



Principles of Banking (E.M) - ICOM Part 2 Principles of Banking Chapter 11 Short Questions Preparation

Q1. What is inland order bank draft.

Ans 1: The draft which is drawn and paid in the same country is called inland order bank draft.

Q2. What is Inland individual promissory note.

Ans 1: The promissory note having a single person as drawer and is drawn and paid in the same county.

Q3. Define Promissory note.

Ans 1: A document stating that a person promises to pay another person a certain sum of oney at a certian date.

Q4. What is Inland crossed bank draft.

Ans 1: The Inland crossed bank dract in one which is drawn and paid in the same country.

Q5. What is order bank draft.

Ans 1: The draft which is paid to the person whose name is written in the draft The bank identify the payee and then makes the payment.

Q6. What are the contents of bank draft.

Ans 1: 1- Name of bank and its branch 2- Amount of draft

Ans 2: 3- Serial numebr 4- Date of issue

Ans 3: 5- Name of payee 6- Signatures of bank authorize officer

Q7. What is Foreign individual promissory note.

Ans 1: The promissory note having a single person as drawer. It it drawn in one country and its payment is made in anothe country is called Foreign individual promissory note.

Q8. What is meant by bank draft.

Ans 1: A written unconditional document drawn on a bank by another bank for payment is called bank draft.

Q9. What is inland joint promissory note.

Ans 1: The promissory note having two or more persons as drawer and is drawn and paid in the same country.

Q10. How many parties are involved in promissory note.

Ans 1: 1- Drawer (Buyer) or debtor who promises to pay)

Ans 2: 2- Drawee (Seller or creditor who receives the amount of promissory note)
