

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Commercial bank create money.	A. Metallic B. Credit C. Paper D. All these
2	Cheque is a written order drawn on	A. Endorsee B. Bank C. Customer D. All of the above
3	What is the number of members in the managements body of PICIC	A. 12 B. 21 C. 5 D. 7
4	Bills of exchange has three:	A. Owners B. Parties C. Shareholders D. None of the above
5	Deposits create	A. Inflation B. Loan C. Monopoly D. All the above
6	A bill which can be rediscounted from central bank	A. Sight bill B. Time bill C. Both a and b D. None of these
7	It is the right of a customer to.	A. Draw cheque B. Receive pass book C. Receive cheque book D. All these
8	Which of the following banks cannot open its new branch without the permission of central bank	A. Non-scheduled bank B. Scheduled bank C. Chartered bank D. All of the above
9	Grace days are given to debtors for payment.	A. 3 days B. 4 days C. 5 days D. 6 days
10	Which document is attached to the application for the registration of bank	A. Memorandum of bank B. Articles of bank C. Prospectus D. All the above
11	Saving accounts encourage the habit of saving among	A. Low income persons B. Investors C. Business people D. All of the above
12	Non -Scheduled banks are formed under.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society Act
13	In Case of Fixed Deposit the rate of intrest is.	A. Constant B. High C. Low D. None of these
14	The money deposited in the bank is considered by a customer as	A. Asset B. Liability C. Investment D. Saving
15	In an organized money market the interest rate is.	A. Less B. More C. Uniform D. All these

16	Parties involved in money order.	A. Two B. Three C. Four D. Five
17	Which one of the following is not the preference of state bank of Pakistan	A. Expansion in banking system B. Control over the supply of money C. Equal distribution of credit D. To earn maximum profit
18	The payment of draft is made on.	A. Sight B. Demand C. By post D. Phone call
19	Non negotiable credit instruments are.	A. Letter of credit B. I.O.U C. Money order D. All of these
20	The quantitative methods of credit control are in nature.	A. General B. Selective C. Optional D. None of these
