

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	Which method is used for the formation of bank	A. Royal order B. Special ordinance C. Company's ordinance D. All of the above
2	How many minimum promoters are required to sign on an application for the registration of commercial bank	A. Two B. Five C. Seven D. Ten
3	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
4	Which of the following banks accepts deposits and advances loans	A. Cooperative bank B. Mortgage bank C. Commercial bank D. Central bank
5	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
6	Which document indicates the authority and limitation of bank	A. Memorandum B. Articles C. Certificate of incorporation D. Prospectus
7	The primary objective of a central bank is to	A. Earn profit B. Advance loans to traders C. Safeguard the national interest D. All of the above
8	What kinds of business does a commercial bank do	A. Accepts deposits and advances loans B. Issues currency notes C. Re-discounts the bills of exchange D. All the above
9	Who was the founder of commercial bank	A. Goldsmiths B. Merchants C. Money lenders D. All the above
10	Which document does reveal the internal affairs of a bank	A. Memorandum of bank B. Articles of bank C. Certificate of incorporation D. Prospectus
11	bank is the developed form of	A. The business of moneylenders B. The business of merchants C. The business of goldsmiths D. None of the above
12	The first central bank of indo-Pak	A. Bank of Calcutta B. Imperial bank C. Reserve bank of India D. None of the above
13	The word Bank has been derived from the German word	A. Back B. Bancus C. Banco D. None of the above
14	Money creative bank is	A. Central bank B. Commercial bank C. Consumer bank D. Both a and b
15	The document by which the people are invited to buy the shares of bank is called	A. Memorandum of bank B. Articles of bank C. Certificate of incorporation D. Prospectus

U. Prospectus of bank

16	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All the above
17	Which bank does keep the precious articles of public into its custody	A. Central bank B. Industrial bank C. Commercial bank D. None of these
18	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
19	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
20	What kind of power does commercial bank possess regarding credit creation	A. Unlimited power B. Limited power C. No power D. All the above are possible
21	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
22	Commercial bank can be regarded by nature as	A. Depository bank B. Central bank C. Investment bank D. None of the above
23	Commercial bank advises its customers on	A. Household matters B. Financial matters C. Political matters D. All the above
24	Current account is suitable for	A. Capitalists B. Salaried persons C. Business community D. None of the above
25	Commercial bank creates the following Money	A. Metallic B. Credit C. Paper D. All the above
26	Which of the following functions is performed by commercial bank	A. Issuance of currency notes B. Credit creation C. Rediscounting of bills D. Preparation of monetary policy
27	Which of the following is meant for presenting a summary and balance of accounts of bank customers	A. Bank statement B. Balance sheet C. Pass book D. Prospectus
28	Why commercial banks keep a certain amount of money as reserve	A. Meeting the requirements of customers B. Meeting the requirements of central bank C. Acquiring the satisfaction of having cash D. Expanding the banking business
29	The primary function of commercial bank are	A. Accepting deposits B. Advancing loans C. Both a and b D. None of these
30	The kind of loan according to issue	A. Cash credit B. Discounting of bill C. Mortgage loan D. All of the above
31	The automatic delivery of banking products and services to customers through interactive electronic communication is called	A. E banking B. Electronic banking C. Both a and b D. None of these
32	How many advantages of e banking	A. 3 B. 4 C. 5 D. 6

33	How many benefits of customers	<p>A. 5</p> <p>B. 6</p> <p>C. 7</p> <p>D. 8</p>
34	How many benefits of bankers	<p>A. 4</p> <p>B. 5</p> <p>C. 6</p> <p>D. 7</p>
35	How many benefits of economy	<p>A. 2</p> <p>B. 3</p> <p>C. 4</p> <p>D. 5</p>
36	How many products of E banking	<p>A. 5</p> <p>B. 6</p> <p>C. 7</p> <p>D. 8</p>
37	How many merits of credit card	<p>A. 7</p> <p>B. 8</p> <p>C. 9</p> <p>D. 10</p>
38	How many merits of debit card	<p>A. 5</p> <p>B. 6</p> <p>C. 7</p> <p>D. 8</p>
39	What is the full form is ATM	<p>A. Automated Teller Machine</p> <p>B. <code><div><table id="AcrFinder" style="box-sizing: inherit; color: rgb(64, 64, 64); font-size: 13px; border-spacing: 0px;"><tbody style="box-sizing: inherit;"><tr data-cat="3" style="box-sizing: inherit;"><td style="box-sizing: inherit;">AsynchronousTransferMode</td></tr></tbody></table></div></code></p> <p>C. <code><div><table id="AcrFinder" style="box-sizing: inherit; color: rgb(64, 64, 64); font-size: 13px; border-spacing: 0px;"><tbody style="box-sizing: inherit;"><tr data-cat="4" style="box-sizing: inherit;"><td style="box-sizing: inherit;">AirTrafficManagement</td></tr></tbody></table></div></code></p> <p>D. None of these</p>
40	E-Banking provides benefits to the following	<p>A. Accountholder</p> <p>B. Banker</p> <p>C. Economy</p> <p>D. All the above</p>
41	Services provided by on line banking	<p>A. Depositing the money into the account</p> <p>B. Withdrawal the money from bank</p> <p>C. Transfer of money</p> <p>D. All the above</p>
42	What is the purpose of using credit card	<p>A. To purchases goods and services</p> <p>B. To win the prized from banks</p> <p>C. To travel abroad</p> <p>D. To invest the saving</p>
43	What is necessary to withdraw money through ATM	<p>A. I.D. card</p> <p>B. Cheque</p> <p>C. Pin code</p> <p>D. None of these</p>
44	ATM is used to withdraw money from the	<p>A. Branch of bank in which we have the account</p> <p>B. Any branch of concerned bank</p> <p>C. Other banks</p> <p>D. All the above</p>

45	The following is not used in E-Banking	A. Credit card B. Debit card C. Cheque D. All the above
46	Modern central banking system started in	A. 18th Century B. 19th Century C. 20th Century D. None of these
47	Credit money in the country is controlled by	A. Central bank B. Commercial bank C. Industrial bank D. Agricultural bank
48	Which principle is followed by central bank to issue currency notes	A. Currency principle B. Banking principle C. Both principle D. None of the above
49	Which method or methods are prevailing in Pakistan for issuing notes	A. Fixed Fiduciary System B. Proportional Reserve System C. Both a and b D. None of the these
50	Which function does a central bank not perform	A. Credit creation B. Advancing loans C. Lender of last resort D. Banker of the public
51	What is meant by margin requirement	A. To advance loan less than the value of security B. To give less amount as interest than the amount of loan C. To advance more loan than the value of security D. To advance loan equal to the value of security
52	Which bank is called the mother or central banks	A. Reserve bank of India B. Bank of England C. State Bank of Pakistan D. Bank of Venice
53	Under fixed fiduciary system, if notes are issued in excess of fiduciary limit then how much value of precious metal or foreign exchange is kept as reserve for over issue	A. 5% B. 10% C. 30% D. 100%
54	What are the objectives of monetary policy	A. Stability in price B. Exchange stability C. Stability in capital market D. All of the above
55	Which term is used in connection with monetary policy	A. Bank rate B. Exchange rate C. Wage rate D. Market rate
56	What is the objective of clearing house	A. To control credit money B. To clear the transactions of different banks C. Training of banking staff D. Re-discounting of bills
57	What is the purpose of monetary policy	A. To control banking system B. To control supply of money C. To control foreign exchange D. To control stock market
58	Which is the quantitative method of credit control	A. Change in reserve ratio B. Change in margin requirement C. Selective control D. Publicity
59	If credit money is controlled by the sale and purchase of government securities, it is called	A. Direct action B. Moral persuasion C. Change in reserve ration D. Open market operation
60	Central bank is owned by	A. Public B. Government C. Commercial baks D. All of the above
61	What is the example of Scheduled bank	A. Habib bank Ltd. B. Allied bank Ltd. in Pakistan C. Both a and b

		D. None of these
62	What is the example of non scheduled bank	A. Sindh provincial cooperative bank B. Meezan bank C. Habib bank D. Allied bank
63	How many merits of scheduled bank	A. 12 B. 13 C. 14 D. 15
64	Scheduled banks means a bank which is registered with	A. Stock exchange B. Central bank C. World bank D. All of the above
65	Scheduled bank keeps a certain amount of its deposits with central bank as	A. Reserve capital B. Bank rate C. Subscribed capital D. Authorized capital
66	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
67	Which document is demanded by central bank for the conversion of non-scheduled bank into scheduled bank	A. Prospectus of bank B. Copy of bye-laws C. Audited annual report of bank D. Certificate of incorporation
68	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
69	Scheduled bank is registered under state bank of Pakistan Act	A. 1965 B. 1956 C. 1950 D. None of the above
70	Central bank does not provide the following facility to non-scheduled bank	A. Rediscounting of bills B. Clearing house C. Transfer of money D. All the above
71	What percentage of total assets a scheduled bank is bound to keep within the country	A. 60% B. 70% C. 80% D. 90%
72	Non-scheduled bank can	A. Deal in foreign exchange B. Attain the of public confidence C. Open new branch without permission D. All the above
73	It is necessary for scheduled bank to	A. Act on the instructions of central bank B. Submit report to central bank C. Get the books checked D. All the above
74	In financial crises, the central bank issues loan to	A. Non-scheduled bank B. Foreign bank C. Scheduled bank D. All the above
75	The following bank can open its branch in foreign country	A. Scheduled bank B. Non-scheduled bank C. Both a and b D. None of these
76	On which account a bank does not pay interest	A. Saving account B. Fixed deposits C. Current account D. All of the above
77	Which is demanded by a bank at the time of opening new account	A. Birth certificate B. Source of income C. Educational qualification D. All of the above
78	The money deposited in the bank is considered by a customer as	A. Asset B. Liability C. Investment D. Saving

79	What type of account is preferred by a businessman	A. Saving account B. Fixed deposits C. Current account D. Foreign currency account
80	An account holder does not need to write a cheque to withdraw money from following account	A. Saving account B. Fixed deposit account C. Current account D. None of the above
81	Which of the following accounts is non-transferable	A. Saving account B. Fixed deposit account C. Current account D. None of the above
82	What is necessary to continue or keep an account with the bank	A. Introductory preference B. Minimum required balance C. Phone number D. Political stability
83	Maintenance of minimum balance is not required in	A. Current account B. Basic banking account C. Saving account D. None of these
84	Which of the following is provided to customer for opening the profit and loss term deposit account	A. Cheque bank B. Pay-in-slip C. Pass book D. Fixed deposits receipt
85	Why does it necessary for a customer to sign the specimen signature card	A. To match with the signatures when cheque is presented for payment B. To make exercise of signatures C. To complete documentary requirements D. To obtain new cheque book
86	Which document a joint stock company has to provide at the time of opening account with bank	A. Shares B. Copy of bye-laws C. Audited annual report of company D. Certificate of incorporation
87	Rate of interest in case of fixed deposit is	A. Low B. High C. Both D. None of the above
88	Saving accounts encourage the habit of saving among	A. Low income persons B. Investors C. Business people D. All of the above
89	Which Fiqah does allow the deduction of Zakat in the application form of account opening	A. Hindu B. Shia C. Sunni D. None of the above
90	Customer can withdraw money only after the expiry of fixed time	A. From saving account B. From current account C. From fixed deposit D. From all the above
91	Person having an account with a bank or having some similar relation with the bank is called	A. Owner B. Debtor C. Consumer D. Customer
92	When a bank accepts real estate as security by way of mortgage then it is called	A. Aamal B. Zarib C. Mortgager D. Mortgagee
93	Illiterate person provides to bank for his identification	A. Birth certificate B. Impression of thumb C. Photograph D. All the above
94	Joint-stock company can open the following account in bank	A. Fixed B. Current C. Saving D. All the above
95	When bank provides finance to its customer under an agreement of Modaraba, the customer becomes	A. Consumer B. Zarib C. Aamal D. None of the above
		A. Mortgagee B. Creditor

96	When customer deposits his money in a bank, he becomes	B. Creditor C. Debtor D. None of the above
97	Clubs, cooperative societies, and associations etc. are entitled as following concern	A. Partnership B. Non-trading C. Trading D. All the above
98	Head of any government institution can open account with a bank in the capacity of	A. Consumer B. Principal C. Employee D. None of the above
99	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
100	Which of the following takes responsibility to manage the property of another	A. Trustee B. Bailee C. Mortgagee D. All the above
101	What is the status of an account if opened by a government institution	A. A non-trading concern B. An individual C. A joint-stock company D. A joint customer
102	Which of the following terms is used regarding the confirmation of death of bank customer	A. Stopped account B. Cancelled account C. Deceased account D. Closed account
103	When a person deposits money in a bank, it is the beginning of	A. Bank and customer business B. Bank and customer relationship C. Lending and borrowing between bank and customer D. Relation of confidence and trust
104	Which of the following cannot open account in a bank	A. Pargah-nasheen women B. Minor or infant C. Lunatic or mental patient D. Non-trading concern
105	A form of written agreement between bank and customer is	A. Cheque book B. Pass book C. Application form for opening account D. None of the above
106	Why does a bank grant loans to businessmen	A. To purchase raw material B. To pay wages C. To pay development expenditures D. All the above
107	Which things can be accepted by bank as security at the time of granting loan	A. Gold and silver B. Property C. Shares and debentures of company D. All the above
108	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five
109	What is called a good security	A. Whose price can be determined easily B. Which does not have any government restriction C. Whose ownership is totally clear D. All the above
110	Bank prefers to advance loan on such documents	A. Which are easy to keep B. Which are transferable C. Whose price can be determined easily D. All the above
111	The loans which are issued for the period of one to five year called	A. Demand loans B. Short term loans C. Medium term loans D. Long term loans

112	The loan which is granted by bank to account holder on temporary basis called	A. Cash credit B. Overdraft C. Demand loan D. None of the above
113	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
114	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these
115	The loan which can be demanded at any time are called	A. Short term loans B. Demand loans C. Overdraft D. All the above
116	What is meant by hypothecation	A. To hand over the goods or documents of title to goods by a customer to the bank as a security against a debt B. To hand over the documents of property by a customer until the repayment of debt C. A type of security in which neither the ownership nor the possession passes to the bank D. A receipt of loan which shows that money has been borrowed against an immovable property as a security
117	What is meant by the principle of diversity regarding issuance of loan	A. Lending only to those who can repay the debt at short notice B. Lending against some material security C. Lending in terms of sure repayment D. Lending to different businesses or individuals
118	Who does accept the responsibility for repayment debt	A. Guarantor B. Personal security C. Both a and b D. None of the these
119	Which of the following is a highly marketable security	A. Document of title to goods B. Shares and debentures C. Immovable property D. All the above
120	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
121	Endorsee of cheque is a person	A. Who receives the amount of cheque B. In whose favour the rights of cheque are transferred C. On whom the cheque is drawn D. Who draws a cheque
122	A cheque which can be cashed by its holder	A. Bearer B. Order C. Crossed D. Plain
123	Cheque is a credit instrument which is	A. Negotiable B. Conditionally negotiable C. Non negotiable D. None of the above
124	Who is called a drawee of cheque	A. Payee B. Bank C. Customer D. Endorsee
125	A cheque which cannot be cashed at bank's counter	A. Bearer B. Order C. Crossed D. None of the above
126	If drawing of a cheque signs o its back for transferring the rights to another person is called	A. Material change B. Endorsement C. Crossing D. Acceptance

127	Cheque signed by drawer without filling is called	A. Plain B. Blank C. Open D. Traveller's cheque
128	Cheque is always crossed by	A. Drawer B. Drawee C. Holder D. All of the above
129	Crossing of cheque is cancelled by	A. Drawer B. Drawee C. Holder D. All of the above
130	Honoured cheque is a cheque which is	A. Accepted by drawee for payment B. Accepted by payee C. Accepted by endorsee D. All of the above
131	Crossing which contains the name of a particular bank is called	A. Regular crossing B. Irregular crossing C. General crossing D. Special crossing
132	What is written on the leaf of a cheque about customer	A. Name B. Address C. Telephone number D. Account number
133	On every cheque bank gets	A. Profit B. Commission C. Tax D. Duty
134	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
135	Cheque is a written order drawn on	A. Endorsee B. Bank C. Customer D. All of the above
136	The bills of exchange which is paid after the expiry of fixed period of time called	A. Accommodation bill B. Sight bill C. Time bill D. All of the above
137	Main parties of promissory note are	A. One B. Two C. Three D. Four
138	Promissory note drawn by two or more persons is called	A. Individual promissory note B. Joint promissory note C. Foreign promissory note D. All of the above
139	Drawer and payee of inland promissory note belong to	A. Same country B. Different countries C. Different cities D. None of the above
140	Bills of exchange is a written order which is always	A. Conditional B. Unconditional C. Partially conditional D. All of the above
141	Bills of exchange is	A. An order to pay B. A request to pay C. A promise to pay D. All of the above
142	A person who writes the bill is called	A. Drawee B. Drawer C. Payee D. Acceptor
143	Drawee of the bank draft is a	A. Bank which issues a draft B. Bank on which the draft is drawn C. Payee of draft D. Sender of amount by draft
		A. Cheque B. Bills of exchange

144	Credit instrument drawn by one bank on another bank is called	B. Bill of exchange C. Bank draft D. Treasury bill
145	Bill which is drawn without any trade transaction	A. Sight bill B. Time bill C. Trade bill D. Accommodation bill
146	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
147	Drawee of bills of exchange is a person	A. Who receives the amount of bill B. On whom the bill is drawn C. Who accepts the bill D. In whose favour the bill is transferred
148	A bill which can be rediscounted from central bank	A. Sight bill B. Time bill C. Both a and b D. None of these
149	Bills of exchange is a negotiable instrument which contains	A. A written order B. Conditional written order C. Unconditional written order D. None of the above
150	A person in whose favour the rights of bill are transferred is called	A. Drawer B. Payee C. Endorsee D. All of the above
151	Which of the following is an order of payment by one post office for another post office	A. Postal order B. Money order C. Both a and b D. None of these
152	Which of the following is used to finance the people who want to travel abroad	A. Traveller's letter of credit B. Traveller's cheque C. Circular note D. All the above
153	What is the nature of credit instrument IOU	A. An autograph B. A monograph C. A holograph D. A sonograph
154	What does IOU mean	A. I am a debtor to you B. I am a creditor to you C. Both a and b D. None of these
155	I Owe You is a written instrument drawn by	A. Trader B. Debtor C. Creditor D. All the above
156	IOU is a document	A. Negotiable B. Non-negotiable C. Conditional negotiable D. Unconditional negotiable
157	Where are the stock certificates sold and bought	A. At commercial bank B. At central bank C. At post office D. At stock exchange
158	Which of the following is useful in facilitating trade relation between the businessmen of different countries	A. Bank draft B. Money order C. Letter of credit D. Stock certificate
159	Stock certificate is a document issued by	A. Commercial bank B. Central bank C. Limited companies D. Stock-market
160	Which letter of credit is accompanied by some documents	A. Confirmed B. Documentary C. Non-documentary D. All the above
161	Which letter of credit is automatically renewed by fulfilling certain conditions	A. Fixed B. Documentary

		C. Confirmed D. Revolving
162	Which of the following parties of a letter of credit is called beneficiary	A. Importer B. Exporter C. Opening bank D. Advising bank
163	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
164	Which type of letter of credit authorized the exporter to obtain an advance before the shipment of goods	A. Documentary letter of credit B. Green-clause letter of credit C. Confirmed letter of credit D. Red-clause letter of credit
165	Which of the following is a non-commercial letter of credit	A. Irrevocable letter of credit B. Red-clause letter of credit C. Special letter of credit D. Traveller's letter of credit
166	Generally, the instruments which are used in foreign receipts and payments called	A. Exchange rate B. Foreign exchange C. Letter of credit D. All of the above
167	Which method is mostly used in making foreign payment	A. Foreign bills of exchange B. By post C. By telegraph D. None of these
168	The price of one country's currency in term other country's currency is called	A. Foreign currency B. Traveller's L.C. C. Exchange rate D. None of these
169	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
170	The change in demand and supply of foreign currency effects	A. Exchange rate B. Traveller's L.C C. Letter of credit D. None of these
171	The more increase in exchange rate for a country under gold standard is called	A. Lower specie point B. Middle specie point C. Upper specie point D. None of the above
172	Upper specie point is got by adding the delivery charges in following metal	A. Silver B. Gold C. Iron D. Copper
173	Which of the following changes cause to change in foreign exchange rate	A. Change in export and imports B. Change in capital flow C. Change in bank rate D. All the above
174	What is the objective of foreign exchange control	A. To stabilize exchange rate B. To increase government revenue C. Favorable balance of payment D. All the above
175	Foreign exchange control reduces the	A. Circulation of capital B. Export of capital C. Import of capital D. None of the above
176	Which of the following rate keeps the balance of payments in equilibrium	A. Discount rate B. Interest rate C. Exchange rate D. Market rate
177	Which of the following theories is associated with the working of international gold standard	A. Mint par parity theory B. Purchasing power theory C. Balance of payments theory D. All of the above
178	The term foreign exchange includes	A. Bank draft B. Letter of credit C. Foreign B/E D. All the above

179	The money sent through post office from one country to another	A. Traveller's cheque B. Bank draft C. Letter of credit D. International money order
180	The rate of exchange determined by two countries following non-convertible paper currency system is a point where	A. The purchasing power of currency is same B. The purchasing power of currency is different C. The purchasing power of currency is zero D. None of the above
181	How many institutions of money market	A. 6 B. 5 C. 4 D. 7
182	How many functions of money market	A. 10 B. 12 C. 11 D. 15
183	How many features of good money market	A. 12 B. 15 C. 17 D. 20
184	How many institutions in money market in Pakistan	A. 7 B. 8 C. 9 D. 10
185	Choose the correct institutions in money market in Pakistan	A. State bank of Pakistan B. Specialized credit institutions C. Commercial banks D. All of the above
186	Money market is a market of loans for	A. Short term B. Medium term C. Long term D. All the above
187	Money market deals in	A. Promissory note B. Bills of exchange C. Marketable securities D. All the above
188	Capital market does not deal in	A. Shares B. Treasury bills C. Debentures D. Bonds
189	Which institution is not the member of money market	A. Commercial bank B. Discount houses C. HBFC D. All the above
190	The money market in Pakistan	A. Is developed B. Is underdeveloped C. Both a & b D. Does not exist
191	Who is the leader or supervisor of money market	A. Government B. Central bank C. Commercial bank D. Money lender
192	A developed or organized money market is always	A. Elastic B. Less elastic C. More elastic D. Not elastic
193	What is the major reason of Pakistan's unorganized money market	A. Lack of cooperation among financial institutions B. Absence of democracy C. Issuance of loan on political basis D. All the above
194	The number of financial institutions in money is	A. Limited B. Fixed C. Unlimited D. All are possible
195	Which instrument is not dealt at stock exchange	A. Shares B. Debentures C. Both a and b D. Bills of exchange

196	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
197	When the State Bank of Pakistan came into existence	A. 1947 B. 1948 C. 1949 D. 1970
198	What was the capital of State bank of Pakistan at the time of establishment	A. 30 millions B. 300 millions C. 30 billions D. 300 billions
199	What is the name of central bank of Pakistan	A. State Bank of Pakistan B. National Bank of Pakistan C. Bank of Pakistan D. Habib Bank Limited
200	State Bank of Pakistan issues to scheduled banks for dealings in foreign exchange	A. Statement B. License C. Certificate D. All the above
201	Sate Bank of Pakistan advises the federal and provincial governments on following matter	A. Administrative B. Financial C. Political D. All the above
202	What is the number of members in the managements body of PICIC	A. 12 B. 21 C. 5 D. 7
203	Which of the following industry is financed by PICIC	A. Depends upon local raw material B. Manufactures export goods C. Establishes under national development program D. All the above
204	When was PICIC established	A. 1950 B. 1951 C. 1957 D. 1961
205	PICIC was established as	A. Private company B. Limited company C. Partnership D. None of the above
206	When was ADBP established	A. 1957 B. 1961 C. 1963 D. 1965
207	When ADFC came into existence	A. 1951 B. 1961 C. 1965 D. 1970
208	Where is the head office of ZTBL	A. Karachi B. Lahore C. Peshawar D. Islamabad
209	Which of the following institution was working before the establishment of ADBP	A. Agricultural development finance corporation B. Agricultural development bank C. Both a and b D. None of the above
210	What is the number of members in the management body of ZTBL	A. 5 B. 8 C. 10 D. 12
211	Riba is the word of following language	A. Urdu B. Arabic C. English D. French
212	The charge or price for the use of money is called	A. Profit B. Commission C. Interest D. Dividend

A. 1977
B. 1988

213	When was the process of Islamization of banking started in Pakistan	B. 1980 C. 1982 D. 1982
214	The Islamic ideology council presents its formal report for Islamic banking in	A. June, 1978 B. June, 1979 C. June, 1980 D. None of these
215	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
216	Under Islamic modes of financing, lending includes	A. Service charges B. Qarze-Hasna C. Both a and b D. None of the above
217	Qarz-Hasna is available for the studies of	A. Engineering B. Agriculture C. Commerce D. All the above
218	Trade related Islamic modes of financing do not include	A. Musharika B. Mark up C. Leasing D. Hire-purchase
219	A Modarba may be for	A. Specific or multi purpose B. Perpetual C. Specific period D. All the above
220	Who can issue participation term certificates	A. Firm B. Company C. Cooperative society D. All the above
221	PTC are issued in place of	A. Shares B. Debentures C. Bonds D. None of these
222	The head office of IDB is in	A. Jeddah B. Islamabad C. Tehran D. Dubai
223	IDB was opened on	A. Oct. 1973 B. Oct. 1975 C. Oct. 1977 D. None of these
224	The currency unit of the capital of IDB is	A. Riyal B. Dollar C. Dinar D. None of these
225	IDB provides finance to	A. All countries B. Asian countries C. European countries D. Member Muslim Countries
226	Who started the use of bank draft:	A. Kings B. Merchants C. Money lenders D. Goldsmiths
227	What type of institution a bank is:	A. Financial B. Social C. Religious D. All of the above
228	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
229	If a bank is unable to submit prospectus at the time of registration, then it has to submit:	A. Statement in lieu of prospectus B. Certificate of incorporation C. Certificate of commencement D. None of the above
230	Bank of England was formed in:	A. 1594 B. 1694 C. 1794 D. 1894

231	According to registration , bank is divided into followings categories:	A. Home and foreign bank B. Central and commercial bank C. Scheduled and non-scheduled bank D. All of the above
232	When was the "Bank of England" got the monopoly ovwe note issue:	A. 1728 B. 1758 C. 1768 D. 1778
233	When was the "Bank of Venice" established:	A. 1127 B. 1147 C. 1157 D. 1187
234	The temples were used as banks in:	A. Italy B. Rome C. China D. Greece
235	Imperial Bank was established in:	A. 1921 B. 1925 C. 1932 D. 1937
236	When was the "Reserve Bank of India" established:	A. 1925 B. 1935 C. 1940 D. 1945
237	The detail in the memorandum of bank is recorded :	A. In one paragraph B. In seperate paragraphs C. On one page D. All of the above
238	The change in the address of abnk should be intimated to registrar within:	A. Eight days B. Ten days C. Eighteen days D. Twenty eight days
239	Whose role is consitered important in the beginning of cheque:	A. Three B. Merchants C. Goldsmiths D. Money lenders
240	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
241	The important (basic) kinds of accounts opened in commercial banks are:	A. Two B. Three C. Four D. countless
242	Commercial bank is called:	A. Banker's bank B. Bank of public C. Custodian of foreign exchange D. Banker to the Government
243	The forms of cash reserve of commercial bank:	A. Cash in hand B. Reserve with central bank C. Recievable from other banks D. All of the above
244	A commercial bank keeps less cash reserve if:	A. Cheque is used in most of the transactions B. Cheque house facilty is available C. Rediscounting facility is available D. All of the above
245	Formula for calculating total credit creation:	A. New deposit x 1/Reserve ratio B. New deposit x Reserve ratio/1 C. Reserve ratio x 1/New deposit D. None of the above
246	Which amount is available for salaried and low income persons:	A. Current account B. Saving account C. Fixed deposit D. All of the above
247	The loan which can be demanded by bank at anytime:	A. Overdraft B. Demand loans C. Bills of exchange D. All of the above

248	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
249	Over draft facility is only provided on:	A. Current account B. Fixed deposit C. Saving account D. All of the above
250	For its customers a commercial bank sells and buys:	A. Foreign exchange B. Property C. Securities D. All of the above
251	The commercial banks may be:	A. Scheduled B. Non-scheduled C. Foreign D. All of the above
252	The loans on which high rate of interest is charged :	A. Medium term loans B. Long term loans C. Short term loans D. Demand loans
253	The part of deposits kept with the central bank is called:	A. Cash reserve B. Margin C. Interest rate D. All of the above
254	If the rate of interest (profit) on the bank deposits is higher then the banks keep:	A. Less cash reserve B. Less margin rate C. More cash reserve D. None of the above
255	The amount (capital) recieved by bank after issuing shares is called:	A. Reserve capital B. Paid up capital C. Authorized capital D. Issued capital
256	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
257	Ribs Bank of Sweden became central bank in:	A. 1568 B. 1668 C. 1768 D. None of the above
258	Important functions of a central bank:	A. To issue currency notes B. To provide banking facilities to government C. To advise commercial banks D. All of the above
259	Qualitative methods of monetary policy do not include:	A. Direct actions B. Publicity C. Bank rate policy D. Moral pursuation
260	When was the first central bank of sub-continent established:	A. 1635 B. 1732 C. 1835 D. 1935
261	Pakistan's central bank was established in:	A. 1947 B. 1948 C. 1949 D. 1950
262	The institution responsible for the contraction and expansion of money in the best interest of general public is called:	A. Commercial bank B. Clearing house C. Central bank D. Chamber of commerce
263	If the quaity of money in circulation increases then this situation is called:	A. Inflation B. Deflation C. Money market D. All of the above
264	The external value of local currency is stablized through:	A. Monetary policy B. Increase in prices C. Trade policy D. All of the above
265	In case of inflation in the country, the rate of margin is:	A. Increased B. Reduced C. Waived

		<p>C. None of the above</p> <p>D. All of the above</p>
266	The transmission of following is stopped due to clearing house:	<p>A. Credit money</p> <p>B. Metallic money</p> <p>C. Cash money</p> <p>D. All of the above</p>
267	The central bank works under the rules framed by:	<p>A. Government</p> <p>B. People</p> <p>C. Different banks</p> <p>D. All of the above</p>
268	Central bank provides the following facility to scheduled banks:	<p>A. Feast</p> <p>B. Godown</p> <p>C. Clearing house</p> <p>D. None of the above</p>
269	Customer can with draw money only after the expiry of fixed time:	<p>A. From saving account</p> <p>B. From current account</p> <p>C. From fixed deposit</p> <p>D. From all of the above</p>
270	Pay-in-slip is a written evidence of:	<p>A. Transferring money</p> <p>B. Depositing money</p> <p>C. With draw money</p> <p>D. All of the above</p>
271	When was Islamic Banking System introduced in Pakistan:	<p>A. 1970</p> <p>B. 1972</p> <p>C. 1981</p> <p>D. 1982</p>
272	Who does get the benefit of opening an account in bank:	<p>A. Bank</p> <p>B. Account holder</p> <p>C. Government</p> <p>D. All of the above</p>
273	The amount of money in the amount of account holder is called:	<p>A. Profit</p> <p>B. Interest</p> <p>C. Deposit</p> <p>D. Loan</p>
274	Saving account can be opened by:	<p>A. An individual</p> <p>B. A group of persons</p> <p>C. The institutions</p> <p>D. All of the above</p>
275	A pass book is issued to:	<p>A. Current accountholder</p> <p>B. Saving accountholder</p> <p>C. Both A & B</p> <p>D. None of the above</p>
276	Which bank account is exempted from income tax and zakat:	<p>A. Saving account</p> <p>B. Fixed deposit</p> <p>C. Foreign currency account</p> <p>D. All of the above</p>
277	The person who opens a bank account is called:	<p>A. Owner of bank</p> <p>B. Customer of bank</p> <p>C. Employee of bank</p> <p>D. None of them</p>
278	Which bank account continues after the with drawal of total amount:	<p>A. Current saving</p> <p>B. Fixed deposit</p> <p>C. Saving account</p> <p>D. All of the above</p>
279	Who is responsible for loan in case of joint customer:	<p>A. All partners of persons</p> <p>B. Person having authority to deal with bank</p> <p>C. Active partner</p> <p>D. None of the above</p>
280	Relation between banker and customer terminates, when a :	<p>A. Customer becomes mad or lunatic</p> <p>B. Customer becomes insane or mental</p> <p>C. Customer dies</p> <p>D. All of the above</p>
281	Bank is bound to honour the cheque of customer if:	<p>A. Required amount is available in amount</p> <p>B. Cheque is according to rules of conduct</p> <p>C. There is no restriction by government</p> <p>D. All of the above</p>
		<p>A. Debtor and creditor</p>

282	The nature of relation between bank and customers is:	B. Agent and principal C. Bailer and bailee D. All of the above
283	Which of the following customers does not have more rights on bank:	A. Individual customer B. Joint customer C. Minor customer D. All have the same
284	Married women can open following account in bank:	A. Saving account B. Current account C. Fixed amount D. All of the above
285	Before opening account in bank, a married women is asked about her:	A. Husband's name B. Father's name C. Mother's name D. All of the above
286	A trustee is the:	A. Owner of property B. Care taker of property C. Mortgagee of property D. None of the above
287	If an old joint stock company opens the account then a bank demands for last few years:	A. Balance sheet B. Annual report C. Both (a) & (b) D. None of the above
288	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above
289	Long term is advanced against the following security:	A. Non-material B. Material C. Personal D. All of the above
290	Security is a powerful tool that ensure tthe repayment of:	A. Deposit B. Dept C. Interest D. None of the above
291	Long term loan is advanced against the following security:	A. Non-material B. Material C. Personal D. All of the above
292	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above
293	On which of the following amount of overcraft, bank receives interest:	A. Fix B. Total C. Used D. All of the above
294	The document which reveals the ownership of goods kept on port:	A. Bill of lading B. Dock warrant C. Delivery order D. Railway receipt
295	The commercial banks provide the following type of loan by discounting the B/E:	A. Short term B. Medium term C. Long term D. All of the above
296	The loans obtained for meeting the administrative expenses and purchase of raw material are:	A. Short term loans B. Medium Term lonas C. Long Term lonas D. All of the above
297	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
298	The goods or items accepted as security for advancing loan should not be:	A. Durable B. Insured C. Under burden D. Liquid
299	Cheque is a written order of customer to:	A. keep the amount B. Transfer the amount C. Pay the amount D. Recieve the amount

300	If drawer of cheque is a payee himself then what word is written after the word pay:	A. Order B. Bearer C. Self D. None of the above
301	Crossing makes the cheque:	A. Unsafe B. Unacceptable C. Safe D. Acceptable
302	Endorsment of a cheque is always:	A. Written B. Oral C. Written and registered D. All of the above
303	Term "or order" is written in order cheque after:	A. Drawer's name B. Payee's name C. Customer's name D. Endorsee's name
304	When cheque is cashed then its main foil is given to:	A. Bank B. Customer C. Government D. None of these
305	Payee has to give his identification to bank for receiving the amount of:	A. Bearer cheque B. Order cheque C. Blank cheque D. Crossed cheque
306	Person who receives the amount of cheque from bank is called:	A. Drawee B. Payee C. Endorsee D. All of the above
307	In case of negotiable instruments, the rights can:	A. Be transferred B. Not be transferred C. Be conditionally transferred D. All of the above
308	In case of non-negotiable instruments, the rights can:	A. Be transferred B. Not be transferred C. Be conditionally transferred D. All of the above
309	Bank pays money at its counter for:	A. Bearer cheque B. Order cheque C. Both (A) & (B) D. Crossed cheque
310	Amount of crossed cheque is received:	A. From bank's counter B. Issuing new cheque C. From bank's manager D. None of the above
311	Safest cheque for making payment is:	A. Crossed cheque B. Order cheque C. Bearer cheque D. All of the above
312	Who can endorse the cheque:	A. Holder of cheque B. Drawer of cheque C. Both A & B D. None of these
313	Who first printed the cheque in specific form for the first time or firstly:	A. Imperial Bank B. Bank of England C. State Bank of Pakistan D. None of the above
314	The person in whose favour the rights of receiving the amount of cheque are transferred:	A. Endorser B. Payee C. Endorsee D. All of the above
315	The name of the person is written on cheque as:	A. Drawer B. Drawee C. Payee D. None of these
316	Bill in which drawer belongs to two different countries:	A. Inland bill B. Foreign bill C. Accommodation bill D. None of the above
317	Which is appointed by govt. to certify the negotiable instrument:	A. Private attorney B. Public attorney C. Notary public D. Gazetted Officer

318	Promissory note means a:	<p>A. Promise to pay fixed amount on fixed date</p> <p>B. Promise to pay currency notes on fixed date</p> <p>C. Promise to pay goods on fixed date</p> <p>D. All of the above</p>
319	Endorser of promissory note is a :	<p>A. Person who promises to pay</p> <p>B. Person who receives the amount of note</p> <p>C. Person in whose favour the rights are transferred</p> <p>D. Person who transfers the rights of note</p>
320	Treasury bill means:	<p>A. Amount of government</p> <p>B. Evidence of governments debt</p> <p>C. Promise of government to pay</p> <p>D. None of the above</p>
321	Treasury bill is a :	<p>A. Negotiable credit instrument</p> <p>B. Non-negotiable credit instrument</p> <p>C. Debentures</p> <p>D. Shares</p>
322	Bills of exchange can be cashed from bank before maturity by:	<p>A. Overdraft</p> <p>B. Renewal</p> <p>C. Discounting</p> <p>D. None of the above</p>
323	Bills of exchange has three:	<p>A. Owners</p> <p>B. Parties</p> <p>C. Shareholders</p> <p>D. None of the above</p>
324	Grace days are given to debtor for the payment of:	<p>A. Bills of exchange</p> <p>B. Promissory note</p> <p>C. Treasury bill</p> <p>D. Cheque</p>
325	The signature of the following is compulsory on B/E:	<p>A. Bank</p> <p>B. Drawee</p> <p>C. Drawer</p> <p>D. Both (B) & (C)</p>
326	If there is no guarantee to honour a letter of credit then it is called:	<p>A. Confirmed letter of credit</p> <p>B. Irrevocable letter of credit</p> <p>C. Unconfirmed letter of credit</p> <p>D. None of the above</p>
327	What is received by the post office on money order:	<p>A. Profit</p> <p>B. Interest</p> <p>C. Commission</p> <p>D. All of the above</p>
328	What does the bank receive on issuing a letter of credit:	<p>A. Profit</p> <p>B. Interest</p> <p>C. Commission</p> <p>D. Duty</p>
329	If the exporter is not the receiver (beneficiary) of money then a letter of credit is called:	<p>A. Revolving</p> <p>B. Back to Back</p> <p>C. Transferable</p> <p>D. None of the above</p>
330	Commercial letter of credit is issued for the facility of:	<p>A. Ambassadors</p> <p>B. Common people</p> <p>C. Businessmen</p> <p>D. All of the above</p>
331	Which letter of credit is issued for a single or particular transaction:	<p>A. Fixed</p> <p>B. Revocable</p> <p>C. Red clause</p> <p>D. Green Clause</p>
332	Which of the following gets facility due to commercial letter of credit:	<p>A. Home traders</p> <p>B. Exporter</p> <p>C. Importer</p> <p>D. Both exporter and importer</p>
333	The letter of credit which can be endorsed to another person is called:	<p>A. Special L.C</p> <p>B. Transferable L.C</p> <p>C. Revolving L.C</p> <p>D. None of the above</p>
334	The important types of banker's letter of credit:	<p>A. Two</p> <p>B. Three</p>

		C. Four D. None of these
335	Which one can be crossed :	A. Money order B. Postal order C. Credit card D. All of the above
336	The first stage or step between importer and exporter for the purpose of sale and purchase is:	A. Oath or undertaking B. Agreement C. Contract with bank D. Issuing of L.C
337	Where is the head office of IDBP:	A. Lahore B. Faisalabad C. Islamabad D. Karachi
338	Which of the following institution was converted into IDBP:	A. Pakistan industrial finance corporation B. Pakistan investment corporation C. Industrial bank D. Pakistan industrial and credit investment corporation
339	For how many years the governor of State Bank of Pakistan is appointed:	A. 3 years B. 7 years C. 10 years D. None of the above
340	The statement of Pakistan was inaugurated by:	A. Liaqat-Ali-Khan B. Abdul-Rub-Nishar C. Quaid-e-Azam D. Nawaz-Sharif
341	When were the Pakistani banks nationalized:	A. 1974 B. 1984 C. 1990 D. 1994
342	When was the National Bank Of Pkaistan established:	A. 1948 B. 1949 C. 1950 D. 1951
343	When did the National Bank start its functions as the agent of SBP:	A. 1949 B. 1950 C. 1951 D. 1952
344	What % of shares of IDBP was held by the Govt. at the time of its establishment:	A. 49% B. 50% C. 51% D. 55%
345	ZTBL issues the loans for:	A. Fishing and forest B. Breeding of cattles C. Diary farming D. All of the above
346	Evolutionary history of early banks includes.	A. Merechnats B. Money Lenders C. Gold smiths D. All these
347	For Transactions the merchants used to issue.	A. Passport B. Promissory note C. Ideintty card D. Bil lof exchange
348	Who used to tak gold and precfious metal as safe custody.	A. Merchants B. Kings C. Money Lenders D. Gold Smiths
349	Modern commercial Bank are teh developed form of the Busniess of.	A. Gold Smith B. Merchants C. Money Lenders D. All these
350	Most of the experts agreed that the word "Bank" has been derived from the word.	A. Banque B. Banco C. Bancus D. Back
351	In these days Banks are formed under companies ordinance.	A. 1962 B. 1932 C. 1984 D. 1013

352	Second stage of formation of bank is called.	A. Incorporation B. Commencement C. Issue of shares D. Promotion
353	List of Directors is required at the stage of.	A. Registration B. Incorporation C. Promotion D. Commencement
354	For selling shares Bank issues	A. Tickets B. Prospectus C. Certificate D. Tokens
355	"EFT" stands for	A. Electronic Funds transfer B. Economic financial theory C. Electronic financial techniques D. Effective fund telegram
356	Which one is the primary function of a bank	A. Accepting deposits B. Advancing loans C. Both these D. None of these
357	The main purpose of commercial bank is.	A. Welfare B. Issue notes C. Earn Profits D. All these
358	Which one is the Secondary function commercial bank.	A. Accept deposits B. Advance loans C. Collections of cheques D. All these
359	Bank of England and Royal Bank of Scotland are an examples of.	A. Statutory Bank B. Development bank C. Royal Bank D. None of these
360	Bank of England was established in.	A. 1494 B. 1694 C. 1920 D. 1668
361	Money Lenders usually known as.	A. Sheikh B. Nawab C. Seth D. Debtors
362	Beginning of Bank draft by	A. Kings B. Money lenders C. Merchants D. gold smith
363	Commercial bank is factory of creating credit.	A. Crowther B. Gilbert C. Reynold D. H.I .Heart
364	Beginning of Bank draft by.	A. Kings B. Money Lenders C. Merchants D. Gold smith
365	Commercial Bank is a factory of creating credit.	A. Crowther B. Gilbert C. Reynold D. H.I.Heart
366	Beginning of cheque by.	A. Gold smiths B. Merchants C. Kings D. Money lenders.
367	Essentials of successful banking.	A. Large capital B. Secured loans C. Inflation D. Both of these
368	Manage the internal affairs of Bank.	A. Prospectus B. Memorandum C. Articles D. All of these
369	Muslims commercial Bank was established on.	A. 1947 B. 1948 C. 1951

		D. 1949
370	The charger of commercial Bank is.	A. Momorandum B. Articles C. Prospectus D. None of these
371	Memorandum includes	A. 05 Clasuses B. 06 Clauses C. 10 Clauses D. 12 Clauses
372	Important source of income for Bank.	A. Deposits B. Current Account C. Saving account D. Issued loans
373	Example of consortium Bank.	A. SBP B. Orion Bank C. MCB D. NBP
374	American express Bank is an example of.	A. School Bank B. Exchange Bank C. Consortium Bank D. None of these
375	Due to good Banking system which sector showed Rapid growth.	A. Agriculture sector B. Industiral sector C. Banking Sector D. All of these
376	Who are called the ancestors of modern banks.	A. Merchant B. Money Lenders C. Gold Smiths D. All of these
377	Temples were used as early banks in.	A. Italy B. Room C. Greece D. Iraq
378	Heart of Financial Structure.	A. Commercial bank B. Central bank C. Consortium Banks D. All these
379	Present commercial Banks are teh Developed form of the business of.	A. Money Lenders B. gold smiths C. Money changers D. Merchants
380	the card which can be used to pay for goods purchased.	A. ID card B. Credit card C. Chrage card D. Gurantee card
381	Process of credit creation by	A. Central bank B. Commercial banks C. Both of these D. None of these
382	To make regular payments of a fixed amount to a stated A/c	A. Direct Debit B. Standing order C. Inter bank transfer D. All of these
383	To make payments of variable amounts to a stated A/c	A. Direct Debit B. Standing order C. Inter bank transfer D. Clearing House system
384	Which is teh secondary function of commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. All of these
385	For commercial baks deposits are.	A. Assets B. Liabilities C. Income D. Expense
386	Which of the following is not an example of plastic money	A. Debit card B. ATM card C. Currency notes D. Credit card
387	Increase in ratio of cash reserve of scheduled banks	A. Increase of credit creation B. Stop credit creation

387	Increase in ratio of cash reserve of scheduled banks.	C. Decreased in credit creation D. None of these
388	Decrease in cash reserve ratio of scheduled Banks.	A. No effect B. Decrease in credit creation C. Increase in credit creation D. Stop credit creation
389	The relationship between Cash Reserve and credit creation is.	A. No relationship B. Direct C. Inverse D. One way
390	Which of the following is a limitation in credit creation.	A. Initial deposit B. Use of cheques C. Use currency D. all of these
391	For more credit creation a bank must have.	A. More demand deposits B. More fixed deposits C. More time deposited D. All of these
392	The higher the cash reserve ratio.	A. Credit creation zero B. Credit creation constant C. Higher the credit creation D. Lower the credit creation
393	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
394	While depositing money in your a/c you must use.	A. Pay in slip B. Deposit slip C. Credit voucher D. All of these
395	Cash reserve of commercial Banks includes.	A. Cash in hand B. Cash with SBP C. Balance with other banks D. All the above
396	If a credit is lost, what should the holder do.	A. Report to employer B. report to bank C. Report to insurance co. D. All the above
397	Which is the secondary function of a commercial bank.	A. Accepting deposits B. Advancing loans C. Collection of cheques D. all of these
398	For commercial banks deposits are.	A. Assets B. Liabilities C. Income D. Expense
399	Which of the following is not an example of Plastic money.	A. Debit card B. ATM card C. Credit card D. Currency notes
400	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
401	Which of the following is a valid method of receiving payment from debtors.	A. Debit card B. Credit card C. ATM card D. Cash
402	While depositing money in your a/c, you must use.	A. Pay-in slip B. Deposit slip C. Credit voucher D. All these
403	If a credit card is lost, what should the holder do.	A. Report to employer B. Report to bank C. Report to insurance co. D. All the above
404	Which one is not the feature of good Banking system.	A. Economic development B. Inflation C. Larger Capital D. Trust of public

405	Habib Bank Limited was formed on.	<p>A. 1971</p> <p>B. 1931</p> <p>C. 1951</p> <p>D. 1961</p>
406	In Pakistan before 1974 commercial Banks were formed under.	<p>A. Co's act 1932</p> <p>B. Co's Act 1913</p> <p>C. Co's Act 1984</p> <p>D. None of these</p>
407	United Bank Ltd. was formed on.	<p>A. 1959</p> <p>B. 1949</p> <p>C. 1694</p> <p>D. 1957</p>
408	Which affairs of Banks are revealed by articles of Banks.	<p>A. Internal</p> <p>B. External</p> <p>C. Political</p> <p>D. Financial</p>
409	Because of low Reserve Ratio the credit creation power.	<p>A. Increases</p> <p>B. Decreases</p> <p>C. Constant</p> <p>D. Zero</p>
410	Because of high reserve ratio the credit creation power.	<p>A. Constant</p> <p>B. Increases</p> <p>C. Decreases</p> <p>D. Zero</p>
411	The documents which present a summary and balance of accounts of an A/C holder in bank.	<p>A. Balance sheet</p> <p>B. Pass book</p> <p>C. Prospectus</p> <p>D. Bank Staement</p>
412	Quaid -e- Azam opened his bank account in.	<p>A. 1940</p> <p>B. 1945</p> <p>C. 1957</p> <p>D. 1987</p>
413	Quaid -e-Azam opened his bank account in.	<p>A. ABL</p> <p>B. MCB</p> <p>C. HBL</p> <p>D. NBP</p>
414	Pay Order is issued by the bank when the debtor and creditor belongs to.	<p>A. Two different cities</p> <p>B. With in same city</p> <p>C. Two different counties</p> <p>D. All these</p>
415	Bank draft is issued by the bank when the debtor and creditor belngs to.	<p>A. To diffirenet citiies/Country</p> <p>B. With in same city</p> <p>C. Two different families</p> <p>D. All these</p>
416	In Pakistan the bank nationalized Act is.	<p>A. Act 1956</p> <p>B. Act 1932</p> <p>C. Act 1962</p> <p>D. Act 1974</p>
417	Banking companies ordinance is	<p>A. 1962</p> <p>B. 1984</p> <p>C. 1932</p> <p>D. 1694</p>
418	The life blood of acomemrcial bank.	<p>A. Deposits</p> <p>B. With drawals</p> <p>C. Liabilities</p> <p>D. All these</p>
419	Commercial bank can be	<p>A. Scheduled</p> <p>B. Foreign</p> <p>C. Non Sheduled</p> <p>D. All these</p>
420	Commercial bank create money.	<p>A. Metallic</p> <p>B. Credit</p> <p>C. Paper</p> <p>D. All these</p>
421	Which is the Primary functionof a commercial bank.	<p>A. Issue Notes</p> <p>B. Accepting Deposits</p> <p>C. Credit creation</p> <p>D. None of these</p>
422	Credit card payments are considered.	<p>A. Cash payments</p> <p>B. Credit payments</p> <p>C. Both these</p> <p>D. None of these</p>

423	For commercial banks "Advancing loans" are.	A. Assets B. Liabilities C. Expenses D. All of these
424	Exchange banks are commonly known as.	A. Foreign bank B. Central bank C. Consortium Bank D. None of these
425	Polymer Currency includes	A. Debit card B. ATM card C. Credit card D. All of these
426	The current account and saving account is also called	A. Sight deposits B. Chequing account C. Demand deposits D. All of these
427	Which account is called non operating account.	A. Current account B. Saving account C. Fixed account D. BBA account
428	In how many days would a cheque between banks clear through the clearing system.	A. 7 days B. 3 days C. 10 days D. 5 days
429	The capital of state bank of the time of establishment was.	A. Rs. 30 millions B. Rs. 450 millions C. Rs. 300 millions D. Rs. 30 billions
430	If Central Bank wants to increase the quantity of money in country it.	A. Sells securities B. Purchase securities C. Create Credit D. All the above
431	An increase in the reserve requirement causes.	A. More credit creation B. Less credit creation C. Stop credit creation D. None of these
432	Which of the following is not an objective of central bank.	A. Economic development B. Helping Govt C. Welfare of economy D. Credit creation
433	Quantitative methods are control on	A. Banks B. Currency C. Govt. D. Public
434	Which of the following is the most elastic method for issuing notes.	A. Fixed fiduciary system B. Minimum Reserve system C. Proportional Reserve system D. None of these
435	Up to December 1965, Pakistan used method of note issue.	A. Proportional Reserve system B. Min. Reserve system C. Fixed fiduciary system D. All of these
436	Certain Percentage of Gold to issue currency notes.	A. Fixed Fiduciary method B. Proportionate Reserve C. Min. Reserve system D. None of these
437	Open market operation means.	A. Purchase and sale of shares B. Purchase and sale of securities C. Purchase and sale of assets D. None of these
438	Qualitative methods are control over.	A. Currency B. Govt C. Banks D. Public
439	Central Bank is the Leader of.	A. Capital Market B. Money Market C. Both a and b D. Open market
440	The Central Bank sells Govt. Securities in.	A. Summer B. Deflation C. Winter D. Inflation

D. Inflation

441	In case of inflation Bank rate.	A. Constant B. Decreases C. Increases D. None of these
442	The quantitative methods of credit control are in nature.	A. General B. Selective C. Optional D. None of these
443	Qualitative methods of monetary policy donot include.	A. Bank rate policy B. Direct Actions C. Publicity D. Moral persuasion
444	Which bank is called the mother of Central Banks.	A. World Bank B. Bank of Vence C. Royal Bank of Scotland D. Bank of England
445	Which method of note issue is prevailing in Pakistan after 1965	A. Min. Reserve System B. Proportional system C. Fixed Fiduciary system D. None of the above
446	The principle of not issue is	A. Currency principle B. Discount rate principle C. Bank rate principle D. All the above
447	Deposits create	A. Inflation B. Loan C. Monopoly D. All the above
448	The principle of note issue are.	A. Currency Principles B. Banking Principles C. Both a and b D. None of these
449	The Weapons of Monetary policy are.	A. Two B. Three C. Four D. Five
450	Major function of Central Bank is.	A. Open account B. Provide lockers C. Issue currency notes D. All of the above
451	The Governor of SBP is oppointed for.	A. Five years B. Four years C. Three years D. Two years
452	Part of cash of scheduled banks kept by centrla bank as per law is called.	A. Specific reserves B. Satutory reserves C. Gneral Reserves D. All the above
453	Loan Create	A. Monopoly B. Inflation C. Deposits D. All the above
454	State Bank of Pakistan Act is.	A. 1956 B. 1932 C. 1962 D. 1984
455	State Bank of Pakistan Amendement Act is.	A. 1932 B. 1997 C. 1962 D. 1956
456	First woman Governor of State Bank of Pakistan was.	A. Dr. Ishrat Hussain B. Kassim Parekh C. S.U. Durani D. Dr. shamshad Akhtar
457	Dr. Shamshad Akhter is the Governor of State Bank of Pakistan.	A. 12th B. 13th C. 14th D. 15th
		A. Rs. 5 B. Rs. 10

458	The first Pakistan Notes were issued in the denomination of.	A. Rs. 5 B. Rs. 10 C. Rs. 100 D. All of these
459	The first Pakistan notes were issued in the denomination of Rs. 5. Rs. 10, Rs. 100 in	A. 31st December 1965 B. 23rd March 1940 C. Jan 1962 D. October 1948
460	Pakistan has used methods of note issue.	A. Proportional reserve system B. Min. Reserve system C. Both a and b D. Fixed fiduciary system
461	After 31st December 1965 Pakistan use	A. Min. Reserve system B. Fixed Fiduciary system C. Proportional Reserve D. None of these
462	State Bank of Pakistan was established on	A. 1st July 1949 B. 1st July 1948 C. 1st July 1964 D. 1st July 1964
463	State Bank of Pakistan was established on.	A. Tuesday 1st July 1948 B. Wednesday 1st July 1948 C. Thursday 1st July 1948 D. Friday 1st July 1948
464	The departments of State Bank of Pakistan includes.	A. Note issuing deptt B. Banking deptt C. Foreign exchange deptt D. All the above
465	At Present the Governor of State Bank of Pakistan is.	A. Dr. Ishrat Hussain B. Saleem Raza C. Shahid Hafiz Kardar D. Shahid Mahmood Wathra
466	The Lady Phd. Governors of State Bank of Pakistan included.	A. M. Yaqoob B. Ishrat Hussain C. Shamsah Akhtar D. All of these
467	In the presence of clearing house the use of cash transactions between banks	A. Increases B. Decreases C. Stops D. NO effect
468	State Bank of Pakistan can also be called as.	A. Central Bank B. Reserve Bank C. Monetary Authority D. All the above
469	The amount Calculated on pre-determined rate and no relationship with the risk of P/L is called.	A. Commission B. Rent C. Interest D. Carriage
470	The rate at which commercial banks and central bank buys and sells foreign currency.	A. Bank Rate B. Inter Bank rate C. Interest rate D. Discount rate
471	If Central Bank wants to decrease the quantity of money in country it	A. Sells Securities B. Purchase Securities C. Create Credit D. All the above
472	Which Of the following is the objective of central bank.	A. Economic Development B. Helping govt. C. Welfare of Economy D. All the above
473	A representative handed over cheques to other banks are called.	A. Outward clearing B. Direct clearing C. Inward Clearing D. Indirect Clearing
474	The Bank are called Scheduled Bank which are registered with the.	A. Central Bank B. world Bank C. Bank of England D. All the above
475	In the Presence of Clearing House Scheduled Banks keeps.	A. Less Cash Reserve B. More Cash Reserve C. No cash reserve D. Fixed cash reserved

476	Teh section of Banking company ordinance of Paksitan 1962 the minimum Capital Requireemnt of Scheduled Banks in or outside Pakistan is.	A. Sec. 14 B. Sec. 13 C. Sec. 16 D. Sec. 17
477	Scheduled bank is bound to keep with the Country.	A. 80% of Total Assets B. 60% of Total Assets C. 40% Total Assets D. 20% Total Assets
478	State Bank of Pakistan Act is	A. 1932 B. 1962 C. 1984 D. 1997
479	Scheduled Banks can keep his totl assets outside the country.	A. 80% B. 60% C. 40% D. 20%
480	Documents required to convert non scheduled bank into scheduled bank.	A. Memorandum of Association B. Articles of Association C. Audited Annual Report D. All the above
481	Non -Scheduled bank means a bank which is not registered with.	A. Stock Exchange B. World Bank C. Central Bank D. Scheduled bank
482	It is necessary for scheduled bank to.	A. Obey SBP B. Submit report to SBP C. Get the Book checked D. All the above
483	Min. Paid up capital of scheduled Bank in Pakistan on 31st December 2011 will be.	A. Rs. 05 million B. Rs. 06 million C. Rs. 10 Billion D. Rs. 07 billion
484	Scheduled Banks are registered under state bank act.	A. 1956 B. 1984 C. 1962 D. 1932
485	Example of Non scheduled is	A. ABL B. AL-Meezan Investment Bank C. HBL D. NBP
486	Central Bank Act as Lender of Last Resort to.	A. Scheduled Bank B. Foreign Bank C. Non-Scheduled bank D. All the above
487	Scheduled Bank Can be registered under SBP Act.	A. 1956 Sec. 38 (1) B. 1957 Sec. 37 (1) C. 1956 Sec. 137 (1) D. 1956 Sec. 43(1)
488	Under which Section Scheduled Bank are bound to keep 80% of their Asset in country.	A. Section 38 B. Section 33 C. Section 37 D. Section 40
489	Central Bank provide the facility to Scheduled Banks.	A. Rediscounting Bills B. Clearing House C. Transfer of Money D. All the above
490	Can open new branch without the consent of Central Branch.	A. Scheduled Bank B. State Bank of Pakistan C. Non -Scheduled Bank D. Bank of England
491	The document acquire to convert non -scheduled into scheduled bank	A. Prospectus B. Debentures C. By laws copy D. Audited Annual Report
492	Which form of automated payment would be better in paying wages to employee	A. BACS B. Standing order C. Direct Debit D. Credit transfer
493	Participation term certificates are issued in place of.	A. Shares B. Debentures C. NIT Units D. All these

494	Participation term certificate are issued by.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society
495	Non -Scheduled banks are formed under.	A. Sole trader ship B. Firm C. Joint Stock Co. D. Co-operative society Act
496	Non- Scheduled banks are formed under co-operaive society Act.	A. 1932 B. 1925 C. 1984 D. 1911
497	Under which Section Scheduled Bank can open new branch.	A. Section 38 B. Section 39 C. Section 40 D. Section 41
498	Normally bank does not pay intrest on	A. Saving Account B. Fixed Deposit Account C. Current Account D. B.B.A. Account
499	Account suitable for salaried person.	A. Fixed Deposit account B. Current Account C. Saving Account D. Term Deposit Account
500	Over draft facility is provided only on.	A. Saving Account B. Fixed Deposit Account C. Current Account D. All the above
501	Account example from Zakat and Tax	A. B.B.A. Account B. Current account C. Foreign Currency Account D. None of these
502	For customer Money deposited int Bank is.	A. Liability B. Asset C. Saving and Asset D. Expense
503	Account Suitable for businessmen	A. Saving account B. Fixed Account C. PLS account D. Current Account
504	Credit cards payment are considered.	A. Credit payment B. Cash Payment C. Both a and b D. None of these
505	Amount with drawn from Bank without using cheque.	A. ID Card B. VISA card C. ATM and Debit Card D. Credit Card
506	In Case of Fixed Deposit the rate of intrest is.	A. Constant B. High C. Low D. None of these
507	Written evidence of depositing money into bank.	A. Cheque book B. Pay in Slip C. Pas Book D. None of these
508	In Pakistan Islamic Banking system was introduced in .	A. 1974 B. 1981 C. 1984 D. None of these
509	Running Finance is also known as.	A. Saving Account B. Current Account C. Overdraft D. Fixed Account
510	Cheque book is not use in.	A. Current Account B. Foreign Currency Account C. B.B.A account D. Fixed deposited Account
511	All information of pass book is filled hv	A. Bank officials B. Payee

511	Information on pass book is used by.	C. Drawer D. Account Holder
512	Parties involved in cheque.	A. Account Holder B. Bank C. Payee D. All these
513	No minimum balance limit required in.	A. Current Account B. Saving Account C. Foreign Account D. B.B.A Account
514	Who does get the benefit of opening an account in bank.	A. Bank B. Account Holder C. Government D. All these
515	In modern Banking introductory reference is not required in.	A. Current account B. Saving Account C. B.B.A. Account D. All these
516	Pass Book is not issued in.	A. Saving Account B. Fixed Deposit Account C. BBA Account D. Current Account
517	Another name of fixed deposit receipt is.	A. Term Deposit receipt B. Capital receipt C. Cash Deposit receipt D. Revenue receipt
518	Following is an example of Non-Operating Account.	A. Current Account B. Fixed Deposit Account C. Foreign Currency A/c D. Saving Account
519	Nature of Bank Accounts also help in determining the ratio of.	A. Cash Reserve B. Capital C. Partnership D. None of these
520	Which of the following Account will be non-remuneration account.	A. Current account B. Saving Account C. Fixed Deposit account D. B.B.A. Account
521	On opening Saving Account the Bank Provide.	A. Pass Book B. Pay in slip C. Cheque book D. All of these
522	Credit Card, ATM card and Debit Card are.	A. Metallic money B. Paper Money C. Plastic Money D. Bank Money
523	The other name of credit voucher is.	A. Credit note B. Cash credit C. pay in slip D. Debit note
524	The slip which is used to deposit money into bank account.	A. Deposit slip B. Pay in slip C. Credit voucher D. All these
525	Which account is considered a non-transferable account.	A. Saving Account B. Current Account C. B.B.A. Account D. Term Deposit Account
526	A Joint Stock company opens the account in the bank.	A. Saving Bank B. Current Account C. B.B.A. Account D. Term Deposit Account
527	The person who opens an account with the bank is called	A. Employee of bank B. Customer of bank C. Account holder of bank D. Owner of bank
528	The person who opens an account with the bank is called	A. Employee of bank B. Customer of bank C. Account holder of bank D. Owner of bank
		A. Employee of bank

529	The person who opens an account with the bank is called	B. Customer of bank C. Account holder of bank D. Owner of bank
530	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
531	Any Co. which transacts the business of banking in Pakistan.	A. Chartered co. B. Joint stock co. C. Banking co. D. All of these
532	Who can issue participation term certificates.	A. Firm B. Company C. Cooperative society D. All of these
533	Running finance means customer has balance at bank.	A. Debit Balance B. Credit Balance C. Favorable balance D. None of these
534	In Islamic banking overdraft means.	A. Debit balance B. Running finance C. Favorable balance D. Nil Balance
535	What is common between bank and customer.	A. Account No. B. Serial No C. Drawee D. Cheque No
536	What is common between bank and customer	A. Account no. B. Cheque no. C. Serial no D. Drawee
537	Overdraft facility is not allowed to.	A. Minor B. Lunatic C. Parida Nasheen woman D. Both b and c
538	The person who is committed to manage the property of other.	A. Trustee B. Bailee C. Mortgagee D. None of these
539	Illiterate person provides on cheque for his identification.	A. Photograph B. Birth Certificate C. Thumb Impression D. All these
540	Account suitable for business woman	A. Current Account B. Saving account C. Fixed deposited account D. All these
541	The nature of relations between banker and customers is.	A. Bailor and Bailee B. Agent and principal C. Debtor and creditor D. All the above
542	Account suitable for business woman.	A. Current account B. Saving account C. Fixed deposit account D. All these
543	the nature of relations between banker and customers is.	A. Bailor and Bailee B. Agent and principal C. Debtor and creditor D. All the above
544	Joint Stock Company can open only.	A. Fixed deposited account B. Saving account C. B.B.A. Account D. Current account
545	when customer deposits his money in bank he becomes.	A. Debtor B. Bailor C. Mortgagee D. Creditor
546	The customer who keeps his precious articles in bank for safe custody	A. Bailor B. Creditor C. Debtor D. Mortgagees

547	Minor person of a bank is one who is below.	A. 15 years B. 16 years C. 18 years D. 17 years
548	A blind person can open account with bank.	A. Current account B. Fixed deposit account C. Saving account D. All the above
549	Bank Provide finance on the basis of Mudarba Act as.	A. Aamil B. Mudarib C. Debtor D. None of these
550	Person gets finance from bank in terms of Mudarba Act as	A. Mudarib B. Creditor C. Aamil D. None of these
551	The person who pledges the goods with the banker as security is called.	A. Pledgee B. Mortagager C. Pledger D. Mortagagee
552	A customer places his valuables with thebank for safe custody is called.	A. Debtor B. Bailor C. Bailee D. Creditor
553	Bank is asked to take care the property of his clinet is called.	A. Bailee B. Pawnee C. Mortagagee D. Trustee
554	It is the duty of the bank to.	A. Honor cheque B. Keep secrecy C. Safe custody D. All these
555	Adjusting a debit balance against a credit balance by the bank is called.	A. Balancing B. Adjustment C. Setting off D. All these
556	It is the right of the bank to.	A. Right to lien B. Charge of services C. Right of setting off D. All these
557	It is the right of a customer to.	A. Draw cheque B. Receive pass book C. Receive cheque book D. All these
558	It is the duty of a customer to.	A. Follow banking hours B. Safety of cheque book C. Care ful filling of cheque D. All these
559	A form of written agreement between the customer and his bank is.	A. Cheque book B. Bank Statement C. A/c opening form D. Pass book
560	When two or more persons open an account under a single title is called.	A. Joint Account B. Single title account C. B.B.A. Account D. None of these
561	Termination of banker relationship by the customer due to.	A. Change of place B. Death of customer C. Poor services D. All of these
562	A contractual relationship between bank and its customers.	A. Debtor B. Principal C. Bailor D. All of these
563	Which of the following is not a right of a bank.	A. Charge commission B. Close account without notice C. Charge interest on O/D D. None of these
564	Which of the following is the valid method of making payment.	A. Credit card B. pay order C. Bank Draft

		C. Bank draft D. All of these
565	Which of the followign cannot open account in a bank.	A. Lunatic B. Minor C. Parda Nasheen woman D. All of these
566	The main sources of a bank funds are.	A. Deposits B. Bank own funds C. Both a and b D. None of these
567	Which of the followingis highly marketable security.	A. Documents of title B. Goods and produce C. Shares and debentures D. all the above
568	The main uses of bank funds are.	A. Cash reserve B. Granting loan C. Issuing shares D. None of these
569	Difference between hypothecation and pledge is.	A. Possession of goods B. Ownership C. Possession of documents D. None of these
570	Account suitbale for business woman.	A. Current account B. Saving account C. Fixed deposit account D. None of these
571	The loan given against some security are known as.	A. Unsecured loans B. Demand loans C. Secured loans D. All the above
572	The loan against which no security is kept by bank are.	A. Secured loans B. Unsecured loans C. Demand loans D. None of these
573	The loans which can be demanded back by bank at any time are.	A. Short term loans B. Medium Tem loans C. Long term loans D. Demand loans
574	The bank of charges interest on.	A. Deposits B. Overdraft C. Running finace D. Both b and c
575	Pledge means loan given against	A. Immovable property B. Movable property C. Botha a and b D. None of these
576	A good security is one which is.	A. Perishable B. Marketable C. Disputed D. All the above
577	Principle of advancing loan by bank are.	A. Principle of income B. Principle of safety C. Principal of liquidity D. All the above
578	Documents of title to goods includes.	A. Dock warrant B. Bill of lading C. Delivery order D. All the above
579	the precautions while advancing loan by bank are.	A. Safety of loan B. Durable security C. Liquidity D. All the above
580	Quality of good security includes.	A. Easy salable B. Disputed C. Source of expense D. All these
581	The parties involved in a gurantee are.	A. Debtor B. Creditor C. Guarantor D. All these

A. Debentures

582	Example of marketble security are.	B. Shares C. Postal order D. Both a and b
583	Bank Should advance loan to only those who are storng.	A. Domestically B. Socially C. Financially D. None of these
584	Margin means the difference between amount of loan and.	A. Value of overdraft B. Market value C. Value of security D. None of these
585	Teh value of security should be more than.	A. Market value B. Cost value C. Amount of loan D. None of these
586	The amount of loan should be less than.	A. Value of security B. Market value C. Face value D. Hidden value
587	The bank can cover the loan by selling out the.	A. Capital B. Credit card C. Security D. None of these
588	The other name of cash credit is.	A. Overdraft B. Cash finance C. Runnign finance D. None of these
589	Overdraft is also knoww as.	A. Cash Credit B. Running finace C. Cash finance D. All the above
590	The document which reveals the ownership of goods kept on port.	A. Bill of lading B. Dock warrant C. Railway receipt D. Deliery order
591	When goods are made available as security for a loan from bank.	A. Hypothecation B. Mortagage C. None of these D. Both a and b
592	The word credit has been derived from a latin word.	A. Credo B. Credere C. Creditor D. None of these
593	Negotiable instruments are defined by Act.	A. 1881 B. 1857 C. 1694 D. 1935
594	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
595	Negotiable credit instrument.	A. Control credit B. Stop credit C. Create credit D. None of these
596	The types of credit instrument are.	A. Four B. Two C. three D. None of these
597	Cheque is a credit instrument.	A. Partial negotiable B. Negotiable C. Non negotiable D. None of these
598	The cheque which cannot be cashed on the bank counter.	A. Bearer cheque B. Crossed cheque C. Order cheque D. Both bearer and order
599	The numebr of parties in a cheque are.	A. Two B. Five C. Four D. Three

600	Two transverse parallel lines on the face of cheque.	A. Crossing of cheque B. Dishonoring of cheque C. Endorsed of cheque D. Retirement of cheque
601	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
602	The person in whose favor a cheque is endorsed is called.	A. Endorser B. Debtor C. Endorsee D. None of these
603	Cheque consisting of future date is called.	A. Out date B. Post dated C. Anti dated D. None of these
604	Crossing makes the cheque	A. Acceptable B. Dishonour C. Safe D. None of these
605	Alteration in cheque must be signed by.	A. Payee B. Debtor C. Drawer D. All of these
606	Account payee only in the transverse parallel line.	A. Bearer cheque B. Special crossing C. General crossing D. None of these
607	Parties involved in a cheque.	A. A/c holder B. Bank C. Payee D. All of these
608	Cheque is always payable on.	A. Phone call B. At sight C. After banking hour D. On demand
609	On every cheque bank gets.	A. Tax B. Profit C. Duty D. Commission
610	Bill of exchange is written order which is always.	A. Unconditional B. conditional C. Compulsory D. None of these
611	Main parties in bill of exchange are.	A. Three B. Two C. Four D. Five
612	The person who will receive the amount of bill of exchange is.	A. Debtor B. Payee C. Drawee D. Acceptor
613	The person who accepts the bill of exchange is.	A. Debtor B. Drawer C. Payee D. None of these
614	Which type of a bill can be discounted from bank.	A. Sight bill B. Time bill C. Dishonored bill D. Unaccepted bill
615	Bill of exchange doesn't involve trade dealing.	A. Trade bill B. Accommodation bill C. Both a and b D. None of these
616	Official empowered by the Govt. to attest the negotiable instruments by his seal.	A. Gazette officer B. Notary public C. Public attorney D. None of these
617	Payment of sight bill is made on.	A. Demand B. Fixed period C. Expiry D. Presentation

Q.1 Presentation

618	The bill which is payable on its presentation is called.	A. Sight bill B. Time bill C. Trade bill D. Accommodation bill
619	The person who draws the bill is called.	A. Debtor B. Drawee C. Drawer D. Acceptor
620	The person in whose favor the bill is endorsed is.	A. Endorsee B. Endorser C. Debtor D. Acceptor
621	Drawer and drawee belongs to same country.	A. Domestic bill B. Foreign bill C. Trade bill D. Accommodation bill
622	Inland sight bill of exchange is usually used in.	A. Domestic trade B. Inter port trade C. Foreign trade D. None of these
623	The person who endorses the bill of exchange is called.	A. Endorser B. Trustee C. Endorser D. Drawee
624	Bank or incomplete bill is called.	A. Foreign bill B. Local bill C. Short bill D. Dishonored bill
625	The acceptance of bill with some condition is called.	A. Dishonor acceptance B. Documentary acceptance C. Qualified acceptance D. General acceptance
626	Three grace days are given to debtors for payment.	A. Bill of exchange B. Promissory note C. Bank draft D. All of these
627	The bill of exchange whose tenor is less than three months is.	A. Long bill of exchange B. Foreign bill of exchange C. Short bill of exchange D. Sight bill of exchange
628	The bill of exchange whose tenor is more than three months is.	A. Sight bill of exchange B. Foreign bill of exchange C. Long bill of exchange D. Short bill of exchange
629	The person who accepts the bill of exchange on behalf of drawee is called.	A. Debtor B. Payee C. Drawee D. Acceptor
630	Drawer and Drawee belongs to two different cities.	A. Inland bill B. Short bill C. Long bill D. Foreign bill
631	The acceptance of bill without some condition is called.	A. Dishonor acceptance B. Documentary acceptance C. Qualified acceptance D. General acceptance
632	Grace days are given to debtors for payment.	A. 3 days B. 4 days C. 5 days D. 6 days
633	The types of local or home trade are.	A. Retail trade B. Wholesale trade C. Interport D. Both a and b
634	The types of Foreign or international trade are.	A. Import B. Export C. Interport D. All these
635	Collateral parties in bill of exchange are.	A. Acceptor B. Endorser C. Endorsee

		C. Unreadable D. All these
636	Bank draft is a credit instrument.	A. Negotiable B. Non negotiable C. Unreadable D. None of these
637	How many parties are involved in bank draft.	A. Four B. Three C. Two D. None of these
638	Negoitable credit instruemnts includes	A. Bank darft B. Postal order C. I.O.U D. Money order
639	Draft Drawn and paid in two differnet countries is called.	A. Foreign draft B. Demand draft C. Local draft D. None of these
640	Bank draft is an order	A. Of court B. Conditional C. Unconditional D. Of government
641	Written instrument by one bank to another bank.	A. Bill of exchange B. Draft C. Bearer cheque D. None of these
642	On issuance of bank draft bank gets.	A. Tax B. Commission C. Profit D. Duty
643	Bank draft is always in the form of.	A. Hand written B. Printed C. Stamp paper D. None of these
644	In case of bank draft the drawer is.	A. Debtor B. Creditor C. Bank D. Account holder
645	The payment of draft is made on.	A. Sight B. Demand C. By psot D. Phone call
646	An unconditional order of payment by one bank to another bank.	A. Bill of exchage B. Promissory note C. Draft D. None of these
647	The draft whihc is drawn and paid into two different countries.	A. Inland draft B. Ordered draft C. Foreign draft D. Home draft
648	The draft which is drawn and paid in two different countries.	A. Inland draft B. Ordered draft C. Foreign draft D. Home draft
649	Drawee of bank draft is.	A. Creditor B. Debtor C. Issuing bank D. Paying bank
650	The bank branch on whic the draft is drawn is.	A. Drawer B. Payee C. Drawee D. None of these
651	Negotiable credit instrument do not include.	A. Bank draft B. Cheque C. Postal orders D. Treasury bill
652	The document which is used to transfer the deposit from one bank to another is.	A. Bank draft B. Promissory note C. Biull of exchange D. All these
		A. Honored

653	Bank draft once issued can not be.	B. Dishonored C. sent D. Paid
654	The draft having two transvers parallel lines on its face is called.	A. Order bank draft B. Crossed bank draft C. Transverse draft D. All of these
655	The various kind of bank draft includes.	A. Inland draft B. Crossed bank draft C. Foreign draft D. All of these
656	Draft drawn and paid in two different parties in the same country is called.	A. Foreign draft B. Demand draft C. Local draft D. None of these
657	The main content of bank draft.	A. bank branch B. Payee C. Date D. All of these
658	The main characteristics of bank draft.	A. Written B. On demand C. Certain payment D. All of these
659	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
660	The kind of commercial letter of credit includes.	A. Revocable L.C. B. Unconditional L.C. C. Confirmed L.C. D. All of these
661	the developed form of red clause L.C. is.	A. Revocable L.C. B. Green clause L.C. C. Unconfirmed L.C. D. All of these
662	The kind of non commercial letter of credit includes.	A. Traveler L.C. B. Circular note C. Credit card D. All of these
663	The word IOU means.	A. I am your creditor B. I am your debtor C. I am your friend D. None of these
664	The bank that makes payment to the exporter after receiving L.C. is called.	A. Advising bank B. Informatory bank C. Paying bank D. All of these
665	Which party to L.C. is called beneficiary.	A. Import B. Export C. Advising bank D. Opening bank
666	Letter of credit state a limit of.	A. Credit B. Time period C. Bank D. None of these
667	Letter of credit is opened by.	A. Importer's bank B. Exporter's bank C. Wholeseller D. None of these
668	Paying bank with respect to a letter of credit is called.	A. Advising bank B. Informatory bank C. Both these D. None of these
669	The example of non commercial letter of credit.	A. Red clause L.C. B. Green clause L.C. C. Traveler's L.C. D. Documentary L.C.
670	Which of the following nature does IOU have.	A. An autograph B. A monograph C. A sonograph D. A holograph

671	I.O.U. Is a credit instrument.	A. Negotiable B. Non Negotiable C. Partial Negotiable D. Conditional negotiable
672	Non geogibale credit instruemnt are.	A. Letter of credit B. I.O.U C. Money order D. All of these
673	Parties involved in I.O.U	A. Three B. Four C. Two D. Five
674	Features of I.O.U. are	A. Written form B. Evidence of debt C. Fixed amount D. All of these
675	Postal order is the example of.	A. Negotible credit instrument B. Cash instruent C. Non negotiable credit instrument D. None of these
676	Parties involved in postal order	A. Two B. Three C. Four D. Five
677	Feature of postal order	A. Serial no B. value C. Commission D. All of these
678	Transfer of money from one palce to another place with the help of post office.	A. Cheque B. Draft C. Money order D. None of these
679	Content of money order includes.	A. Fixed amount B. Non transferable C. Identification D. All of these
680	Parties involvedin money order.	A. Two B. Three C. Four D. Five
681	The L.C. which is accompanied by some documents is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Simple L.C.
682	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
683	Which party of the L.C. is called beneficiary.	A. Opening bank B. Buyer C. Exporter D. Ex porter's bank
684	If there is no gurantee to honour the L.C. It is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Unconfirmed L.C.
685	Which of the following is a non commercial L.C.	A. Revolving L.C. B. Traveler 's cheque C. Unconfirmed L.C. D. Special L.C.
686	In L.C. the other name of importer's bank is.	A. Buyer bank B. Opening bank C. Issuing bank D. All of these
687	In L.C. the other name of exporter's bank is.	A. Paying bank B. Advising bank C. Negotiating bank D. All of these
688	The purpose of credit card is.	A. Sell goods B. Control credit C. Purchase goods D. None of these

		D. None of these
689	Market for shor term loans.	A. Money market B. Capital market C. Open market D. All of these
690	Market for medium and long term loans.	A. Capital market B. Money market C. Open market D. None of these
691	Money market is market of loans for.	A. Long term B. Short term C. Medium term D. None of these
692	The money market deals in.	A. promissory note B. Bill of exchange C. Treasury billss D. All of these
693	Capital market deals in	A. Common stocks B. Shares C. Debentures D. All of these
694	Capital market does not deal in.	A. Debentures B. Treasury bills C. Bonds D. Shares
695	The leader of money market in Pakistan.	A. Central Bank B. Government C. Commercial Banks D. None of these
696	Institutions of money market in Pakistan.	A. Central Bank B. Commercial Bank C. Specialized institutions D. All of these
697	Specialized credit institutions includes.	A. BEL B. NIT C. ICP D. All of these
698	Stock exchange marketin Pakistan.	A. LSE B. KSE C. ISE D. All of these
699	The nature of money market in Pakistan.	A. Under developed B. Developed C. Dualistic nature D. None of these
700	An organized money market is always.	A. Not elastic B. Less elastic C. More elstastic D. Elastic
701	Teh stock exchange markets in Pakistan are.	A. Two B. Three C. Four D. Five
702	The market in which funds are borrowed of lent for a period of over one year.	A. Money market B. Capital market C. Open market D. None of these
703	In an organized money market the interest rate is.	A. Less B. More C. Uniform D. All these
704	The market in which funds are borrowed or lent for less than one year.	A. Money market B. Capital market C. Open market D. All these
705	In Paksitan BEL, NIT and ICP are credit institutions.	A. Unorganized B. Specialized C. Non specialized D. All these
		A. _{Open market} B. Canital market

706	Bill brokers and discount houses work in.	A. Capital market C. Money Market D. None of these
707	Investment trusts and finance houses.	A. As open market B. Money market C. Capital market D. None of these
708	Rapid transfer of funds is the feature of good.	A. Open market B. Money market C. Discount house D. None of these
709	Short term monetary assets are also called as.	A. Marketable debt securities. B. Near money C. Short term monetary assets D. All these
710	The examples of short term monetary assets includes.	A. Bills of exchange B. Promissory note C. Treasury bill D. All of these
711	The leader of capital market in Pakistan.	A. Central bank B. Government C. Commercial Banks D. None of these
712	The leader of money and capital market in Pakistan.	A. Government B. Central Bank C. Commercial Banks D. None of these
713	The exchange of one country's currency for another foreign currency.	A. Exchange Rate B. Money change C. Foreign exchange D. None of these
714	A mechanism by which international indebtedness is settled between one country and another.	A. Indebtedness B. Foreign Debts C. Foreign exchange D. All these
715	The rate which keeps the balance of payment in equilibrium.	A. Equilibrium rate B. Foreign exchange rate C. Currency Rate D. Dollar rate
716	The demand for foreign exchange comes when.	A. Purchases of foreign securities B. Students go abroad C. Goods are imported D. All of these
717	The supply of foreign exchange arises when.	A. Goods are exported B. Students come of country C. Sale of Foreign securities D. All of these
718	These theories of foreign exchange rate include.	A. Mint par parity theory B. Purchasing power theory. C. Both a and b D. All of these
719	The demand for and supply of foreign exchange is regulated by.	A. Central bank B. World bank C. Commercial bank D. All of these
720	The main objectives of foreign exchange control are.	A. Stabilize exchange rate B. Increase Govt. Revenue C. Protect domestic industries D. All of these
721	The instruments which are used in foreign receipts and payments called.	A. Letter of credit B. Foreign debts C. Foreign exchange D. None of these
722	When the demand of any country's currency increases than the rate of exchange becomes.	A. Unfavorable B. Favorable C. Equilibrium D. None of these
723	The method which is mostly used in making foreign payments are.	A. Telegraphic transfer B. Foreign bill of exchange C. By post D. All of these

724	The market where foreign moneys are bought and sold is.	A. Stock market B. Foreign exchange markets C. Open market D. None of these
725	Methods for making foreign payments includes.	A. Letter of credit B. Foreign bills of exchange C. Foreign bank draft D. All of these
726	The various kinds of exchange rate includes.	A. Official rate B. Spot rate C. Forward rate D. All of these
727	Purchasing power theory of foreign exchange was given by.	A. Hartly B. Gustav Cassel C. D. Cock D. None of these
728	Purchasing power theory of foreign exchange was presented in.	A. 1920 B. 1962 C. 1694 D. 1881
729	Decrease in the value of home currency as compare to foreign currency.	A. Inflation B. Devaluation C. Deflation D. All these
730	To meet the modern banking transactions Requirements SBP introduced.	A. E- Banking B. Islamic Banking C. Office banking D. All of these
731	In Pakistan "ATM" was first of an introduced Ltd.	A. Habib Bank Ltd. B. Allied Bank Ltd. C. Muslim Commercial Bank Ltd. D. National Bank of Pakistan.
732	The products of E-Banking are.	A. ATM cards B. Credit cards C. Debt cards D. All of these
733	What is necessary to withdraw money through ATM.	A. ATM card B. PIN number C. ATM terminal D. All of these
734	The purpose of using credit card is.	A. Purchase goods and services B. Deposit cheque C. Withdraw money D. Deposit cash
735	Which of the following is not use to E-Banking .	A. ATM card B. Credit card C. Cheque D. Debit cards
736	The merits of credit card.	A. Easy payment B. Proof of payment C. Loan Facility D. All of these
737	The services provided by online banking includes.	A. Depositing money B. Transfer money C. With draw money D. All of these
738	The facilities provide d by ATM machine includes	A. Mini Statement B. Transfer funds C. Balace inquiry D. All of these
739	The features of debit card, credit card and ATM card.	A. magnetic strip B. Specific number C. electronic ship D. All of these
740	The advantages of E-Banking are.	A. Time saving B. No need to carry cash C. Facility of BACS D. All of these
741	Electronic banking transaction Ordinance is.	A. 1974 B. 2002 C. 1984 D. 1962

