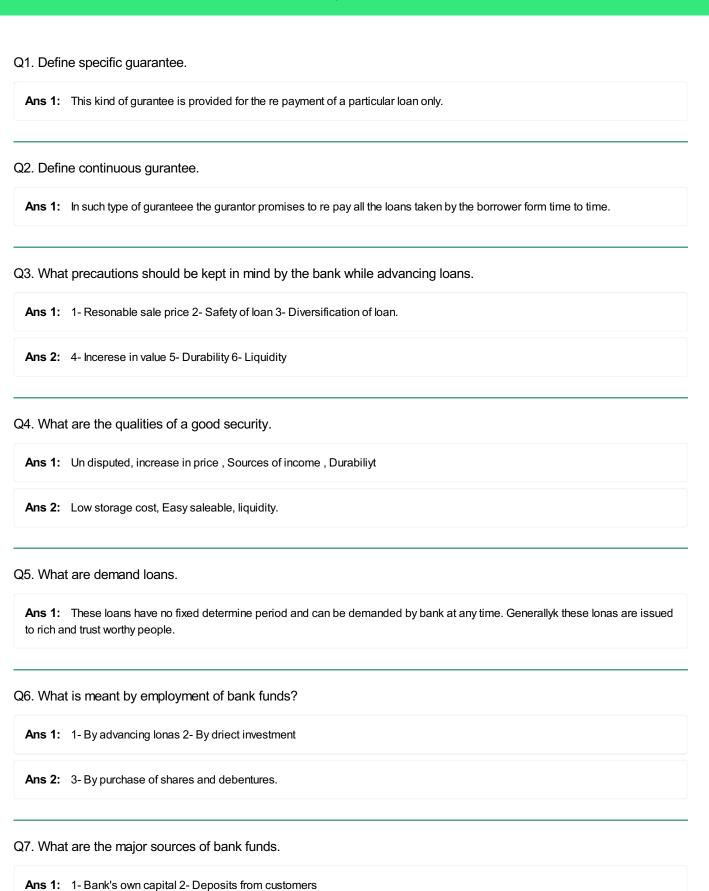


Principles of Banking (E.M) - ICOM Part 2 Principles of Banking Chapter 7 Short Questions Preparation



8. Defii	ne Security
Ans 1:	when a bank of any financial insitution advances loan to a party. it takes some valuable as security against debt.
. Wha	t is the princples of advancing loan.
Ans 1:	1- Peinciple of security 2- Princi;le of safety
Ans 2:	3- Principle of liquidity 4- Principal of diversity
Ans 3:	5- Principle of income 6- Principal of repayment
10. Wh	at is the unsecrued loans.
Ans 1:	The loans which are not granted against certain valuables as security are called unseured loans.