

Principles of Banking (E.M) - ICOM Part 2 Principles of Banking Chapter 6 Short Questions Preparation

Q1. Point out the duties of banker.

Ans 1: 1- Collection of cheque 2- Secrecy 3- Trustee

Ans 2: 4- Opening L.C.

Q2. Define Banker.

Ans 1: Banker is a dealer in money. He is an intermediate party between the borrower and the lender. He borrows from one party and lends it to another.

Q3. How are the relationships between banker and customer can be terminated by customer.

Ans 1: 1- Unsatisfactory services 2- Low rate of interest

Ans 2: 3- Lack of confidence 4- Change in residence.

Q4. Point out the rights of customer of a bank.

Ans 1: i- Right to receive profit ii- Right to draw a cheque

Ans 2: iii- Right to receive pass book iv- Right to sue

Q5. Define customer.

Ans 1: A customer is a person who has any type of account with the bank.

Q6. Write down the major kinds of bank's customers.

Ans 1: 1- Individual customer 2- Joint customer

Ans 2: 3- Married women 4- Pardah nasheen woman

Ans 3: 5- Minor or infant customer 6- Lunatic or Mental patient

Ans 4: 7- Partnership Firm 8- Joint stock company

Ans 5: 9- Non trading concern 10- Trustee 11- Governemtn institutions

Q7. Why current account is called" Running or active" account.

Ans 1: It is called runing or active account becaude money can be desposited and withdrawn fromt his accont at any time during the bankng hours on daily basis.

Q8. What is the basic or general relationship between bank and customer.

Ans 1: The general reallionship between bank and customer is .

Ans 2: i- Debtor and creditor ii- When a bank is debtor and customer is creditor

Ans 3: iii- When customer is debotr and bank is credtior

Q9. What is the other relations hip between bank and customer.

Ans 1: i- Principal and agent ii- Bailer and bailee
iii- Mortgagegera and Mortgagee

Ans 2: iv- Pledger and pledgee v- Aamil and Mudarib

Q10. Point out the duties of custoemr of bank.

Ans 1: 1- During banking hour 2- Over dated cheque

Ans 2: 3- Careful draw of cheque 4- Cheque book in safe custod
