

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

Sr	Questions	Answers Choice
1	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
2	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
3	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
4	Non- Scheduled banks are formed under co-opative society Act.	A. 1932 B. 1925 C. 1984 D. 1911
5	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%
6	Important functions of a central bank:	A. To issue currency notes B. To provide banking facilities to government C. To advise commercial banks D. All of the above
7	What are the objectives of monetary policy	A. Stability in price B. Exchange stability C. Stability in capital market D. All of the above
8	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
9	The external value of local currency is stablized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
10	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
11	If the quaity of money in circulation increases then this situation is called:	A. Inflation B. Deflation C. Money market D. All of the above
12	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
13	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
14	Under which Section Scheduled Bank can open new branch.	A. Section 38 B. Section 39 C. Section 40 D. Section 41

15	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
16	Central Bank provide the facility to Scheduled Banks.	A. Rediscounting Bills B. Clearing House C. Transfer of Money D. All the above
17	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)
18	Participation term certificates are issued in place of.	A. Shares B. Debentures C. NIT Units D. All these
19	The central bank works under the rules framed by:	A. Government B. People C. Different banks D. All of the above
20	Modern central banking system started in	A. 18th Century B. 19th Century C. 20th Century D. None of these