

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

Sr	Questions	Answers Choice
1	Which affairs of Banks are revealed by articles of Banks.	A. Internal B. External C. Political D. Financial
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	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
4	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
5	The amount (capital) recieved by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
6	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account
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	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
9	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account D. All of the above
10	To make regular payments of a fixed amount to a stated A/c	A. Direct Debit B. Standing order C. Inter bank transfer D. All of these
11	In Pakistan the bank nationalized Act is.	A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974
12	The higer the cash reserve ratio.	A. Credit creation zero B. Credit creation constant C. Higher the credit creation D. Lower the credit creation
13	The life blood of acommercial bank.	A. Deposits B. With drawals C. Liabilities D. All these
14	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
15	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Chrage card D. None of these

		D. Gurantee card
16	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
17	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
18	Increase in ratio of cash reserve of scheduled banks.	A. Increase of credit creation B. Stop credit creation C. Decreased in credit creation D. None of these
19	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
20	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of the above