

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

Sr	Questions	Answers Choice
1	Central Bank provide the facility to Scheduled Banks.	A. Rediscounting Bills B. Clearing House C. Transfer of Money D. All the above
2	Documents required to convert non scheduled bank into scheduled bank.	A. Memorandum of Association B. Articles of Association C. Audited Annual Report D. All the above
3	The external value of local currency is stabilized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
4	Scheduled Bank Can be registered under SBP Act.	A. 1956 Sec. 38 (1) B. 1957 Sec. 37 (1) C. 1956 Sec. 137 (1) D. 1956 Sec. 43(1)
5	Central bank provides the following facility to scheduled banks:	A. Feast B. Godown C. Clearing house D. None of the above
6	In case of inflation in the country, the rate of margin is:	A. Increased B. Reduced C. Waived D. All of the above
7	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
8	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
9	Which function does a central bank not perform	A. Credit creation B. Advancing loans C. Lender of last resort D. Banker of the public
10	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
11	Under fixed fiduciary system, if notes are issued in excess of fiduciary limit then how much value of precious metal or foreign exchange is kept as reserve for over issue	A. 5% B. 10% C. 30% D. 100%
12	When was the first central bank of sub-continent established:	A. 1635 B. 1732 C. 1835 D. 1935
13	The transmission of following is stopped due to clearing house:	A. Credit money B. Metallic money C. Cash money D. All of the above
14	If the quantity of money in circulation increases then this situation is called:	A. Inflation B. Deflation C. Money market D. All of the above
15	Participation term certificates are issued in place of.	A. Shares B. Debentures C. NIT Units D. All these

16	Under which Section Scheduled Bank are bond to keep 80% of their Asset in country.	A. Section 38 B. Section 33 C. Section 37 D. Section 40
17	The document acquire to convert non -scheduled into scheduled bank	A. Prospectus B. Debentures C. By laws copy D. Audited Annual Report
18	Teh section of Banking company ordinance of Paksitan 1962 the minimum Capital Requireemnt of Scheduled Banks in or outside Pakistan is.	A. Sec. 14 B. Sec . 13 C. Sec. 16 D. Sec. 17
19	Qualitative methods of monetary policy do not include:	A. Direct actions B. Publicity C. Bank rate policy D. Moral pursuation
20	What is meant by margin requirement	A. To advance loan less than the value of security B. To give less amount as interest than the amount of loan C. To advance more loan than the value of security D. To advance loan equal to the value of security