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

Sr	Questions	Answers Choice
1	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
2	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
3	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
4	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
5	If a credit is lost, what shuld the holder do.	A. Report to employer B. report to bank C. Reort to insurance co. D. All the above
6	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
7	Habib Bank Limited was formed on.	A. 1941 B. 1931 C. 1951 D. 1961
8	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
9	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
10	United Bank Ltd. was formed on.	A. 1959 B. 1949 C. 1694 D. 1957
11	Which one is not the feature of good Banking system.	A. Economic development B. Inflation C. Larger Capital D. TYrust of public
12	Commercial bank is called:	A. Banker's bank B. Bank of public C. Custodian of foreign exchange D. Banker to the Government
13	The higer the cash reserve ratio.	A. Credit creation zero B. Credit creation constant C. Higher the credit creation D. Lower the credit creation
14	Which is the secondary function of a commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. all of these
15	While deposting money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these

16	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
17	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
18	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
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	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