

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

Sr	Questions	Answers Choice
1	Letter of credit is opened by.	A. Importer 's bank B. Exporter's bank C. Wholse seller D. None of these
2	Features of I.O.U. are	A. Written form B. Evidence of debt C. Fixed amount D. All of these
3	Upper specie point is got by adding the delivery charges in following metal	A. Silver B. Gold C. Iron D. Copper
4	The Kiind of non commercial letter of credit includes.	A. Traveler L.C. B. Circular note C. Credit card D. All of these
5	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
6	Paying bank with respect to a letter of credit is called.	A. Advising bank B. Informatory bank C. Both these D. None of these
7	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
8	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.
9	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
10	Feature of postal order	A. Serial no B. value C. Commission D. All of these
11	Letter of credit state a limit of.	A. Credit B. Time period C. Bank D. None of these
12	In L.C. the other name of exporter's bank is.	A. Paying bank B. Advising bank C. Negotiating bank D. All of these
13	Stock certificates are issued by.	A. Cental bank B. Stock market C. Limite Company D. Partnership
14	The word IOU means.	A. I am your creditor B. I am your debtor C. I am your friend D. None of these
15	The example of non commercial letter of credit.	A. Red clause L.C. B. Green clause LC. C. Traveler's L.C. D. Documentary L.C.

16	The term foreign exchange includes	A. Bank draft B. Letter of credit C. Foreign B/E D. All the above
17	Which of the following rate keeps the balance of payments in equilibrium	A. Discount rate B. Interest rate C. Exchange rate D. Market rate
18	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
19	Parties involved in postal order	A. Two B. Three C. Four D. Five
20	The purpose of credit card is.	A. Sell goods B. Control credit C. Purchase goods D. None of these