

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these
2	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
3	In Case of Fixed Deposit the rate of interest is.	A. Constant B. High C. Low D. None of these
4	The leader of money and capital market in Pakistan.	A. Government B. Central Bank C. Commercial Banks D. None of these
5	The leader of money market in Pakistan.	A. Central Bank B. Government C. Commercial Banks D. None of these
6	The banks under special ordinance are formed:	A. By the president of any bank B. By the president of world bank C. By the president of a country D. All of the above
7	The Governor of SBP is appointed for.	A. Five years B. Four years C. Three years D. Two years
8	Which type of loan is advanced by commercial banks for meeting day-to-day requirements:	A. Short term loan B. Medium term loan C. Long term loan D. All of the above
9	Bills of exchange is a written order which is always	A. Conditional B. Unconditional C. Partially conditional D. All of the above
10	the loans which can be demanded back by bank at any time are called.	A. Short term loans B. Overdrafts C. Demand loans D. Running Finance
11	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
12	The letter of credit which can be endorsed to another person is called:	A. Special L.C B. Transferable L.C C. Revolving L.C D. None of the above
13	Alteration in cheque must be signed by.	A. Payee B. Debtor C. Drawer D. All of these
14	The money deposited in the bank is considered by a customer as	A. Asset B. Liability C. Investment D. Saving
15	Which is the secondary function of commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. All of these

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16	The loans obtained for meeting the administrative expenses and purchase of raw material are:	A. Short term loans B. Medium Term loans C. Long Term loans D. All of the above
17	In L.C. the other name of importer's bank is.	A. Buyer bank B. Opening bank C. Issuing bank D. All of these
18	If the demand of any country's currency increases then rate of exchange becomes	A. Favorable B. Unfavorable C. Both a and b D. None of these
19	Where is the head office of ZTBL	A. Karachi B. Lahore C. Peshawar D. Islamabad
20	State Bank of Pakistan Amendment Act is.	A. 1932 B. 1997 C. 1962 D. 1956