

## Principles of Banking Icom Part 2 English Medium Online Test

Sr	Questions	Answers Choice
1	If drawing of a cheque signs o its back for transferring the rights to another person is called	A. Material change B. Endorsement C. Crossing D. Acceptance
2	A cheque which cannot be cashed at bank's counter	A. Bearer B. Order C. Crossed D. None of the above
3	Who is called a drawee of cheque	A. Payee B. Bank C. Customer D. Endorsee
4	Cheque is a credit instrument which is	A. Negotiable B. Conditionally negotiable C. Non negotiable D. None of the above
5	A cheque which can be cashed by its holder	A. Bearer B. Order C. Crossed D. Plain
6	Endorsee of cheque is a person	A. Who receives the amount of cheque B. In whose favour the rights of cheque are transferred C. On whom the cheque is drawn D. Who draws a cheque
7	Bank should advance loans to those people who are strong	A. Financially B. Domestically C. Politically D. All the above
8	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
9	Who does accept the responsibility for repayment debt	A. Guarantor B. Personal security C. Both a and b D. None of the these
10	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
11	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
12	The loan which can be demanded at any time are called	A. Short term loans B. Demand loans C. Overdraft D. All the above

13	Main uses of bank funds are	A. Advancing loans B. Direct investment C. Both a and b D. None of these
14	The main sources of bank's fund are	A. Own capital B. Deposits C. Loan from other banks D. All the above
15	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