

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

Sr	Questions	Answers Choice
1	Two transverse parallel lines on the face of cheque.	A. Crossing of cheque B. Dishonoring of cheque C. Endorsed of cheque D. Retirement of cheque
2	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
3	The loans obtained for meeting the administrative expenses and purchase of raw material are:	A. Short term loans B. Medium Term loans C. Long Term loans D. All of the above
4	What is called a good security	A. Whose price can be determined easily B. Which does not have any government restriction C. Whose ownership is totally clear D. All the above
5	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
6	Negotiable credit instrument.	A. Control credit B. Stop credit C. Create credit D. None of these
7	Long term loan period is consisted of:	A. Days B. Months C. Years D. All of the above
8	Cheque is always payable on.	A. Phone call B. At sight C. After banking hour D. On demand
9	The commercial banks provide the following type of loan by discounting the B/E:	A. Short term B. Medium term C. Long term D. All of the above
10	The goods or items accepted as security for advancing loan should not be:	A. Durable B. Insured C. Under burden D. Liquid
11	If the bank refuses to pay the amount of cheque.	A. Discounting B. Crossing C. Dishonoring D. None of these
12	Negotiable credit instruments does not includes.	A. Cheque B. ATM card C. Draft D. Promissory
13	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

14	The types of credit instrument are.	A. Four B. Two C. three D. None of these
15	Crossing makes the cheque	A. Acceptable B. Dishonour C. Safe D. None of these
16	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five
17	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
18	Alteration in cheque must be signed by.	A. Payee B. Debtor C. Drawer D. All of these
19	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these
20	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