

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	The person who opens an account with the bank is called	A. Employee of bank B. Customer of bank C. Account holder of bank D. Owner of bank
2	Whihc of the following is the most elastic method for issuing notes.	A. Fix fiduciary system B. Minium Reserve system C. Proportional Reserve system D. None of these
3	Which of the following changes cause to change in foreign exchange rate	A. Change in export and imports B. Change in capital flow C. Change in bank rate D. All the above
4	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
5	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
6	Cheque is a credit instrument which is	A. Negotiable B. Conditionally negotiable C. Non negotiable D. None of the above
7	What is common between bank and customer	A. Account no. B. Cheque no. C. Serial no D. Drawee
8	For how many years the governor of State Bank of Pakistan is appointed:	A. 3 years B. 7 years C. 10 years D. None of the above
9	Scheduled banks means a bank which is registered with	A. Stock exchange B. Central bank C. World bank D. All of the above
10	The market where foreign moneys are bought and sold is.	A. Stock market B. Foreign exchang markets C. Open market D. None of these
11	The examples of short term monetary assets includes.	A. Bills of exchange B. Promissory note C. Treasurey bill D. All of these
12	The charger of commercial Bank is.	A. Momorandum B. Articles C. Prospectus D. None of these
13	On issuance of bank draft bank gets.	A. Tax B. Commission C. Profit D. Duty
14	How many minimum promoters are required to sign on an application for the registration of commercial bank	A. Two B. Five C. Seven D. Ten
15	Non- Scheduled banks are formed under co-opeative society Act.	A. 1932 B. 1925 C. 1984 D. 1911

6	Main parties of promissory note are	A. One B. Two C. Three D. Four
17	The bill whihc is payable on its presentation is called.	A. Sight bill B. Time bill C. Trade bill D. Accommodation bill
18	When was Islamic Banking System introduced in Pakistan:	A. 1970 B. 1972 C. 1981 D. 1982
19	Because of low Reserve Ratio the credit creation power.	A. Increases B. Decreases C. Constant D. Zero
20	How many institutions in money market in Pakistan	A. 7 B. 8 C. 9 D. 10