

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

Sr	Questions	Answers Choice
1	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
2	The current account and saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these
3	Bank draft is issued by the bank when the debtor and creditor belong to.	A. To different cities/Country B. Within same city C. Two different families D. All these
4	For more credit creation a bank must have.	A. More demand deposits B. More fixed deposits C. More time deposited D. All of these
5	Commercial banks create money.	A. Metallic B. Credit C. Paper D. All these
6	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
7	Banking Companies Ordinance is	A. 1962 B. 1984 C. 1932 D. 1694
8	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Charge card D. Guarantee card
9	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
10	Which of the following is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
11	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these
12	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
13	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
14	Commercial bank can be	A. Scheduled B. Foreign C. Non Scheduled D. All these
15	What kind of power does commercial bank possess regarding credit creation	A. Unlimited power B. Limited power C. No power

		D. All the above are possible
16	The forms of cash reserve of commercial bank:	A. Cash in hand B. Reserve with central bank C. Recievable from other banks D. All of the above
17	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
18	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
19	Pay Order is issued by the bank when the debtor and creditor belongs to.	A. Two different cities B. With in same city C. Two different counties D. All these
20	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