

Principles of Banking Icom Part 2 English Medium Chapter 4 Online Test

Sr	Questions	Answers Choice
1	Which principle is followed by central bank to issue currency notes	A. Currency principle B. Banking principle C. Both principle D. None of the above
2	Which method or methods are prevailing in Pakistan for issuing notes	A. Fixed Fiduciary System B. Proportional Reserve System C. Both a and b D. None of the these
3	Centrak Bank Act as Lender of Last Resort to.	A. Scheduled Bank B. Foreign Bank C. Non-Sheduled bank D. All the above
4	What is the purpose of monetary policy	A. To control banking system B. To control supply of money C. To control foreign exchange D. To control stock market
5	Participation term certificates are issued in place of.	A. Shares B. Debentures C. NIT Units D. All these
6	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
7	Central bank is owned by	A. Public B. Government C. Commercial baks D. All of the above
8	Central bank bank supervises one of the following systems of a country:	A. Provincial B. Political C. Economical and financial D. None of the above
9	The central bank works under the rules framed by:	A. Government B. People C. Different banks D. All of the above
10	Which term is used in connection with monetary policy	A. Bank rate B. Exchange rate C. Wage rate D. Market rate
11	The Bank are called Scheduled Bank which are registered with the.	A. Central Bank B. world Bank C. Bank of England D. All the above
12	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
13	Ribs Bank of Sweden became central bank in:	A. 1568 B. 1668 C. 1768 D. None of the above
14	Scheduled bank is bound to keep with the Country.	A. 80% of Total Assets B. 60% of Total Assets C. 40% Total Assets D. 20% Total Assets
15	In the Presence of Clearing House Scheduled Banks keeps.	A. Less Cash Reserve B. More Cash Reserve C. No cash reserve D. Fixed cash reserved

6	Non- Scheduled banks are formed under co-opeative society Act.	A. 1932 B. 1925 C. 1984 D. 1911
7	If the quatity of money in circulation increases then this situation is called:	A. Inflation B. Deflation C. Money market D. All of the above
18	Participation term certificate are issued by.	A. Sole trader shipB. FirmC. Joint Stock Co.D. Co-operative society
19	In case of inflation in the country, the rate of margin is:	A. Increased B. Reduced C. Waived D. All of the above
20	Non -Scheduled banks are formed under.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society Act