

Principles of Banking Icom Part 2 English Medium Chapter 12 Online Test

Sr	Questions	Answers Choice
1	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
2	Generally, the instruments which are used in foreign receipts and payments called	A. Exchange rate B. Foreign exchange C. Letter of credit D. All of the above
3	Non geogibale credit instruemnt are.	A. Letter of credit B. I.O.U C. Money order D. All of these
4	Transfer of money from one palce to another place with the help of post office.	A. Cheque B. Draft C. Money order D. None of these
5	In L.C. the other name of importer's bank is.	A. Buyer bank B. Opening bank C. Issuing bank D. All of these
6	I.O.U. Is a credit instrument.	A. Negotiable B. Non Negotiable C. Partial Negotiable D. Conditional negotiable
7	In L.C. the other name of exporter's bank is.	A. Paying bank B. Advising bank C. Negotiating bank D. All of these
8	The example of non commercial letter of credit.	A. Red clause L.C. B. Green clause L.C. C. Traveler's L.C. D. Documentary L.C.
9	Postal order is the example of.	A. Negotible credit instrument B. Cash instruent C. Non negotiable credit instrument D. None of these
10	Which party to L.C. is called beneficiary.	A. Import B. Export C. Advising bank D. Opening bank
11	Letter of credit state a limit of.	A. Credit B. Time period C. Bank D. None of these
12	The money sent through post office from one country to another	A. Traveller's cheque B. Bank draft C. Letter of credit D. International money order
13	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
14	The change in demand and supply of foreign currency effects	A. Exchange rate B. Traveller's L.C C. Letter of credit D. None of these
15	Which of the following rate keeps the balance of payments in equilibrium	A. Discount rate B. Interest rate C. Exchange rate D. Market rate

16	Upper specie point is got by adding the delivery charges in following metal	A. Silver B. Gold C. Iron D. Copper
17	If the demand of any country's currency increases then rate of exchange becomes	A. Favorable B. Unfavorable C. Both a and b D. None of these
18	Which of the following theories is associated with the working of international gold standard	A. Mint par parity theory B. Purchasing power theory C. Balance of payments theory D. All of the above
19	The rate of exchange determined by two countries following non-convertible paper currency system is a point where	A. The purchasing power of currency is same B. The purchasing power of currency is different C. The purchasing power of currency is zero D. None of the above
20	Feature of postal order	A. Serial no B. value C. Commission D. All of these