

Principles of Banking Icom Part 2 English Medium Chapter 7 Online Test

Sr	Questions	Answers Choice
1	Person having an account with a bank or having some similar relation with the bank is called	A. Owner B. Debtor C. Consumer D. Customer
2	When a bank accepts real estate as security by way of mortgage then it is called	A. Aamal B. Zarib C. Mortgager D. Mortgagee
3	Illiterate person provides to bank for his identification	A. Birth certificate B. Impression of thumb C. Photograph D. All the above
4	Joint-stock company can open the following account in bank	A. Fixed B. Current C. Saving D. All the above
5	When bank provides finance to its customer under an agreement of Modaraba, the customer becomes	A. Consumer B. Zarib C. Aamal D. None of the above
6	When customer deposits his money in a bank, he becomes	A. Mortgagee B. Creditor C. Debtor D. None of the above
7	Clubs, cooperative societies, and associations etc. are entitled as following concern	A. Partnership B. Non-trading C. Trading D. All the above
8	Head of any government institution can open account with a bank in the capacity of	A. Consumer B. Principal C. Employee D. None of the above
9	Which of the following relationships occurs if a customer deposits his money in a bank	A. Bank as a debtor and customer as a creditor B. Bank as a creditor and customer as a debtor C. Bank as an agent and customer as a principle D. Bank a modarib and customer as an aamal
10	Which of the following takes responsibility to manage the property of another	A. Trustee B. Bailee C. Mortgagee D. All the above
11	What is the status of an account if opened by a government institution	A. A non-trading concern B. An individual C. A joint-stock company D. A joint customer
12	Which of the following terms is used regarding the confirmation of death of bank customer	A. Stopped account B. Cancelled account C. Deceased account D. Closed account
13	When a person deposits money in a bank, it is the beginning of	A. Bank and customer business B. Bank and customer relationship C. Lending and borrowing between bank and customer D. Relation of confidence and trust
14	Which of the following cannot open account in a bank	A. Pargah-nasheen women B. Minor or infant C. Lunatic or mental patient D. Non-trading concern

15	A form of written agreement between bank and customer is	A. Cheque book B. Pass book C. Application form for opening account D. None of the above
16	Who is responsible for loan in case of joint customer:	A. All partners of persons B. Person having authority to deal with bank C. Active partner D. None of the above
17	Relation between banker and customer terminates, when a :	A. Customer becomes mad or lunatic B. Customer becomes insane or mental C. Customer dies D. All of the above
18	Bank is bound to honour the cheque of customer if:	A. Required amount is available in amount B. Cheque is according to rules of conduct C. There is no restriction by government D. All of the above
19	The nature of relation between bank and customers is:	A. Debtor and creditor B. Agent and principal C. Bailor and bailee D. All of the above
20	Which of the following customers does not have more rights on bank:	A. Individual customer B. Joint customer C. Minor customer D. All have the same
21	Married women can open following account in bank:	A. Saving account B. Current account C. Fixed amount D. All of the above
22	Before opening account in bank, a married women is asked about her:	A. Husband's name B. Father's name C. Mother's name D. All of the above
23	A trustee is the:	A. Owner of property B. Care taker of property C. Mortgagee of property D. None of the above
24	If an old joint stock company opens the account then a bank demands for last few years:	A. Balance sheet B. Annual report C. Both (a) & (b) D. None of the above
25	The main sources of a bank funds are.	A. Deposits B. Bank own funds C. Both a and b D. None of these
26	Which of the following is highly marketable security.	A. Documents of title B. Goods and produce C. Shares and debentures D. all the above
27	The main uses of bank funds are.	A. Cash reserve B. Granting loan C. Issuing shares D. None of these
28	Difference between hypothecation and pledge is.	A. Possession of goods B. Ownership C. Possession of documents D. None of these
29	Account suitable for business woman.	A. Current account B. Saving account C. Fixed deposit account D. None of these
30	The loan given against some security are known as.	A. Unsecured loans B. Demand loans C. Secured loans D. All the above
		A. Secured loans B. Unsecured loans

31	The loan against which no security is kept by bank are.	C. Short term loans C. Demand loans D. None of these
32	The loans which can be demanded back by bank at any time are.	A. Short term loans B. Medium Tem loans C. Long term loans D. Demand loans
33	The bank of charges interest on.	A. Deposits B. Overdraft C. Running finace D. Both b and c
34	Pledge means loan given against	A. Immovable property B. Movable property C. Botha a and b D. None of these
35	A good security is one which is.	A. Perishable B. Marketable C. Disputed D. All the above
36	Principle of advancing loan by bank are.	A. Principle of income B. Principle of safety C. Principal of liquidity D. All the above
37	Documents of title to goods includes.	A. Dock warrant B. Bill of lading C. Delivery order D. All the above
38	the precautions while advancing loan by bank are.	A. Safety of loan B. Durable security C. Liquidity D. All the above
39	Quality of good security includes.	A. Easy salable B. Disputed C. Source of expense D. All these
40	The parties involved in a gurantee are.	A. Debtor B. Creditor C. Guarantor D. All these
41	Example of marketble security are.	A. Debentures B. Shares C. Postal order D. Both a and b
42	Bank Should advance loan to only those who are storng.	A. Domestically B. Socially C. Financially D. None of these
43	Margin means the difference between amount of loan and.	A. Value of overdraft B. Market value C. Value of security D. None of these
44	Teh value of security should be more than.	A. Market value B. Cost value C. Amount of loan D. None of these
45	The amount of loan should be less than.	A. Value of security B. Market value C. Face value D. Hidden value
46	The bank can cover the loan by selling out the.	A. Capital B. Credit card C. Security D. None of these
47	The other name of cash credit is.	A. Overdraft B. Cash finance C. Runnign finance D. None of these
48	Overdraft is also knoww as.	A. Cash Credit B. Running finance C. Cash finance D. All the above

49 The document which reveals the ownership of goods kept on port.

- A. Bill of lading
- B. Dock warrant
- C. Railway receipt
- D. Delivery order

50 When goods are made available as security for a loan from bank.

- A. Hypothecation
- B. Mortgage
- C. None of these
- D. Both a and b