

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

Sr	Questions	Answers Choice
1	When was the first central bank of sub-continent established:	A. 1635 B. 1732 C. 1835 D. 1935
2	Which term is used in connection with monetary policy	A. Bank rate B. Exchange rate C. Wage rate D. Market rate
3	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
4	State Bank of Pakistan Act is	A. 1932 B. 1962 C. 1984 D. 1997
5	The institution responsible for the contraction and expansion of money in the best interest of general public is called:	A. Commercial bank B. Clearing house C. Central bank D. Chamber of commerce
6	Participation term certificates are issued in place of.	A. Shares B. Debentures C. NIT Units D. All these
7	If credit money is controlled by the sale and purchase of government securities, it is called	A. Direct action B. Moral persuasion C. Change in reserve ration D. Open market operation
8	Non- Scheduled banks are formed under co-operative society Act.	A. 1932 B. 1925 C. 1984 D. 1911
9	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
10	The document acquire to convert non -scheduled into scheduled bank	A. Prospectus B. Debentures C. By laws copy D. Audited Annual Report
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	Central bank provides the following facility to scheduled banks:	A. Feast B. Godown C. Clearing house D. None of the above
13	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
14	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

15	Central bank is owned by	A. Public B. Government C. Commercial banks D. All of the above
16	Non -Scheduled banks are formed under.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society Act
17	The external value of local currency is stabilized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
18	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
19	Pakistan's central bank was established in:	A. 1947 B. 1948 C. 1949 D. 1950
20	The central bank works under the rules framed by:	A. Government B. People C. Different banks D. All of the above