

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

Sr	Questions	Answers Choice
1	The kind of commercial letter of credit includes.	A. Revocable L.C. B. Unconditional L.C. C. Confirmed L.C. D. All of these
2	The price of one country's currency in term other country's currency is called	A. Foreign currency B. Traveller's L.C. C. Exchange rate D. None of these
3	Content of money order includes.	A. Fixed amount B. Non transferable C. Identification D. All of these
4	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.
5	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
6	The word L.C stand for.	A. Long credit B. Less credit C. Letter of credit D. None of these
7	Which party to L.C. is called beneficiary.	A. Import B. Export C. Advising bank D. Opening bank
8	Non geogibale credit instruemnt are.	A. Letter of credit B. I.O.U C. Money order D. All of these
9	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
10	The L.C. which is accompanied by some documents is called.	A. Documentary L.C. B. Revolving L.C. C. Back to back L.C. D. Simple L.C.
11	the developed form of red claaue L.C. is.	A. Revocable L.C. B. Green clause L.C. C. Unconfirmed L.C. D. All of these
12	The Kiind of non commercial letter of credit includes.	A. Traveler L.C. B. Circular note C. Credit card D. All of these
13	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
14	Foreign exchange control reduces the	A. Circulation of capital B. Export of capital C. Import of capital D. None of the above
		A. Revolving L.C.

15	Which of the following is a non commercial L.C.	B. Traveler's cheque C. Unconfirmed L.C. D. Special L.C.
16	Which party of the L.C. is called beneficiary.	A. Opening bank B. Buyer C. Exporter D. Exporter's bank
17	I.O.U. Is a credit instrument.	A. Negotiable B. Non Negotiable C. Partial Negotiable D. Conditional negotiable
18	Which of the following nature does IOU have.	A. An autograph B. A monograph C. A sonograph D. A holograph
19	Which of the following changes cause to change in foreign exchange rate	A. Change in export and imports B. Change in capital flow C. Change in bank rate D. All the above
20	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