

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	What kind of power does commercial bank possess regarding credit creation	A. Unlimited power B. Limited power C. No power D. All the above are possible
2	Which one is the Secondary function commercial bank.	A. Accept deposits B. Advance loans C. Collections of cheques D. All these
3	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
4	The money market deals in.	A. promissory note B. Bill of exchange C. Treasury billss D. All of these
5	Person who recieves the amount of cheque from bank is called:	A. Drawee B. Payee C. Endorsee D. All of the above
6	The rate of exchange determined by two countries following non-convertible paper currency system is a point where	A. The purchasing power of currency is same B. The purchasing power of currency is different C. The purchasing power of currency is zero D. None of the above
7	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
8	What is necessary to withdraw money through ATM	A. I.D. card B. Cheque C. Pin code D. None of these
9	Draft drawn and pid in two different parties int he same country is called.	A. Foreign draft B. Demand draft C. Local draft D. None of these
10	Illiterate person provides to bank for his identification	A. Birth certificate B. Impression of thumb C. Photograph D. All the above
11	A pass book is issued to:	A. Current accountholder B. Saving accountholder C. Both A & B D. None of the above
12	Beginning of cheque by.	A. Gold smiths B. Merchants C. Kings D. Money lenders.
13	The demand for and supply of foreign exchange is regulated by.	A. Central bank B. World bank C. Commercial bank D. All of these
14	the precautions while advancing loan by bank are.	A. Safety of loan B. Durable security C. Liquidity D. All the above
		A. Low

15	Rate of interest in case of fixed deposit is	B. High C. Both D. None of the above
16	In the presence of clearing house the use of cash transactions between banks	A. Increases B. Decreases C. Stops D. NO effect
17	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
18	What is recieved by the post office on money order:	A. Profit B. Interest C. Commision D. All of the above
19	When was the "Bank of England" got the monopoly owwe note issue:	A. 1728 B. 1758 C. 1768 D. 1778
20	In L.C. the other name of importer's bank is.	A. Buyer bank B. Opening bank C. Issuing bank D. All of these