

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

Sr	Questions	Answers Choice
1	Negotiable credit instrument.	A. Control credit B. Stop credit C. Create credit D. None of these
2	Two transverse parallel lines on the face of cheque.	A. Crossing of cheque B. Dishnoring of cheque C. Endorsed of cheque D. Retirement of cheque
3	Why does a bank grant loans to businessmen	A. To purchase raw material B. To pay wages C. To pay development expenditures D. All the above
4	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
5	The cheque which cannot be cashed on the bank counter.	A. Bearer cheque B. Crossed cheque C. Order cheque D. Both bearer and order
6	The person in who's favor a cheque is endorsed is called.	A. Endorser B. Debtor C. Endorsee D. None of these
7	Which things can be accepted by bank as security at the time of granting loan	A. Gold and silver B. Property C. Shares and debentures of company D. All the above
8	Cheque consists of future date is called.	A. Out date B. Post dated C. Anti dated D. None of these
9	Crossing makes the cheque	A. Acceptable B. Dishonour C. Safe D. None of these
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	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
12	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above
13	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
14	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above

15	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
16	The numebr of parties in a cheque are.	A. Two B. Five C. Four D. Three
17	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five
18	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
19	Account payee only in the transverse parallel line.	A. Bearer cheque B. Special crossing C. General crossing D. None of these
20	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these