

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

Sr	Questions	Answers Choice
1	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
2	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Chrage card D. Gurantee card
3	Which of the followig is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
4	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
5	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
6	Banking companies ordinace is	A. 1962 B. 1984 C. 1932 D. 1694
7	Commercial bank creates credit	A. By discounting of billsB. By investmentC. By advancing loansD. All of the above
8	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
9	The part of deposits kept with the central bank is called:	A. Cash reserve B. Margin C. Interest rate D. All of the above
10	In Pakistan the bank nationalized Act is.	A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974
11	Which amount is available for salaried and low income persons:	A. Current account B. Saving account C. Fixed deposit D. All of the above
12	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
13	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
14	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
15	United Bank Ltd. was formed on.	A. 1959 B. 1949 C. 1694 D. 1957

16	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
17	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
18	Quaid -e- Azam opened his bank account in.	A. 1940 B. 1945 C. 1957 D. 1987
19	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 busines
20	The relation ship between Cash Reserve and credit creation is.	A. No relationship B. Direct C. Inverse D. One way