

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	A representative handed over cheques to other banks are called.	A. Outward clearing B. Direct clearing C. Inward Clearing D. Indirect Clearing
2	Part of cash of scheduled banks kept by central bank as per law is called.	A. Specific reserves B. Statutory reserves C. General Reserves D. All the above
3	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
4	Participation term certificate are issued by.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society
5	On which of the following amount of overdraft, bank receives interest:	A. Fix B. Total C. Used D. All of the above
6	Which of the following banks performs its functions according to the instructions of central bank	A. Foreign bank B. Scheduled bank C. Non-scheduled bank D. All the above
7	The number of financial institutions in money is	A. Limited B. Fixed C. Unlimited D. All are possible
8	In Pakistan, the interest free modes of financing have been divided into	A. Two groups B. Three groups C. Four groups D. None of these
9	Central bank bank supervises one of the following systems of a country:	A. Provincial B. Political C. Economical and financial D. None of the above
10	The charter of commercial Bank is.	A. Memorandum B. Articles C. Prospectus D. None of these
11	The demand for foreign exchange comes when.	A. Purchases of foreign securities B. Students go abroad C. Goods are imported D. All of these
12	Who are called the ancestors of modern banks.	A. Merchant B. Money Lenders C. Gold Smiths D. All of these
13	In these days Banks are formed under companies ordinance.	A. 1962 B. 1932 C. 1984 D. 1013
14	Principle of advancing loan by bank are.	A. Principle of income B. Principle of safety C. Principle of liquidity D. All the above
15	The amount (capital) received by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital

16	In case of mortgage, the property remains in the possession of:	A. Lender (creditors) B. Borrower (debtors) C. The government D. All of the above
17	Scheduled Banks can keep his totl assets outside the country.	A. 80% B. 60% C. 40% D. 20%
18	The money market deals in.	A. promissory note B. Bill of exchange C. Treasury bills D. All of these
19	Riba is the word of following language	A. Urdu B. Arabic C. English D. French
20	Services provided by on line banking	A. Depositing the money into the account B. Withdrawal the money from bank C. Transfer of money D. All the above
