

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

Sr	Questions	Answers Choice
1	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
2	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
3	Bank draft is issued by the bank when the debtor and creditor belongs to.	A. To different cities/Country B. With in same city C. Two different families D. All these
4	Quaid -e-Azam opened his bank account in.	A. ABL B. MCB C. HBL D. NBP
5	Habib Bank Limited was formed on.	A. 1941 B. 1931 C. 1951 D. 1961
6	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
7	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account
8	While deposing money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these
9	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
10	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
11	Which of the following functions is performed by commercial bank	A. Issuance of currency notes B. Credit creation C. Rediscounting of bills D. Preparation of monetary policy
12	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
13	In Pakistan the bank nationalized Act is.	A. Act 1956 B. Act 1932 C. Act 1962 D. Act 1974
14	Which of the followig is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
15	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

16	While depositing money in your a/c , you must use.	A. Pay - in slip B. Deposit slip C. Credit voucher D. All these
17	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
18	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
19	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
20	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above