

## Principles of Banking Icom Part 2 English Medium Chapter 10 Online Test

| Sr | Questions   | Answers Choice   |
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| 1  | Drawer and payee of inland promissory note belong to                        | A. Same country B. Different countries C. Different cities D. None of the above  |
| 2  | Bank draft is a credit instrument.  | A. Negotiable B. Non negotiable C. Unreadable D. None of these   |
| 3  | Negoitable credit instruemnts includes                                      | A. Bank darft B. Postal order C. I.O.U D. Money order  |
| 4  | Retirement of bill means  | A. Payment of bill before due date     B. Dishonoring of bill due to non-payment     C. Protesting of bill     D. Dishonoring of bill due to non-acceptance            |
| 5  | A person in whose favour the rights of bill are transferred is called       | A. Drawer B. Payee C. Endorsee D. All of the above   |
| 6  | Endorser of promissory note is a :  | A. Person who promises to pay B. Person who receives the amount of note C. Person in whose favour the rights are transferred D. Person who trasfers the rights of note |
| 7  | Drawee of the bank draft is a   | A. Bank which issues a draft B. Bank on which the draft is drawn C. Payee of draft D. Sender of amount by draft  |
| 8  | Bill in which drawer belonging to two different countries:                  | A. Inland bill     B. Foreign bill     C. Accommodation bill     D. None of the above  |
| 9  | Bills of exchange is  | A. An order to pay B. A request to pay C. A promise to pay D. All of the above   |
| 10 | Written instrument by one bank to another bank.                             | A. Bill of exchange     B. Draft     C. Bearer cheque     D. None of these   |
| 11 | Bills of exchange can be cashed from bank before maturity by:               | A. Overdraft B. Renewal C. Discounting D. None of the above  |
| 12 | Promissory note means a:  | A. Promise to pay fixed amount on fixed date B. Promise to pay currency notes on fixed date C. Promise to pay goods on fixed date D. All of the above                  |
| 13 | Draft drawn and pid in two different parties int he same country is called. | A. Foreign draft B. Demand draft C. Local draft D. None of these   |
| 14 | Bills of exchange has three:  | A. Owners<br>B. Parties  |

|    |   | C. Shareholders D. None of the above  |
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| 15 | Bank draft is always in the form of.                          | <ul><li>A. Hand written</li><li>B. Printed</li><li>C. Stamp paper</li><li>D. None of these</li></ul>                                  |
| 16 | Treasury bill is a :  | <ul><li>A. Negotiable credit instrument</li><li>B. Non-negotiable credit instrument</li><li>C. Debentures</li><li>D. Shares</li></ul> |
| 17 | Credit instrument drawn by one bank on another bank is called | A. Cheque B. Bills of exchange C. Bank draft D. Treasury bill   |
| 18 | How many parties are involved in bank draft.                  | A. Four B. Three C. Two D. None of these  |
| 19 | Bills of exchange is a written order which is always          | A. Conditional B. Unconditional C. Partially conditional D. All of the above  |
| 20 | The bank branch on whic the draft is drawn is.                | A. Drawer B. Payee C. Drawee D. None of these   |