

Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	The amount in fixed deposit can be	A. Deposited many times B. Deposited only once C. Withdrawn many times D. None of the above
2	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
3	Commercial bank creates credit	A. By discounting of bills B. By investment C. By advancing loans D. All of the above
4	Which bank does discount the bills of public	A. Commercial bank B. Agricultural bank C. Industrial bank D. All of the above
5	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
6	Which bank does accept the deposits from public	A. Commercial bank B. Central bank C. Foreign exchange bank D. All the above
7	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 of bank
8	Money creative bank is	A. Central bank B. Commercial bank C. Consumer bank D. Both a and b
9	The word Bank has been derived from the German word	A. Back B. Bancus C. Banco D. None of the above
10	The first central bank of indo-Pak	A. Bank of Calcutta B. Imperial bank C. Reserve bank of India D. None of the above
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	Which document does reveal the internal affairs of a bank	A. Memorandum of bank B. Articles of bank C. Certificate of incorporation D. Prospectus
13	Who was the founder of commercial bank	A. Goldsmiths B. Merchants C. Money lenders D. All the above
14	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
15	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

