

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

Sr	Questions	Answers Choice
1	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
2	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
3	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
4	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
5	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account D. All of the above
6	The life blood of a commercial bank.	A. Deposits B. With drawals C. Liabilities D. All these
7	Which is the secondary function of a commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. all of these
8	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
9	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
10	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these
11	Banking companies ordinance is	A. 1962 B. 1984 C. 1932 D. 1694
12	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
13	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
14	The amount (capital) received by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
15	The current account and saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these

16	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
17	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
18	Commercial bank can be	A. Scheduled B. Foreign C. Non Sheduled D. All these
19	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
20	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All the above