

## ICS Part 2 Economics English Medium Chapter 5 Online Test

Sr	Questions	Answers Choice
1	Which is the source of interest for a bank	A. Advances B. Bills discounted C. Investments D. All
2	The following is not a bank liability.	A. Demand deposit B. Time deposit C. Loan D. Saving Deposit
3	A bank has Rs5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits	A. 0 B. 5 m C. 10 m D. 25 m
4	An asset is liquid when it is	A. Being traded frequently B. Earning a good rate of return C. Is money or easily converted into money D. All of the above
5	Demand deposits are	A. Bank notes B. Money C. Considered as near money D. Legal money
6	The following is not a bank liability.	A. Demand Deposit B. Time deposit C. Loans D. Saving Deposit
7	A bank has Rs. 5 million in cash. The minimum reserve ratio is 20% What is maximum potential increase in total deposits.	A. 25 m B. 10 m C. 5 m D. 0 m
8	Demand deposits are	A. Money B. Bank note C. Legal Money D. Considered to near money
9	Demand deposits are.	A. Money B. Bank notes C. Legal money D. Considered and near money
10	Balance sheet of a bank has two parts	A. Supply and demand for deposits B. Supply and demand of Advances C. Assets and liabilities D. Cash Reserves and loans
11	Bank Prepare their balance sheet.	A. Weekly B. Monthly C. Quarterly D. Annually
12	Banks discount it and advance loans.	A. Draft B. Bill of exchange C. Pay Order D. Gold
13	The bank can give loans	A. Unlimited B. Equal to deposits C. less than deposits D. More than deposits
14	Commercial banks accept deposits and provide	A. Money B. Loans C. Bill of exchange
15	Cash cannot be directly obtained from a bank against	A. Cross cheque B. Order cheque C. bearer cheque D. Traveller cheque

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Profit and loss sharing is basis of finance under this system.

- A. Islamic
- B. Capitalistic
- C. Socialistic
- D. None