

## Principles of Banking Icom Part 2 English Medium Chapter 8 Online Test

Sr	Questions	Answers Choice
1	The person in who's favor a cheque is endorsed is called.	A. Endorser B. Debtor C. Endorsee D. None of these
2	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five
3	Long term loan is advanced against the following security:	A. Non-material B. Material C. Personal D. All of the above
4	The types of credit instrument are.	A. Four B. Two C. three D. None of these
5	The loan which is granted by by bank to account holder on temporary basis called	A. Cash credit B. Overdraft C. Demand loan D. None of the above
6	Security is a powerful tool that ensure tthe repayment of:	A. Deposit B. Dept C. Interest D. None of the above
7	The goods or items accepted as security for advancing loan should not be:	A. Durable B. Insured C. Under burden D. Liquid
8	Alternation in cheque must be signed by.	A. Payee B. Debtor C. Drawer D. All of these
9	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
10	The word credit has been derived from a latin word.	A. Credo B. Credere C. Creditor D. None of these
11	The numebr of parties in a cheque are.	A. Two B. Five C. Four D. Three
12	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above
13	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
14	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
15	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
16	Negotiable instruments are defined by Act.	A. 1881 B. 1857 C. 1694 D. 1935
17	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above
18	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
19	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
20	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