

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

Sr	Questions	Answers Choice
1	The life blood of a commercial bank.	A. Deposits B. With drawings C. Liabilities D. All these
2	For commercial banks "Advancing loans" are.	A. Assets B. Liabilities C. Expenses D. All of these
3	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
4	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
5	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account
6	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
7	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
8	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
9	While depositing money in your a/c, you must use.	A. Pay - in slip B. Deposit slip C. Credit voucher D. All these
10	Exchange banks are commonly known as.	A. Foreign bank B. Central bank C. Consortium Bank D. None of these
11	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account D. All of the above
12	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
13	Banking companies ordinance is	A. 1962 B. 1984 C. 1932 D. 1694
14	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
15	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of these

		D. All of the above
16	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
17	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
18	Which affairs of Banks are revealed by articles of Banks.	A. Internal B. External C. Political D. Financial
19	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
20	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card