

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	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
3	Credit card payments are considered.	A. Cash payments B. Credit payments C. Both these D. None of these
4	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 business
5	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
6	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
7	In Pakistan the bank nationalized Act is.	A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974
8	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
9	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
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	Quaid -e-Azam opened his bank account in.	A. ABL B. MCB C. HBL D. NBP
12	The important (basic) kinds of accounts opened in commercial banks are:	A. Two B. Three C. Four D. countless
13	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
14	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of the above
		A. Report to employer

15	If a credit is lost, what should the holder do.	B. report to bank C. Report to insurance co. D. All the above
16	United Bank Ltd. was formed on.	A. 1959 B. 1949 C. 1694 D. 1957
17	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
18	Commercial bank is called:	A. Banker's bank B. Bank of public C. Custodian of foreign exchange D. Banker to the Government
19	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
20	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account