

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

Sr	Questions	Answers Choice
1	Which of the followig is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
2	While deposting money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these
3	Quaid -e-Azam opened his bank account in.	A. ABL B. MCB C. HBL D. NBP
4	Which of the following is a limitation in credit creation.	A. Initial deposit B. Use of cheques C. Use currency D. all of these
5	Commercial bank creates the following Money	A. Metallic B. Credit C. Paper D. All the above
6	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
7	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
8	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
9	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
10	The current account nd saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these
11	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
12	Habib Bank Limited was formed on.	A. 1941 B. 1931 C. 1951 D. 1961
13	Decreas in cash reserve ratio of scheduled Banks.	A. No effect B. Decrease in credit creation C. Increase in credit creation D. Stope credit creation
14	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
15	Banking companies ordinance is	A. 1962 B. 1984 C. 1932 D. 1694

16	The life blood of a commercial bank.	A. Deposits B. With draws C. Liabilities D. All these
17	Because of high reserve ratio the credit creation power.	A. Constant B. Increases C. Decreases D. Zero
18	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
19	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
20	Which is the Primary function of a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
