

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

Sr	Questions	Answers Choice
1	Which of the following is a highly marketable security	A. Document of title to goods B. Shares and debentures C. Immovable property D. All the above
2	Who does accept the responsibility for repayment debt	A. Guarantor B. Personal security C. Both a and b D. None of the these
3	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
4	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
5	The loan which can be demanded at any time are called	A. Short term loans B. Demand loans C. Overdraft D. All the above
6	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these
7	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
8	The loan which is granted by by bank to account holder on temporary basis called	A. Cash credit B. Overdraft C. Demand loan D. None of the above
9	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
10	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
11	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
12	Popular types of loan issued by the bank according to term are	A. Two B. Three C. Four D. Five

13	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
14	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