

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

Sr	Questions	Answers Choice
1	Cheque consists of future date is called.	A. Out date B. Post dated C. Anti dated D. None of these
2	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
3	Parties involved in a cheque.	A. A/c holder B. Bank C. Payee D. All of these
4	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above
5	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
6	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
7	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
8	The cheque which cannot be cashed on the bank counter.	A. Bearer cheque B. Crossed cheque C. Order cheque D. Both bearer and order
9	On every cheque bank gets.	A. Tax B. Profit C. Duty D. Commission
10	Who does accept the responsibility for repayment debt	A. Guarantor B. Personal security C. Both a and b D. None of the these
11	The loan which can be demanded at any time are called	A. Short term loans B. Demand loans C. Overdraft D. All the above
12	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
13	The number of parties in a cheque are.	A. Two B. Five C. Four D. Three
		A. Short term

14	The commercial banks provide the following type of loan by discounting the B/E: are:	B. Medium term C. Long term D. All of the above
15	The loans obtained for meeting the administrative expenses and purchase of raw material	A. Short term loans B. Medium Term Iolas C. Long Term Iolas D. All of the above
16	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
17	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five
18	On which of the following amount of overcraft, bank receives interest:	A. Fix B. Total C. Used D. All of the above
19	Negotiable instruments are defined by Act.	A. 1881 B. 1857 C. 1694 D. 1935
20	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above