

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Who started the use of bank draft:	A. Kings B. Merchants C. Money lenders D. Goldsmiths
2	Treasury bill is a :	A. Negotiable credit instrument B. Non-negotiable credit instrument C. Debentures D. Shares
3	When was the "Reserve Bank of India" established:	A. 1925 B. 1935 C. 1940 D. 1945
4	The external value of local currency is stablized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
5	Rate of interest in case of fixed deposit is	A. Low B. High C. Both D. None of the above
6	The supply of foreign exchange arises when.	A. Goods are exported B. Students comes of country C. Sale of Foreign securities D. All of these
7	Negotiable credit instrument.	A. Control credit B. Stop credit C. Create credit D. None of these
8	What is the purpose of using credit card	A. To purchases goods and services B. To win the prized from banks C. To travel abroad D. To invest the saving
9	What is necessary to withdraw money through ATM.	A. ATM card B. PIN number C. ATM terminal D. All of these
10	The primary objective of a central bank is to	A. Earn profit B. Advance loans to traders C. Safeguard the national interest D. All of the above
11	Paying bank with respect to a letter of credit is called.	A. Advising bank B. Informatory bank C. Both these D. None of these
12	Grace days are given to debtor for the patment of:	A. Bills of exchange B. Promissory note C. Treasury bill D. Cheque
13	Nature of Bank Accounts also help in determining the ratio of.	A. Cash Reserve B. Capital C. Partnership D. None of these
14	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
15	Two transverse parallel lines on the face of cheque.	A. Crossingof cheque B. Dishnoring of cheque C. Endorsed of cheque D. Retirementof cheque

16	Important source of income for Bank.	A. DepositsB. Current AccountC. Saving accountD. Issued loans
17	Payee has no give his identification to bank for receiving the amount of:	A. Bearer cheque B. Order cheque C. Blank cheque D. Crossedcheque
18	According to Sir John Paget, a bank is an institution which :	A. Accepts the deposits of general public B. Honours the cheques C. Advances loan D. All of the above
19	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
20	Which bank account is exempted from income tax and zakat:	A. Saving account B. Fixed deposit C. Foreign currency account D. All of the above