

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

Sr	Questions	Answers Choice
1	For more credit creation a bank must have.	A. More demand deposits B. More fixed deposits C. More time deposited D. All of these
2	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
3	The higher the cash reserve ratio.	A. Credit creation zero B. Credit creation constant C. Higher the credit creation D. Lower the credit creation
4	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Charge card D. Guarantee card
5	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
6	Decreases in cash reserve ratio of scheduled Banks.	A. No effect B. Decrease in credit creation C. Increase in credit creation D. Stope credit creation
7	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
8	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All the above
9	Which is the Primary function of a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
10	Which of the following is meant for presenting a summary and balance of accounts of bank customers	A. Bank statement B. Balance sheet C. Pass book D. Prospectus
11	Current account is suitable for	A. Capitalists B. Salaried persons C. Business community D. None of the above
12	Formula for calculating total credit creation:	A. $\text{New deposit} \times \frac{1}{\text{Reserve ratio}}$ B. $\text{New deposit} \times \text{Reserve ratio} / 1$ C. $\text{Reserve ratio} \times \frac{1}{\text{New deposit}}$ D. None of the above
13	While depositing money in your a/c , you must use.	A. Pay - in slip B. Deposit slip C. Credit voucher D. All these
14	Quaid -e- Azam opened his bank account in.	A. 1940 B. 1945 C. 1957 D. 1987
15	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these

16	Credit card payments are considered.	A. Cash payments B. Credit payments C. Both these D. None of these
17	The documents which present a summary and balance of accounts of an A/C holder in bank.	A. Balance sheet B. Pass book C. Prospectus D. Bank Statement
18	Habib Bank Limited was formed on.	A. 1941 B. 1931 C. 1951 D. 1961
19	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
20	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
