

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

Sr	Questions	Answers Choice
1	Which amount is available for salaried and low income persons:	A. Current account B. Saving account C. Fixed deposit D. All of the above
2	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
3	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
4	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
5	Which one is not the feature of good Banking system.	A. Economic development B. Inflation C. Larger Capital D. Trust of public
6	Current account is suitable for	A. Capitalists B. Salaried persons C. Business community D. None of the above
7	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
8	The current account and saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these
9	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
10	The amount (capital) received by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
11	Which is the Primary function of a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
12	Pay Order is issued by the bank when the debtor and creditor belongs to.	A. Two different cities B. Within same city C. Two different counties D. All these
13	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
14	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
15	Which of the following is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card

16 the card which can be used to pay for goods purchased.

A. ID card
B. Credit card
C. Charge card
D. Guarantee card

17 Heart of Financial Structure.

A. Commercial bank
B. Central bank
C. Consortium Banks
D. All these

18 The relationship between Cash Reserve and credit creation is.

A. No relationship
B. Direct
C. Inverse
D. One way

19 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

20 The important (basic) kinds of accounts opened in commercial banks are:

A. Two
B. Three
C. Four
D. countless
