

## Principles of Banking Icom Part 2 English Medium Chapter 1 Online Test

| Sr | Questions   | Answers Choice  |
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| 1  | Which method is used for the formation of bank  | A. Royal order<br>B. Special ordinance<br>C. Company's ordinance<br>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<br>B. Five<br>C. Seven<br>D. Ten   |
| 3  | Which document is attached to the application for the registration of bank                                | A. Memorandum of bank<br>B. Articles of bank<br>C. Prospectus<br>D. All the above   |
| 4  | Which of the following banks accepts deposits and advances loans  | A. Cooperative bank<br>B. Mortgage bank<br>C. Commercial bank<br>D. Central bank  |
| 5  | Which bank was formed under the royal order   | A. Bank of Venice<br>B. State Bank of Pakistan<br>C. Bank of Barsolona<br>D. Chartered bank of England                          |
| 6  | Which document indicates the authority and limitation of bank   | A. Memorandum<br>B. Articles<br>C. Certificate of incorporation<br>D. Prospectus  |
| 7  | The primary objective of a central bank is to   | A. Earn profit<br>B. Advance loans to traders<br>C. Safeguard the national interest<br>D. All of the above                      |
| 8  | What kinds of business does a commercial bank do  | A. Accepts deposits and advances loans<br>B. Issues currency notes<br>C. Re-discounts the bills of exchange<br>D. All the above |
| 9  | Who was the founder of commercial bank  | A. Goldsmiths<br>B. Merchants<br>C. Money lenders<br>D. All the above   |
| 10 | Which document does reveal the internal affairs of a bank   | A. Memorandum of bank<br>B. Articles of bank<br>C. Certificate of incorporation<br>D. Prospectus                                |
| 11 | bank is the developed form of   | A. The business of moneylenders<br>B. The business of merchants<br>C. The business of goldsmiths<br>D. None of the above        |
| 12 | The first central bank of indo-Pak  | A. Bank of Calcutta<br>B. Imperial bank<br>C. Reserve bank of India<br>D. None of the above                                     |
| 13 | The word Bank has been derived from the German word   | A. Back<br>B. Bancus<br>C. Banco<br>D. None of the above  |
| 14 | Money creative bank is  | A. Central bank<br>B. Commercial bank<br>C. Consumer bank<br>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<br>B. Articles of bank<br>C. Certificate of incorporation   |

#### D. Prospectus of bank

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| 16 | Who started the use of bank draft:   | A. Kings<br>B. Merchants<br>C. Money lenders<br>D. Goldsmiths   |
| 17 | What type of institution a bank is:  | A. Financial<br>B. Social<br>C. Religious<br>D. All of the above  |
| 18 | According to Sir John Paget, a bank is an institution which :                                | A. Accepts the deposits of general public<br>B. Honours the cheques<br>C. Advances loan<br>D. All of the above                  |
| 19 | If a bank is unable to submit prospectus at the time of registration, then it has to submit: | A. Statement in lieu of prospectus<br>B. Certificate of incorporation<br>C. Certificate of commencement<br>D. None of the above |
| 20 | Bank of England was formed in:   | A. 1594<br>B. 1694<br>C. 1794<br>D. 1894  |
| 21 | According to registration , bank is divided into followings categories:                      | A. Home and foreign bank<br>B. Central and commercial bank<br>C. Scheduled and non-scheduled bank<br>D. All of the above        |
| 22 | When was the "Bank of England" got the monopoly over note issue:                             | A. 1728<br>B. 1758<br>C. 1768<br>D. 1778  |
| 23 | When was the "Bank of Venice" established:   | A. 1127<br>B. 1147<br>C. 1157<br>D. 1187  |
| 24 | The temples were used as banks in:   | A. Italy<br>B. Rome<br>C. China<br>D. Greece  |
| 25 | Imperial Bank was established in:  | A. 1921<br>B. 1925<br>C. 1932<br>D. 1937  |
| 26 | When was the "Reserve Bank of India" established:  | A. 1925<br>B. 1935<br>C. 1940<br>D. 1945  |
| 27 | The detail in the memorandum of bank is recorded :   | A. In one paragraph<br>B. In separate paragraphs<br>C. On one page<br>D. All of the above                                       |
| 28 | The change in the address of bank should be intimated to registrar within:                   | A. Eight days<br>B. Ten days<br>C. Eighteen days<br>D. Twenty eight days  |
| 29 | Whose role is considered important in the beginning of cheque:                               | A. Three<br>B. Merchants<br>C. Goldsmiths<br>D. Money lenders   |
| 30 | The banks under special ordinance are formed:  | A. By the president of any bank<br>B. By the president of world bank<br>C. By the president of a country<br>D. All of the above |
| 31 | Evolutionary history of early banks includes.  | A. Merchants<br>B. Money Lenders<br>C. Goldsmiths<br>D. All these   |
| 32 | For Transactions the merchants used to issue.  | A. Passport<br>B. Promissory note<br>C. Identity card<br>D. Bill of exchange  |

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| 33 | Who used to take gold and precious metal as safe custody.                       | A. Merchants<br>B. Kings<br>C. Money Lenders<br>D. Gold Smiths   |
| 34 | Modern commercial Bank are the developed form of the Business of.               | A. Gold Smith<br>B. Merchants<br>C. Money Lenders<br>D. All these  |
| 35 | Most of the experts agreed that the word "Bank" has been derived from the word. | A. Banque<br>B. Banco<br>C. Bancus<br>D. Back  |
| 36 | In these days Banks are formed under companies ordinance.                       | A. 1962<br>B. 1932<br>C. 1984<br>D. 1013   |
| 37 | Second stage of formation of bank is called.                                    | A. Incorporation<br>B. Commencement<br>C. Issue of shares<br>D. Promotion  |
| 38 | List of Directors is required at the stage of.                                  | A. Registration<br>B. Incorporation<br>C. Promotion<br>D. Commencement   |
| 39 | For selling shares Bank issues  | A. Tickets<br>B. Prospectus<br>C. Certificate<br>D. Tokens   |
| 40 | "EFT" stands for  | A. Electronic Funds transfer<br>B. Economic financial theory<br>C. Electronic financial techniques<br>D. Effective fund telegram |
| 41 | Which one is the primary function of a bank                                     | A. Accepting deposits<br>B. Advancing loans<br>C. Both these<br>D. None of these   |
| 42 | The main purpose of commercial bank is.   | A. Welfare<br>B. Issue notes<br>C. Earn Profits<br>D. All these  |
| 43 | Which one is the Secondary function commercial bank.                            | A. Accept deposits<br>B. Advance loans<br>C. Collections of cheques<br>D. All these  |
| 44 | Bank of England and Royal Bank of Scotland are an examples of.                  | A. Statutory Bank<br>B. Development bank<br>C. Royal Bank<br>D. None of these  |
| 45 | Bank of England was established in.   | A. 1494<br>B. 1694<br>C. 1920<br>D. 1668   |
| 46 | Money Lenders usually known as.   | A. Sheikh<br>B. Nawab<br>C. Seth<br>D. Debtors   |
| 47 | Beginning of Bank draft by  | A. Kings<br>B. Money lenders<br>C. Merchants<br>D. gold smith  |
| 48 | Commercial bank is factory of creating credit.                                  | A. Crowther<br>B. Gilbert<br>C. Reynold<br>D. H.I. Heart   |
| 49 | Beginning of Bank draft by.   | A. Kings<br>B. Money Lenders<br>C. Merchants<br>D. Gold smith  |
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| 51 | Beginning of cheque by.                                      | A. Gold smiths<br>B. Merchants<br>C. Kings<br>D. Money lenders.                       |
| 52 | Essentials of successfl banking.                             | A. Large capital<br>B. Secured loans<br>C. Inflation<br>D. Both of these              |
| 53 | Manage the internal affairs of Bank.                         | A. Prospectus<br>B. Memorandum<br>C. Articles<br>D. All of these                      |
| 54 | Muslims commercial Bank was established on.                  | A. 1947<br>B. 1948<br>C. 1951<br>D. 1949  |
| 55 | The charger of commercial Bank is.                           | A. Momorandum<br>B. Articles<br>C. Prospectus<br>D. None of these                     |
| 56 | Memorandum includes  | A. 05 Clasuses<br>B. 06 Clauses<br>C. 10 Clauses<br>D. 12 Clauses                     |
| 57 | Important source of income for Bank.                         | A. Deposits<br>B. Current Account<br>C. Saving account<br>D. Issued loans             |
| 58 | Example of consortium Bank.                                  | A. SBP<br>B. Orion Bank<br>C. MCB<br>D. NBP   |
| 59 | American express Bank is an example of.                      | A. School Bank<br>B. Exchange Bank<br>C. Consortium Bank<br>D. None of these          |
| 60 | Due to good Banking system which sector showed Rapid growth. | A. Agriculture sector<br>B. Industiral sector<br>C. Banking Sector<br>D. All of these |
| 61 | Who are called the ancestors of modern banks.                | A. Merchant<br>B. Money Lenders<br>C. Gold Smiths<br>D. All of these                  |
| 62 | Temples were used as early banks in.                         | A. Italy<br>B. Room<br>C. Greece<br>D. Iraq   |