

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

Sr	Questions	Answers Choice
1	Long term loan is advanced against the following security:	A. Non-material B. Material C. Personal D. All of the above
2	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
3	The person in who's favor a cheque is endorsed is called.	A. Endorser B. Debtor C. Endorsee D. None of these
4	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
5	Crossing makes the cheque	A. Acceptable B. Dishonour C. Safe D. None of these
6	The loans obtained for meeting the administrative expenses and purchase of raw material are:	A. Short term loans B. Medium Term lonas C. Long Term lonas D. All of the above
7	The cheque which cannot be cashed on the bank counter.	A. Bearer cheque B. Crossed cheque C. Order cheque D. Both bearer and order
8	The loans which are issued for the period of one to five year called	A. Demand loans B. Short term loans C. Medium term loans D. Long term loans
9	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
10	Security is a powerful tool that ensure the repayment of:	A. Deposit B. Debt C. Interest D. None of the above
11	Security is a powerful tool that ensure tthe repayment of:	A. Deposit B. Dept C. Interest D. None of the above
12	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
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 goods or items accepted as security for advancing loan should not be:	A. Durable B. Insured C. Under burden D. Liquid
15	Negotiable instruments are defined by Act.	A. 1881 B. 1857 C. 1694

16	The word credit has been derived from a latin word.	A. Credo B. Credere C. Creditor D. None of these
17	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
18	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these
19	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
20	The document which reveals the ownership of goods kept on port:	A. Bill of lading B. Dock warrant C. Delivery order D. Railway receipt
