. Non-scheduled C. Foreign D. All of the above |
| 5 | Which of the following is a limitation in credit creation. | A. Initial deposit B. Use of cheques C. Use currency D. all of these |
| 6 | The relation ship between Cash Reserve and credit creation is. | A. No relationship B. Direct C. Inverse D. One way |
| 7 | In Pakistan the bank nationalized Act is. | A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974 |
| 8 | Cash reserve of commercial Banks includes. | A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above |
| 9 | Polymer Currency includes | A. Debit card B. ATM card C. Credit card D. All of these |
| 10 | Process of credit creation by | A. Central bank B. Commercial banks C. Both of these D. None of these |
| 11 | The kind of loan according to issue | A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above |
| 12 | Which is teh secondary function of commercial bank. | A. Accepting deposits B. Advancing loans C. Collection of cheques D. All of these |
| 13 | The current account nd saving account is also called | A. Sight deposits B. Chequing account C. Demand deposits D. All of these |
| 14 | Credit card payments are considered. | A. Cash payments B. Credit payments C. Both these D. None of these |
| 15 | Which affairs of Banks are revealed by articles of Banks. | A. Internal B. External C. Political D. Financial |

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| 16 | 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 |
| 17 | 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 |
| 18 | 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 |
| 19 | The loan which can be demanded by bank at anytime: | A. Overdraft B. Demand loans C. Bills of exchange D. All of the above |
| 20 | Present commercial Banks are teh Developed form of the business of. | A. Money Lenders B. gold smiths C. Money changers D. Merchants |
