

## Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	The rate which keeps the balance of payment in equilibrium.	A. Equilibrium rate B. Foreign exchange rate C. Currency Rate D. Dollar rate
2	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
3	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
4	Under which Section Scheduled Bank can open new branch.	A. Section 38 B. Section 39 C. Section 40 D. Section 41
5	In the presence of clearing house the use of cash transactions between banks	A. Increases B. Decreases C. Stops D. NO effect
6	The bank of charges interest on.	A. Deposits B. Overdraft C. Running finance D. Both b and c
7	Which of the following is not an objective of central bank.	A. Economic development B. Helping Govt C. Welfare of economy D. Credit creation
8	Postal order is the example of.	A. Negotiable credit instrument B. Cash instrument C. Non negotiable credit instrument D. None of these
9	Market for medium and long term loans.	A. Capital market B. Money market C. Open market D. None of these
10	If the exporter is not the receiver (beneficiary) of money then a letter of credit is called:	A. Resolving B. Back to Back C. Transferable D. None of the above
11	Principle of advancing loan by bank are.	A. Principle of income B. Principle of safety C. Principal of liquidity D. All the above
12	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
13	The money deposited in the bank is considered by a customer as	A. Asset B. Liability C. Investment D. Saving
14	Muslims commercial Bank was established on.	A. 1947 B. 1948 C. 1951 D. 1949
15	Which bank was formed under the royal order	A. Bank of Venice B. State Bank of Pakistan C. Bank of Barsolona D. Chartered bank of England

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16	Cheque is always payable on.	A. Phone call B. At sight C. After banking hour D. On demand
17	The loan given against some security are known as.	A. Unsecured loans B. Demand loans C. Secured loans D. All the above
18	When was the National Bank Of Pkaistan established:	A. 1948 B. 1949 C. 1950 D. 1951
19	On which account a bank does not pay interest	A. Saving account B. Fixed deposits C. Current account D. All of the above
20	Cheque signed by drawer without filling is called	A. Plain B. Blank C. Open D. Traveller's cheque

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