

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Which is the Primary function of a commercial bank.	A. Issue Notes B. Accepting Deposits C. Credit creation D. None of these
2	Written evidence of depositing money into bank.	A. Cheque book B. Pay in Slip C. Pas Book D. None of these
3	The draft which is drawn and paid in two different countries.	A. Inland draft B. Ordered draft C. Foreign draft D. Home draft
4	The loan given against some security are known as.	A. Unsecured loans B. Demand loans C. Secured loans D. All the above
5	Who is called a drawee of cheque	A. Payee B. Bank C. Customer D. Endorsee
6	Which of the following accounts is non-transferable	A. Saving account B. Fixed deposit account C. Current account D. None of the above
7	Retirement of bill means	A. Payment of bill before due date B. Dishonoring of bill due to non-payment C. Protesting of bill D. Dishonoring of bill due to non-acceptance
8	Which of the following is a limitation in credit creation	A. Initial deposit B. Use of cheques C. Use of currency D. All of these
9	Open market operation means.	A. Purchase and sale of shares B. Purchases and sale of securities C. Purchase and sale of assets D. None of these
10	Loan Create	A. Monopoly B. Inflation C. Deposits D. All the above
11	Term dishonoring of cheque is used when	A. Bank refuses to pay B. Bank stops the payments C. Bank delay the payments D. Bank gives cheque to clearing house
12	Which of the following is provided to customer for opening the profit and loss term deposit account	A. Cheque book B. Pay-in-slip C. Pass book D. Fixed deposits receipt
13	The demand for foreign exchange comes when.	A. Purchases of foreign securities B. Students go abroad C. Goods are imported D. All of these
14	IDB was opened on	A. Oct. 1973 B. Oct. 1975 C. Oct. 1977 D. None of these
		A. Cash payments

15	Credit card payments are considered.	B. Credit payments C. Both these D. None of these
16	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
17	The amount (capital) received by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
18	It is the duty of a customer to.	A. Follow banking hours B. Safety of cheque book C. Careful filling of cheque D. All these
19	Which of the following can be cancelled by the issuing bank without the consent of the other parties	A. Revocable letter of credit B. Irrevocable letter of credit C. Revolving letter of credit D. Unconditional letter of credit
20	Which of the following relationships occurs if a customer deposits his money in a bank	A. Bank as a debtor and customer as a creditor B. Bank as a creditor and customer as a debtor C. Bank as an agent and customer as a principle D. Bank a modarib and customer as an aamal