

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

Sr	Questions	Answers Choice
SI	Questions	
1	Commercial bank creates the following Money	A. Metallic B. Credit C. Paper D. All the above
2	Which of the folloiwng is a valid method of receivig payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
3	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
4	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
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	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
7	Quaid -e- Azam opened his bank account in.	A. 1940 B. 1945 C. 1957 D. 1987
8	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
9	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
10	Commercial bank can be	A. Scheduled B. Foreign C. Non Sheduled D. All these
11	Which of the following is a limitation in credit creation.	A. Initial deposit B. Use of cheques C. Use currency D. all of these
12	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 Staement
13	Which affairs of Banks are revealed by articles of Banks.	A. Internal B. External C. Political D. Financial
14	The relation ship between Cash Reserve and credit creation is.	A. No relationship B. Direct C. Inverse D. One way
15	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

16	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Chrage card D. Gurantee card
17	Which is the Primary functionof a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
18	While depositing money in your a/c , you must use.	A. Pay - in slip B. Deposit slip C. Credit voucher D. All these
19	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
20	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account