

ALL THE VERY BEST FOR YOUR EXAMS

SAMPLE QUESTIONS FOR JAIIB PRINCIPLES & PRACTICES OF BANKING

Though we had taken enough care to go through the questions, we shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents. We advise everyone to update yourself with the latest information through RBI website and other authenticated sources. In case you find any incorrect/doubtful information, kindly update us also (along with the source link/reference for the correct information) as lot of questions were shared by many people.

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JAIIB / DBF – GENERAL INFORMATION

- **Consists of 3 papers :**
 1. Principles & Practices of Banking
 2. Accounting & Finance for Bankers
 3. Legal & Regulatory Aspects of Banking.
- Only existing employees of banks can appear for JAIIB Exam.
- People other than Bank Employees can appear for Diploma in Banking and Finance Exam. If Passed, JAIIB Examination certificate will be issued after joining the bank.
- Syllabus & exam pattern for both JAIIB and DBF exams are mostly same.
- Both JAIIB and DBF exams are conducted in on-line mode only.
- The examination will be conducted normally twice a year in May / June and November / December on Sundays.
- The duration of the examination will be of 2 hours.
- **Examination Pattern :** Each Paper will contain approx. 120 objective type MCQs, carrying 100 marks including questions based on case studies. The Institute may, however, vary the number of questions to be asked for a subject. There is no negative marking for wrong answers.
- **Passing Criteria** - Minimum 150 in total and minimum 45 in each subject in any single attempt (not required to be the 1st attempt) is considered as pass. Else 50 in each subject. Passed subject gets carried forward to 4 continuous attempts (whether you appear for the exam or not) from the 1st attempt. If not passed in 4 continuous attempts, you need to appear in all 3 papers.
 - ❖ **First Class** : 60% or more marks in aggregate and pass in all the subjects in the FIRST PHYSICAL ATTEMPT.
 - ❖ **First Class with Distinction** : 70% or more marks in aggregate and 60% or more marks in each subject in the FIRST PHYSICAL ATTEMPT.
 - ❖ Candidates who have been granted exemption in the subject/s will be given "Pass Class" only.
- **Cut-off Date of Guidelines /Important Developments for Examinations** - The Institute has a practice of asking some questions in each exam about the recent developments/ guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. But, there could be changes in the developments / guidelines from the date the question papers are prepared and the dates of the actual examinations. In order to address these issues effectively, it has been decided that:

- ❖ In respect of the exams to be conducted by the Institute for the Period from February 2018 to July 2018, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 31st December, 2017 will only be considered for the purpose of inclusion in the question papers.
- ❖ (ii) In respect of the exams to be conducted by the Institute for the period from August 2018 to January 2019, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June, 2018 will only be considered for the purpose of inclusion in the question papers.

➤ **Exam Fees**

JAIIB

First attempt fee - 2,400*
Second attempt fee - 1,000*
Third attempt fee - 1,000*
Fourth attempt fee - 1,000*

DBF

First attempt fee - 3,200*
Second attempt fee - 1,000*
Third attempt fee - 1,000*
Fourth attempt fee - 1,000*

CAIIB

First attempt fee - 2,700*
Second attempt fee - 1,000*
Third attempt fee - 1,000*
Fourth attempt fee - 1,000*

* Plus convenience charges and Taxes as applicable

SYLLABUS

The details of the prescribed syllabus which is indicative are furnished below. However, keeping in view the professional nature of examinations, all matters falling within the realm of the subject concerned will have to be studied by the candidate as questions can be asked on all relevant matters under the subject. Candidates should particularly prepare themselves for answering questions that may be asked on the latest developments taking place under the various subject/s although those topics may not have been specifically included in the syllabus. Any alterations made will be notified from time to time. Further, questions based on current developments in banking and finance may be asked.

Candidates are advised to refer to financial news papers / periodicals more particularly "IIBF VISION" and "BANK QUEST" published by IIBF.

MODULE A – INDIAN FINANCIAL SYSTEM

Indian Financial System – An Overview

Role of RBI, Commercial Banks, NBFCs, PDs, FIs, Cooperative Banks, CRR, SLR; Equity & Debt Market; IRDA

Banking Regulation

Constitution, Objectives, Functions of RBI; Tools of Monetary Control; Regulatory Restrictions on Lending

Retail Banking, Wholesale and International Banking

Retail Banking- Products, Opportunities; Wholesale Banking, Products; International Banking, Requirements of Importers & Exporters, Remittance Services; Universal Banking; ADRs; GDRs; Participatory Notes

Role of Money Markets, Debt Markets & Forex Market

Types of Money & Debt Market Instruments incl. G-Secs; ADs, FEMA, LIBOR, MIBOR, etc.

Role and Functions of Capital Markets, SEBI

Overview of Capital Market; Stock Exchange; Commonly used Terms; Types of Capital Issues; Financial Products / Instruments including ASBA, QIP; SEBI; Registration of Stock Brokers, Sub-brokers, Share Transfer Agents, etc QIBs

Mutual Funds & Insurance Companies, Bancassurance & IRDA

Types of Mutual Funds, its Management & its Role; Role & Functions of Insurance Companies; Bancassurance; IRDA

Factoring, Forfaiting Services and Off-Balance Sheet items

Types & advantages of Factoring & forfaiting services; Types of off balance sheet items

Risk Management, Basel Accords

Introduction to Risk Management; Basel I, II & III Accords

CIBIL, Fair Practices Code for Debt Collection, BCSBI

Role and Functions of CIBIL; Fair Practices Code for Debt Collection; Codes of BCSBI

Recent Developments in the Financial System

Structure, Reforms in the Indian Financial System; recent developments in Money, Debt, Forex Markets; Regulatory Framework; Payments and Settlement System

MODULE B – FUNCTIONS OF BANKS Banker Customer

Relationship

Types; Different Deposit Products & Services; Services to Customers & Investors

KYC / AML / CFT norms

PMLA Act; KYC Norms

Bankers' Special Relationship

Mandate; POA; Garnishee Orders; Banker's Lien; Right of Set off

Consumer Protection - COPRA, Banking Ombudsman Scheme

Operational Aspects of COPRA Act & Banking Ombudsman Scheme

Payment and Collection of Cheques and Other Negotiable Instruments

NI Act; Role & Duties of Paying & Collecting Banks; Endorsements; Forged Instruments; Bouncing of Cheques; Its Implications; Return of Cheques; Cheque Truncation System

Opening accounts of various types of customers

Operational Aspects of opening and Maintaining Accounts of Different Types of Customers including Aadhaar, SB Rate Deregulation

Ancillary Services

Remittances; Safe Deposit Lockers; Govt. Business; EBT

Cash Operations

Cash Management Services and its Importance

Principles of lending, Working Capital Assessment and Credit Monitoring

Cardinal Principles; Non-fund Based Limits; WC; Term Loans; Credit Appraisal Techniques; Sources of WC Funds & its Estimation; Operating Cycle; Projected Net WC; Turnover Method; Cash Budget; Credit Monitoring & Its Management; Base Rate

Priority Sector Advances

Targets; Sub-Targets; Recent Developments

Agricultural Finance

Types of Agricultural Loans; Risk Mitigation in agriculture (NAIS, MSP etc.)

Micro, Small and Medium Enterprises

MSMED Act, 2006 Policy Package for MSMEs; Performance and Credit Rating Scheme; Latest Developments

Government Sponsored Schemes

SGSY; SJSRY; PMRY; SLRS

Self Help Groups

Need for & Functions of SHGs; Role of NGOs in Indirect Finance to SHGs; SHGs & SGSY Scheme; Capacity Building

Credit Cards, Home Loans, Personal Loans, Consumer Loans

Operational Aspects, Advantages, Disadvantages & Guidelines of Credit Cards; Procedure and Practices for Home Loans, Personal Loans and Consumer Loans

Documentation

Types of Documents; Procedure; Stamping; Securitisation

Different Modes of Charging Securities

Assignment; Lien; Set-off; Hypothecation; Pledge; Mortgage

Types of collaterals and their characteristics

Land & Buildings; Goods; Documents of Title to Goods; Advances against Insurance Policies, Shares, Book Debts, Term Deposits, Gold, etc; Supply Bills

Non Performing Assets

Definition; Income Recognition; Asset Classification; Provisioning Norms; CDR Financial Inclusion

BC; BF; Role of ICT in Financial Inclusion, Mobile based transactions, R SETI

Financial Literacy

Importance of financial literacy, customer awareness

MODULE C – BANKING TECHNOLOGY

Essentials of Bank Computerization

Computer Systems; LANs; WANs; UPS; Core Banking

Payment Systems and Electronic Banking

ATMs; HWAK; PIN; Electromagnetic Cards; Electronic Banking; Signature Storage & Retrieval System; CTS; Note & Coin Counting Machines; Microfiche; NPC; RUPAY

Data Communication Network and EFT systems

Components & Modes of Transmission; Major Networks in India; Emerging Trends in Communication Networks for Banking; Evolution of EFT System; SWIFT; Automated Clearing Systems; Funds Transfer Systems; Recent Developments in India

Role of Technology Upgradation and its impact on Banks

Trends in Technology Developments; Role & Uses of Technology Upgradation; Global Trends; Impact of IT on Banks

Security Considerations

Risk Concern Areas; Types of Threats; Control Mechanism; Computer Audit; IS Security; IS Audit; Evaluation Requirements

Overview of IT Act

Gopalakrishna Committee Recommendations

Preventive Vigilance in Electronic Banking

Phishing; Customer Education; Safety Checks; Precautions

MODULE D – SUPPORT SERVICES - MARKETING OF BANKING SERVICES / PRODUCTS

Marketing – An Introduction

Concept; Management; Products & Services; Marketing Mix; Brand Image

Social Marketing / Networking

Evolution, Importance & Relevance of Social Marketing / Networking

Consumer Behaviour and Product

Consumer Behaviour; Product Planning, Development, Strategies, etc; CRM

Pricing

Importance, Objectives, Factors, Methods, Strategies of Pricing; Bank Pricing

Distribution

Distribution Channels; Channels for Banking Services; Net Banking; Mobile Banking

Channel Management

Meaning, Levels, Dynamics, Advantages

Promotion

Role of Promotion in Marketing; Promotion Mix

Role of Direct Selling Agent / Direct Marketing Agent in a bank

Definition; Relevance; Banker as DSA / DMA; Delivery Channels in Banks; Benefits

Marketing Information Systems – a longitudinal analysis

Functions & Components of MKIS; MKIS Model; Use of Computers & Decision Models; Performance of MKIS; Advantages

MODULE E – ETHICS IN BANKING

Ethics, Business Ethics & Banking: An Integrated Perspective

Business Ethics, Ethical Foundation and Banking Ethics in Global and Indian Contexts

Ethics at the Individual Level

Values, Norms, Beliefs, Morality, Conflict, Integrity, Golden Rule, Dilemmas, Decision-Making.

Ethical Dimensions: Employees

Obligation to Bank/ Third Parties, Abuse of Official Position, Sexual Harassment, Conflict of Interest, Fair Accounting Practices, HRM Ethics, Employees as Ethics Ambassadors & Managers as Ethical Leaders

Work Ethics and the Workplace

Work Ethics, Benefits of Ethical Behaviour, Unethical Behaviour: Causes and Remedies, Code of Ethics Manual, Whistleblowing in Banks, Whistleblowing Laws in India

Banking Ethics: Changing Dynamics

Ethics and Technology, Data Security and Privacy, Intellectual Property Rights, Patents and Proprietary Rights, Ethics of Information Security, Cyber Threats, Digital Rights Management

Principles & Practices of Banking – Recollected Questions

Transactions of Internet Banking includes (i) Withdrawal of cash anywhere in India, (ii) Statement of account for a specific period, (iii) Transfer of funds from one account to another account

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

What is meant by “micro-blogging”? (i) Blogging daily, (ii) Blogs which are posted by companies, not individuals, (iii) Blogs with limited individual posts, limited by character count typically

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Which of the following is not an input device in a computer system?

- a. touch pad
- b. mouse
- c. mother board
- d. bar code reader

Ans - c

Information Technology (IT) is looked at as an integrated technology of

- a. Manual Processing System
 - b. Manual Communication System
 - c. Information Processing Technology (Computers)
-

d. Information Transmission Technology (Communications)

Ans - c

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A club is maintaining current account which is operated by Secretary and Treasurer jointly. The treasurer dies and a cheque signed by him and Secretary is presented

- a. The cheque cannot be paid
- b. The cheque cannot be paid after death as he was responsible for the money
- c. The cheque should be paid if otherwise in order
- d. The cheque should be paid after confirmation from president of the club.

Ans - c

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Which social network is considered the most popular for business to business marketing?

- a. Facebook
- b. Orkut
- c. Ryze
- d. LinkedIn

Ans - d

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Which are the ingredients of product mix? (i) Advertising, (ii) Public relation, (iii) Sales promotion

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

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Who proposed 4Cs in marketing?

- a. Neilsen
-

- b. Neil Borden
- c. Lauterborn
- d. Philip Kotler

Ans - c

Which of the following statements is correct in regard to credit card? (i) Credit cards are put intan imprinter machine and the information on card is recorded on an invoice or other document, known as 'charge slip', (ii) The name and emblem of card issuing bank are server printed on the card, (iii) The credit card bears a specimen of the card holder's signature and in some cases even his photograph.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The recipient of a digitally signed message can verify the authenticity of the message by use of which of the following key?

- a. sender's private key
- b. sender's public key
- c. receiver's private key
- d. receiver's public key

Ans – b

Which of the following features do not match in case of goods and services, as a product?

- a. Goods are search products services are experienced products
- b. Goods and services are tangible
- c. Goods relate to a stage prior to purchase of use
- d. Services are the products that relate to a stage after buying or consuming

Ans - b

Globally, the banks are technology that will gradually give new dimension of banks. (i) Products, (ii) Services, (iii) Delivery systems

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The term 'hot card' refers to (a) lost card (b) stolen card (c) misplaced card (d) misused card. Which combination is correct?

- a. a, b, c
- b. a, b, d
- c. a, c, d
- d. b, c, d

Ans - a

A customer has balance in his saving bank account. In which of the following cases, the bank's right of set off can be used for recovery of a loan?

- a. A bank guarantee issued by the bank
- b. A term loan has been sanctioned and the installment is still to fall due
- c. A cash credit limit is sanctioned to the party and it is running regular
- d. Customer is guarantor in a loan account of another person and that person has defaulted in repayment of the loan

Ans - d

Which of the following is/are the stages of product life cycle? (i) Introduction, (ii) Growth, (iii) Maturity

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)

d. (i), (ii) and (iii)

Ans - d

Your branch receives a garnishee order in the name of your customer Mr. Trivedi, who has the following deposits accounts with your branch. Which of these can be attached under this garnishee order?

- a. Trivedi - Executor of Ashok Kumar deceased
- b. Joint saving bank account with his wife
- c. Trivedi - trustee of Sewa Dal Charitable Trust
- d. None of the above

Ans - d

In Modems (whose the wrong one) (i) Digital signals are amplified, (ii) Several digital signals are multiplexed, (iii) AC is converted DC

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A savings account is treated as a dormant account if there is no operation in the account for the last years.

- a. one
- b. three
- c. two
- d. five

Ans - c

The Debit card offers

- a. revolving credit for certain period
- b. payoff the entire amount of card usage
- c. online recover of amount of card usage
- d. all of above

Ans - c

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what relationship is created when the bank collects a cheque in clearing?

- a. holder for value
- b. clearing member and principle
- c. agent and principle
- d. collecting bank and holder

Ans - d

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Fund based credit facilities include (i) Term loan for acquisition of fixed assets, (ii) Cash credit facility, (iii) Bill purchase facility

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

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Merchant bankers are

- a. Financial Brokers
- b. Financial intermediaries
- c. Credit Appraisers
- d. Underwriters

Ans - b

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The forfeiter is an intermediary between

- a. Exporter's bank and importer
- b. Importer's bank and exporter
- c. Importer and exporter
- d. Exporter & his bank and importer & his bank

Ans - c

Monetary Policy Committee (MPC) of India comprises of members, from the RBI and nominated by the Government

- a. 5, 3, 2
- b. 6, 3, 3
- c. 7, 3, 4
- d. 7, 4, 3

Ans - b

Which of the following is a benefit of strategic alliance? (i) Ability to bring together the complementary skills and assets that neither company could easily develop on its own, (ii) Providing added value to the customer i.e. value addition, (iii) Expansion of channels and market presence

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Banking means acceptance of for the purpose of lending and u/s of Banking Regulation Act

- a. Deposits, investments, 5 (b)
 - b. Deposits, investments, 5 (c)
 - c. Deposits, investments, 6 (b)
-

d. Deposits, investments, 6 (c)

Ans - a

National Payments Corporation of India (NCPI) is promoted by

- a. SEBI
- b. RBI
- c. Gol
- d. Major Public and Private Sector Banks

Ans - b

Which of the following is not the common objective pursued by firms for short term?

- a. Profit optimization
- b. Profit maximization
- c. Minimum return on sales turnover
- d. Fast turnaround or early cash recovery

Ans - a

If a bond is issued with the provision that the investor has option to replace the bond with equity at a fixed price, it is called

- a. Coupon bond
- b. Convertible bond
- c. Preference bond
- d. Zero coupon bond

Ans - b

When a company issues shares to a select group of investor which is neither a public issue nor a rights issue, it is called

- a. Bonus issue
-

- b. Rights issue
c. Private placement
d. Qualified institutional placement

Ans - c

Which of the following statement is/are correct? (i) Price exist in different forms for products of different nature, (ii) Price affects the consumer behaviour in deciding about acquiring the product, (iii) Price is the only element that produces revenues

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

Which of the following is not the professional market research agency?

- a. ORG
b. MARG
c. DMA
d. IMRB

Ans - c

What are the benefits of credit card for its holder? (i) Card holder is relieved of the risk/Botheration/tension of carrying cash while staying in hotels, dinning in restaurants, shopping, Buying air or rail tickets etc, (ii) Card holder can draw money from ATMs

- a. Only (i)
b. Only (ii)
c. Either (i) or (ii)
d. Both (i) and (ii)

Ans - d

Promotion in Marketing means

- a. passing an examination
- b. elevation from one grade to another
- c. selling the products through various means
- d. selling the product in specific areas

Ans - c

Bank Marketing means

- a. Selling of Banks
- b. Merger of Banks
- c. Selling bank's products and services
- d. None of these

Ans - c

One of the following is a target for the marketing of internet banking

- a. All the customers
- b. All the educated customers
- c. All the computer educated customers
- d. Only creditors

Ans - c

Forfeiting helps the exporter in the following ways..... (i) provides increased trade opportunity, (ii) provides 100 per cent financing, (iii) helps the exporter to transfer various risk resulted from deferred payments

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A good seller should have the following quality/qualities? (i) Devotion to the work, (ii) Submissive, (iii) Sympathy

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Effective marketing helps in (i) Developing new products, (ii) Creating a competitive environment, (iii) Building demand for product

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Home loans are granted to

- a. Individuals
- b. Institutions
- c. Builders
- d. all of these

Ans - a

ESOP stand for

- a. Efficient Service of Promises
- b. Effective System of Projects
- c. Employee Stock Option Plan
- d. Essential Security of Project

Ans - c

What is concept Marketing?

- a. It is the type of marketing in which manufactures own outlets and exclusive show rooms
- b. It is the factory outlets owned and operated by retailers
- c. It is an act of converting a new concept into a product
- d. It is the concept of marketing through sending messages on mobiles

Ans - c

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Expand ICDDT Model

- a. Information, communication, Transaction and Distribution
- b. Investment, communication, transaction and distribution
- c. Internet, carrier, Transaction and Distribution
- d. Internet, communication, Transport and Distribution

Ans - a

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Which of the following is NOT a base for Market segmentation?

- a. Behavioral Segmentation
- b. Demographic Segmentation
- c. Geographic Segmentation
- d. Status Segmentation

Ans - d

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CRM (Customer Relationship Management) is (i) A pre-sales activity, (ii) A tool for lead generation, (iii) An ongoing daily activity

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

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Which of the following is NOT an important component of 'PROMOTIONAL MIX'?

- a. Advertising
- b. Personal selling
- c. Sales Promotion
- d. Total quality Management

Ans - d

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The sole aim of marketing is to

- a. increase sales
- b. increase the number of employees
- c. increase profits
- d. increase production

Ans - a

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Bancassurance can be sold to

- a. All banks
- b. All insurance companies
- c. Insurance Agents
- d. All existing and prospective bank customers

Ans - d

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A restaurant provides food as well as service along with the infrastructure for use. This type of product can be classified as

- a. Pure tangible goods
- b. Tangible goods with accompanying services
- c. Hybrid
- d. Major service with accompanying minor goods

Ans - c

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Conversion means

- a. meeting a prospective client
- b. interacting with a prospective client
- c. converting an employer into an employee
- d. converting a prospective client into a buyer

Ans - d

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Market-driven strategy includes

- a. identifying problems
- b. planning marketing tactics of peers
- c. positioning the organization and its brands in the market place
- d. internal marketing

Ans - c

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Innovation in marketing is same as

- a. motivation
- b. perspiration
- c. aspiration
- d. creativity

Ans - d

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Personal loans can be canvassed among

- a. salaried person
- b. pensioners
- c. foreign nationals
- d. NRI Customers

Ans - a

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A product means something that can be offered to satisfy a want or need which can be physical goods, services, persons, place, idea etc. Which of the following does not match?

- a. Idea - adult education
- b. Places - Goa, Kashmir
- c. Persons - Bismilla Khan
- d. Services - tooth paste

Ans - d

If there are declining sales leading to declining profits and no possibility of increasing and improving them, which of the following strategy will be adopted by an organization?

- a. Product modification
- b. More of product modification and some production elimination
- c. Some production modification and more of production elimination
- d. Product elimination

Ans - d

The best advertisement is

- a. Glow sign boards
- b. On internet
- c. TV media
- d. A satisfied Customer

Ans - d

Acid Test of a brand is

- a. Brand preference
- b. Brand awareness
- c. Brand loyalty
- d. Brand equity

Ans - c

Market Research is needed for (i) Deciding the market area, (ii) Deciding the right-product to be sold, (iii) Making proper marketing decisions

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In addition to product, price, promotion, the augmented marketing mix for services include all of the following EXCEPT

- a. People
- b. Packaging
- c. Process
- d. Physical evidence

Ans - b

Out of the following is not an objective of pricing

- a. Profit
- b. Stabilizing demand and sales of the product
- c. Improvement in product quality
- d. Expansion of business

Ans - d

Service after sale is not the function of

- a. Marketing staff
- b. Seller
- c. Director of the company
- d. Employees of the company

Ans - a

Delivery channel other than Bank counters are (i) ATMs, (ii) Internet Banking, (iii) Mobile Banking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Cross-selling is not effective for which one of the following products?

- a. Debit Cards
- b. Savings Accounts
- c. Internet Banking
- d. Pension loans

Ans - b

One of the following is not included in the 7 P's of Marketing. Find the same.

- a. Product
- b. Price
- c. Production
- d. Promotion

Ans - c

Labeling is important for informational, legal & reasons

- a. Marketing
- b. Branding
- c. Strategic
- d. Promotional

Ans - d

Which of the following statements is not correct in the context of dealing with a company?

- a. Responsibility to get the charge registered with ROC is that of the bank
- b. Responsibility to file the particulars of charge to get it registered is that of the company
- c. If company fails to file the particulars of charge for registration, bank can file the particulars within the prescribed period, being an interest party
- d. Satisfaction of charge is also required to be registered within 30 days

Ans - a

Market risk takes the form of (which one is not correct)?

- a. Commodity price risk
- b. Interest rate risk
- c. Loan default risk
- d. Liquidity risk

Ans - c

In which of the following situations different partners of the combination remain separate entities?

- a. Alliance
- b. Amalgamation
- c. Consolidation
- d. Merger

Ans - a

What is the objective of securitization of financial assets?

- a. To enable the banks in speedy recovery of bad loans
- b. To sell the securities without intervention of the court, only if loan goes bad
- c. To acquire assets and then sell the same at profit
- d. Recycling of funds

Ans - d

Your branch maintains a joint account of A and B. B is declared insolvent. In such case, the balance lying in the account will be paid to

- a. A being the solvent account holder
- b. Official assignee or receiver appointed by the court
- c. After meeting the claim of B towards the official assignee, the balance amount will be paid to A
- d. A and the official assignee or receiver, jointly

Ans - d

Equity investment by a bank in companies engaged in non-financial services activities would be subject to a limit of

- a. 10 per cent of the investee company's paid up share capital
- b. 10 per cent of the bank's paid up share capital and reserves
- c. Either a or b, whichever is less
- d. Either a or b, whichever is more

Ans - c

The process of segregation of ownership and trading rights of the members in a stock exchange is called

- a. Mutualization
- b. Demutualization
- c. Rematerialization
- d. Dematerialization

Ans - b

What is the maximum extent up to which the foreign institutional investors can invest in the stock exchanges in India?

- a. 24%
 - b. 26%
 - c. 49%
-

d. 74%

Ans - c

A cheque of Rs.10000 issued by Ram Chander, one of your account holders, in favour of Shivaji is stolen by one Radhey Shyam who forges Shivaji's signatures and endorses it in favour of Ganeshi Lal, who obtains the payment from the bank. In this situation what would be bank's position?

- a. Bank will be liable for the forgery
- b. Bank will be liable only if the drawer proves that the instrument is forged
- c. Bank will not be liable if Ganeshi Lal agrees to refund the amount
- d. Bank will get protection available to it under Section 85(1) NI Act and will not be liable for the payment made

Ans - d

In the following situations, which decision taken by a bank is not correct, in case of an insolvent customer?

- a. A cheque signed by the insolvent person as drawer is presented for payment and bank returns it unpaid
- b. Insolvent person comes to open a new deposit account and bank refuses to open the account
- c. An insolvent person comes as payee of a cheque and bank refuses to pay to him
- d. None of the above

Ans - d

EMV standards which provides technical standards for card usage. In which EMV stands for

- a. Electronic Magnetic Variance
- b. Europay, Master card and Visa
- c. Electro Magnetic Visualization
- d. None of these

Ans - b

The various dangers to any computer system can be classified as (i) Physical damage due to natural calamities, (ii) Damage due to operational problems like power failure, System malfunction etc, (iii) Human errors

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Real Time Gross Settlement System means a payment system in which

- a. both processing and final settlement of funds transfer instructions can take place continuously
- b. final transaction takes place at the end of the day
- c. final payment is physically effected within 24 hours
- d. Final settlement of funds take place at 3 PM daily

Ans - a

Two companies are merged. One of these is supplier of goods to the other. This merger is known as

- a. Horizontal merger
- b. Vertical merger
- c. Conglomerate merger
- d. Concentric merger

Ans - b

Labeling is important for three reasons- promotional and legal reasons. What is the third reason?

- a. Marketing
 - b. Branding
 - c. Strategic
-

d. Informational

Ans - d

Which of the following has made product selection simpler? (i) Internet, (ii) E-mail, (iii) Price

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following is not the characteristics of the services?

- a. Intangibility
- b. Perishability
- c. Seperability
- d. Heterogeniety

Ans - c

Which of the following is/are the characteristics associated with transactions between two or more parties? (i) Agreed upon conditions, (ii) Time of agreement, (iii) A place of agreement

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The Central Registry of Securitisation Asset Reconstruction and Security Interest of India (CERSAI) is set up under the provisions of

- a. RBI Act
-

-
- b. BRI Act
 - c. SARFAESI Act
 - d. Transfer of Property Act

Ans - c

.....

Banking Codes and Standards Board of India, has been constituted as a

- a. Joint stock company
- b. Trust
- c. Society
- d. Partnership firm

Ans - c

.....

Which of the following conditions are essential to constitute a valid pledge?

- a. Bailment of goods
- b. Bailment must be or on behalf of the debtor or intending debtor
- c. It must be the intention of the parties that the goods will serve as security for a debt or performance of a promise
- d. All of the above

Ans - d

.....

Under RTGS (i) Bank will route payments through online messages to RBI's clearing cell, (ii) Each transactions will be cleared and settled independently on a minute-by-minutes basis, (iii) The payee would have funds in his account within a maximum time frame of two hours of the settlement.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

.....

The DSS and ESS bring about a lot of transparency in

- a. Data Processing System
- b. Cheque Processing
- c. Decisions Making Process
- d. Withdrawal Processing

Ans - c

In which of the following types of fund, the investment is made exclusively in govt. securities?

- a. Liquid funds
- b. Gilt funds
- c. Sector specific fund
- d. Index fund

Ans - b

The legal set up of a mutual fund is in the form of a

- a. Joint stock company
- b. Trust
- c. Partnership firm
- d. Limited liability partnership

Ans - b

The universal set of standards for EDI is known as

- a. EDIFACT
- b. EDI
- c. ISO
- d. BIS

Ans - a

Where a person in any of the towns, which the State Government concerned may, by notification in the Official Gaetted specify on this behalf, delivers to a creditor or his agent document or title to immovable property, with intent to create a security thereon, the transaction is called a

- a. Simple mortgage
- b. English mortgage
- c. Equitable mortgage
- d. Anomalous mortgage

Ans - c

Factors influencing the promotion mix is/are (i) Type of product/market, (ii) Buyers' Readiness stage, (iii) Product life cycle stage

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Markup pricing comes under which of the pricing method?

- a. Value-based pricing
- b. Cost-based pricing
- c. Competition-based pricing
- d. Going rate pricing

Ans - b

Which of the following is/are true about push strategy of promotion mix? (i) Promotion efforts are directed towards the final consumer, (ii) Promotion efforts are directed at the channel member, (iii) It is done through personal selling and trade promotion

- a. Only (i) and (ii)
- b. Only (i) and (iii)

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

The most visible of impact of technology is reflected in the way the banks respond for making its effective used for efficient service delivery.

- a. Technically
- b. Operationally
- c. Strategically
- d. Financially

Ans - c

Technology has compelled the banks to evolve a Pricing system for marketing better services which may sometimes result in higher costs to the customers.

- a. Opaque
- b. Increasing
- c. Decreasing
- d. Transparent

Ans - d

Which of the following is/are tool(s) for promotion mix? (i) Direct Marketing, (ii) Public relations, (iii) Advertising

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Data privacy assumes significant dimension; viz (i) authority to access data, (ii) authority to use data only for specified purposes, (iii) authority to withdraw money without telling others

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

ATMs provide

- a. round the clock service
- b. anywhere banking facility
- c. quick and efficient service
- d. all of above

Ans - d

In a MICR cheque, which of the following code does not match the 'description

- a. first 6-digit code - cheque number
- b. central 09-digit code — city, bank and branch code
- c. last 2-digit code — transaction code such as saving or current account
- d. none of the above

Ans - d

If an Indian bank has place of business in one state only and has office in Mumbai or Kolkata, what is true regard to the amount of minimum capital?

- a. Rs.5 lac
- b. Rs.5 lac + Rs.25000 for each place of business outside Mumbai or kolkata
- c. Total amount not exceeding Rs.10 lac
- d. a to c

Ans - d

Where a minor is admitted for benefit in a partnership firm and he attains majority and decides to join the firm as partner, his liability begins from

- a. Date of his majority
- b. Date of his decision to join the firm
- c. Date of information to him that he was admitted for benefits
- d. Ate when he was admitted for benefits

Ans - d

Which of the following amount can be sent abroad by an NRI from his NRO account? (a) interest credited by the bank (b) amount of dividend received (c) principal in the account?

- a. a and b
- b. b and c
- c. a and c
- d. Any of the above

Ans - a

In the, the subscription and repurchase is available on a continuous basis

- a. Growth fund
- b. Open ended fund
- c. Close ended fund
- d. Debt oriented fund

Ans - b

Liquidity with a banker means

- a. Cash on hand available with him
- b. Cash and bank balance
- c. The level of convertible (to cash) short term assets available with a bank
- d. All of the above

Ans - c

The process of maintenance of account books, discounting of bills and collection of bills on due date is called by a person other than by the seller

- a. Securitization
- b. Factoring
- c. Forfaiting
- d. Take out finance

Ans - b

RBI is managed by a Board which consists of (i) governor, (ii) 4 deputy governors, (iii) all nominated by the Central Govt. and RBI. Which of these is correct?

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A withdrawal slip is a

- a. Cheque
- b. Bill of Exchange
- c. Promissory Note
- d. All of these

Ans - c

Which of the following is the internal factor influencing pricing?

- a. Price elasticity of the demand of the product
- b. Competitors' policy
- c. Bargaining power of suppliers
- d. Social considerations

Ans - a

Marketing concept is rested on four main pillars. Which of the following is not amongst four pillars?

- a. Target Market
- b. Customer needs
- c. Segregated Marketing
- d. Profitability

Ans - c

Bailor – bailee relationship is applicable in

- a. cash deposited with cashier by customer
- b. safe deposits locker
- c. demand draft issued by bank
- d. keeping articles in safe custody with bank

Ans - d

Digital Banking is characterised by

- a. Visiting branch office for doing transactions and using digital devices available at branches
- c. Use of computers and core banking solutions by the banks for effective customer services
- b. Alternative electronic channels which can be used by customers at their convenience to carry out banking operations
- d. Use of Electronic ledgers and digital tools for book maintenance and transactions by the banks

Ans - b

The difference between ATM card and Debit card is

- a. Both are same and no difference
 - b. ATM card can be used in both online transactions, POS and ATM withdrawals where as Debit cards can be used only for ATM withdrawals
 - c. Debit card can be used in online transactions, POS transactions and ATM withdrawals where as ATM cards can be used only for ATM withdrawals
-

d. ATM card is used in POS terminals only whereas Debit cards can be used in all type of transactions

Ans - c

Credit risk does not take form of

- a. Bank guarantees
- b. Treasury operations
- c. Cross border exposure
- d. Equity price change

Ans - d

Which of the following is an Example for Pre paid card? (i) Travel card, (ii) Credit card, (iii) Gift card

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

A bank has acquired an immovable property but it has not been able to dispose it of within 7 years. What remedy is available to the bank?

- a. It can seek Central Govt. permission which is available for 4 years
- b. It has to seek State Govt. permission where it is located which has powers to extend the period of seven years by 5 years
- c. It can seek RBI permission which has authority to extend it by 5 years
- d. It can seek RBI and Company law Board Permission

Ans - c

Regional rural banks re licenced for banking business under

- a. A special statute
- b. Companies Act
- c. Cooperative Societies Act
- d. Banking regulation Act

Ans - d

Credit operations of banking system are generally guided by (i) Directives of RBI, (ii) Instruction of Govt, (iii) Bank's own policy

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

When a bank lends money to the corporate person the relationship between bank and corporate person is

- a. borrower and lender
- b. creditor – debtor
- c. debtor - creditor
- d. customer and client

Ans - b

An electronic database of certificates, the equivalent of digital Yellow Pages is called

- a. certificates chest
- b. certificates depositor
- c. repository
- d. certificate warehouse

Ans - c

How does creating a social network marketing plan differ from a traditional marketing plan? (i) The staff requirements and skill sets for social marketing are different, (ii) There is no need for a social marketing plan, but social marketing plan is required for traditional marketing, (iii) Other than the method of delivery, a marketing plan either way will be similar

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

What is meant by A/B testing in marketing?

- a. Testing of 2 different products
- b. Testing 2 versions of an advertisement to see which elicits the best response
- c. Clinical testing of medical products before legally allowing them for sale
- d. Testing via 2 mediums, such as radio and television

Ans - b

.....

Which of the following statements are not correct? (i) In India, foreign exchange regulations are administered by Reserve Bank of India, (ii) Reserve Bank of India maintains the external value of rupee, (iii) Reserve Bank of India does not deal in foreign exchange directly with the public

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

What place does Pricing have in marketing?

- a. Higher prices guarantee higher revenue stream
 - b. The company should actively market how much their products cost
 - c. Different pricing levels can be tested to see what elicits the best consumer response
-

d. Marketing based on the pricing level relative to competition is important

Ans - c

.....

How can a company use the same material for both traditional and social network marketing?
(i) Selling ad space on the company website, (ii) Utilizing a television ad campaign online as well on their site and sites such as YouTube, (iii) Creating a magazine print ad with the company website

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

Social networks have an enormous information sharing capacity. As such, they are a great distribution channel for

- a. customer feedback
- b. viral content
- c. exclusive coupons
- d. marketing messages

Ans - d

.....

Debit card can be used for, (i) Cash withdrawal from ATMS, (ii) For making payment in POS terminals, (iii) Making payment in e commerce portals by providing card number, expiry date and CVV number

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The part of the computer that makes use of primary memory:

- a. storage unit
- b. central processing unit
- c. output devices
- d. all the above

Ans - b

.....

Which of the following products in retail banking do not fall under retail deposit products?

- a. no frill accounts
- b. deposit accounts of senior citizens
- c. depository services
- d. all the above

Ans - c

.....

According to marketing four Ps, credit terms can not be classified as (i) Place, (ii) Price, (iii) Product

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

From buyers point of view, product is considered as

- a. Customers cost
- b. Customer solution
- c. Convenient availability
- d. Communication

Ans – a

.....

Bancassurance is not (i) An insurance scheme to insure bank deposits, (ii) A composite financial service offering both bank and insurance products, (iii) An insurance scheme to insure bank advances

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Communication channels such as buzz marketing and word-of-mouth influence are not classified as (i) non personal communication channels, (ii) non-emotional communication channels, (iii) personal communication channels

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

The minimum percentage of Priority Sector advances to be maintained by foreign banks in India with less than 20 branches

- a. 40%
- b. 18%
- c. 32%
- d. 60%

Ans - c

The minimum percentage of Priority Sector advances to be maintained by Domestic commercial banks

- a. 40%
- b. 18%

- c. 32%
d. 60%

Ans - a

Loans to corporates directly engaged in Agriculture and Allied Activities to an aggregate limit of more than 2 crore is covered under Priority Sector as advances

- a. Direct Agriculture
b. Indirect Agriculture
c. Self Employment Scheme
d. Allied to indirect Agriculture

Ans - b

Bank loans to Primary Agricultural Credit Societies (PACS) is covered under Priority Sector as advances

- a. Direct Agriculture
b. Indirect Agriculture
c. Self Employment Scheme
d. Allied to indirect Agriculture

Ans - b

What is Reverse Repo? (i) It is a method of borrowing against certain securities for a short period, (ii) It is process where lender levels against the securities with a commitment to take back the securities from the borrower against payment at a specified price, (iii) It is helpful in contracting liquidity in the system

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - b

Marketing channel doesn't refer to (i) a set of independent organisations involved in the process of making a product or service available for use or consumption, (ii) a physical channel for movement of goods from the seller to the buyer, (iii) a set of firms who handle the physical movement of goods from one point to another

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Business market strategies stimulate a customer to take action towards the buying decision is known as

- a. Promotional market
- b. Related market
- c. Digital market
- d. Virtual market

Ans - a

When Marginal utility diminishes, total utility

- a. Diminishes
- b. Increases
- c. Remains constant
- d. Increases at a diminishing rate

Ans - d

Statement machines are also in use in few banks which considerably enhance statement delivery times.

- a. Printing
 - b. Folding and Franking
 - c. Plotting
-

d. Ordering

Ans - b

The international level have been active in the privacy area. (i) Organization for Economic Co-operation and Development, (ii) Ashton Tate Corporation Ltd, (iii) AT & T

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Mr. X maintains a SB account with your bank. He has given a POA to his son, to operate his SB account. The relationship between the bank and Mr.X is

- a. debtor and creditor
- b. principal and agent
- c. donor and donee
- d. none of the above

Ans - a

Match the following:

- i) Classification of Assets a. Narasimham
- ii) Allonge b. Endorsement
- iii) Funds Transfer c. EFT
- iv) Crossed cheques d. Collecting banker

- a. i-A,ii-B,iii-C,iv-D
- b. i-D,ii-C,iii-A,iv-B
- c. i-A,ii-D,iii-B,iv-C
- d. i-B,ii-A,iii-C,iv-D

Ans – a

Which of the following is not true in respect of Joint Hindu Family?

- a. It is governed by two schools of Hindu law – Dayabhaga & Mitakshara
- b. Under Mitakshara, every son/daughter of a coparcener acquire a right in JHF by birth
- c. Under Dayabhaga School he/she acquires the right in JHF only after father's death
- d. All members of the family are called coparceners including mother and daughter-in-law

Ans - d

.....

In case the letters engraved on the Common Seal has defaced, a new seal can be adopted by the Company by

- a. Referring to the provisions made in Article of Association
- b. Referring to the provisions made in Memorandum of Association
- c. Passing a suitable resolution before using the new seal
- d. Order of the Managing Director or Secretary

Ans - c

.....

The ombudsman signifies;

- a. an institution established to content and prevent abuses of power by Public official.
- b. redress individual grievances
- c. acts as an external agency to probe in to administration faults.
- d. all the above

Ans - d

.....

Maximum No of Partners in a banking partnership firm is _____ in terms of _____ Act

- a. 10, Indian Partnership Act 1932
- b. 20, Indian Partnership Act 1932
- c. 10, Companies Act 1956
- d. 20, Companies Act 1956

Ans - c

.....

Find the odd man out from the following:

- a. National Bank for Agriculture and Rural development
- b. Industrial Finance Corporation of India
- c. Industrial Investment Bank of India
- d. IDBI bank

Ans - d

.....

Which amongst the following is not term deposit issued by commercial banks?

- a. Current account
- b. Fixed deposit
- c. Recurring deposit
- d. Reinvestment deposit

Ans - a

.....

Find the odd man out from the following:

- a. Non resident external account
- b. Non resident ordinary account
- c. FCNR account
- d. Savings bank

Ans - d

.....

The minimum period for opening FCNR deposit account is

- a. Six months
- b. Three months
- c. One year
- d. Two years

Ans - c

.....

The cases of deceased depositors where the claims have been received and are pending beyond the stipulated period are required to be reported to which of the following?

- a. Board of Directors of the bank
- b. Ombudsman
- c. Reserve Bank of India
- d. Customer Service Committee of the Board

Ans - d

Which of the following can be taken as part of Off-balance sheet items?

- a. Take out finance in the books of the taking over institution
- b. Outstanding foreign exchange contracts
- c. Open position in gold
- d. All the above

Ans - d

Initial Public Offering (IPO) means that an unlisted company makes to the public for the first time (i) a fresh issue of securities, (ii) offers its existing securities for sale

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

The legal status of a mutual fund is in the form of a

- a. Partnership firm
- b. Proprietorship
- c. Joint stock company
- d. Trust

Ans - d

Sales of an MSE unit for the previous year were Rs.200 lac. These are projected at Rws.300 lac for next year. As per Nayak Committee, the level of minimum bank working capital limits to be sanctioned would be

- a. Rs.40 lac
- b. Rs.60 lac
- c. Rs.20 lac
- d. Rs.100 lac

Ans - b

A forward exchange contract is a firm contract for the purchase/sale of a specified quantity of a stated foreign currency at a predetermined exchange rate between the bank and its (i) exporters, (ii) importers

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Forfaiting enables the exporter to avoid the following risks (i) interest-rate risk, (ii) currency risk, (iii) credit risk and political risk

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A computer network is used for which of the following?

- a. To share data
 - b. To share software
 - c. To share hardware
-

d. All the above

Ans - d

Those terminals that are attached to a server in a computer network system, are called

- a. CPU, Nodes Clients
- b. Only CPU and Clients
- c. Only clients and nodes
- d. Only CPU and nodes

Ans - c

Which of the following statement is false?

- a. In Stored value card monetary value is stored in the card itself
- b. In Stored value card credit limits are generally provided by the card issuer
- c. Stored value card is a prepaid card and card issuer is not a bank but a service provider
- d. In prepaid card the value of the card lying in the deposit account linked at the back end

Ans - b

Under National Electronic Funds Transfer (NEFT), bank to afford credit to beneficiary accounts immediately upon completion of a batch or else return the transactions within hours of completion of batch settlement, if credits are unable to be afforded

- a. immediately
- b. half an-hour
- c. one hour
- d. 2 hours

Ans - d

The difference between ATM card and Debit card is

- a. Both are same and no difference
-

- b. ATM card can be used in both online transactions, POS and ATM withdrawals where as Debit cards can be used only for ATM withdrawals
- c. Debit card can be used in online transactions, POS transactions and ATM withdrawals where as ATM cards can be used only for ATM withdrawals
- d. ATM card is used in POS terminals only whereas Debit cards can be used in all type of transactions

Ans - c

.....

Which of the following is an Example for Pre paid card? (i) Travel card, (ii) Credit card, (iii) Gift card

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

A Fund of Funds is a scheme that invests primarily

- a. in money market instruments
- b. in other schemes of the same mutual fund or other mutual funds
- c. in the bullion market
- d. only in primary market

Ans - b

.....

Who fixes the insurance premium rates for some of the general insurance products?

- a. SEBI
- b. Insurance Regulatory & Development Authority
- c. Tariff Advisory Committee
- d. All the above

Ans - c

.....

Insurance policy taken by a business firm on the life of very important person to protect the firm against financial loss, is called

- a. Master policy
- b. Keyman policy
- c. VIP Protection policy
- d. Umberrima fides

Ans - b

To address customer grievances in respect of insurance contract on personal lives, there is an institution called.....

- a. Insurance Ombudsman
- b. Insurance regulator
- c. Insurance Intermediary
- d. Insurance Regulatory and development Authority

Ans - a

The minimum capital to start a new Insurance company in India is

- a. Rs.100cr
- b. Rs.75cr
- c. Rs.50cr
- d. Rs.10cr

Ans - a

Your branch has sanctioned cash limit of Rs.12 lac to M/s United Pharmacy. As at the close of July 31, it has been carrying stocks worth Rs.9 lac, sundry creditors of Rs.3 lac and book debts of Rs.6 lac. Bank has prescribed a margin of 25% on stocks and 30% on book debts, what is the maximum amount that can be withdrawn in the cash credit limit?

- a. Rs.8.70 lac
- b. Rs.8.30 lac
- c. Rs.12 lac

d. Rs.6.75 lac

Ans - a

.....

If there is default of repayment by the buyer in case of factoring and the factor is able to recover the amount from the seller, it is called

- a. Non-recourse factoring
- b. Without recourse factoring
- c. Recourse factoring
- d. Bills discounting

Ans - c

.....

A bank can exercise its right of general lien u/s 171 if (a) the goods are received in normal course of business (b) in the capacity of a banker (c) whether as security for loan or for safe custody (d) the loan is due for recovery.

- a. a to d all correct
- b. a, b and c correct
- c. a, b and d correct
- d. b, c and d correct

Ans - c

.....

The rule in Clayton case becomes applicable in banking transactions in the following cases (a) when death of a customer takes place (b) when the partner retires (c) when the guarantor withdraws his guarantee (d) when the director of a company dies who has been operating the account.

- a. a, b and c only
- b. b, c and d only
- c. a, c and d only
- d. a to d all

Ans - a

.....

.....
X received a bearer cheque from Y for valuable consideration and in good faith. Actually Y had stolen this cheque from Z. X would get title of

- a. A holder only
- b. A holder for value
- c. A holder in due course
- d. An endorsee

Ans - c
.....

The no.of which component of Central Board of Directors of RBI, does not match?

- a. Governor-1
- b. Dy. Governors-6
- c. Directors-15
- d. None of the above

Ans - b
.....

In the balance sheet of a bank, the off-balance sheet items are shown as

- a. Assets
- b. Liability
- c. Asset or liability as per its nature
- d. Notes to the balance sheet

Ans - d
.....

Out of the following, which does not match?

- a. A cheque is received by a trust as donation from Mr. X - Trust is a holder only
- b. A cheques is given by Mr. X to Mrs. Y as gift on her marriage – Y is a holder in due course
- c. X delivers to Y a bearer cheque after getting the value from Y - Y is a holder in due courses.
- d. A finds a cheque drawn in favour of B - A is not holder

Ans - b
.....

Which of the following is not true in respect of Common Seal?

- a. Common Seal of the Company can only be of metal and not a rubber stamp
- b. Fact that it is a common seal & name of the Company should be engraved in it in legible characters in English only
- c. Common Seal can be affixed only with the authority of the Board of Directors as provided in AoA
- d. Subsequent Board resolution will not validate documents where Common Seal is affixed without Board of Directors Authority

Ans - b

Pledge of movable assets by a company can be searched at

- a. Register of Charges maintained by a Company at the Registered Office
- b. Registrar of Companies of the State where Registered Office of the Company is situated
- c. Both a and b
- d. Neither a nor b

Ans - a

Search for Corporate guarantee given in relation to any other corporate body can be made at

- a. Register of Guarantees maintained by a Company at the Registered Office
- b. Registrar of Companies of the State where Registered Office of the Company is situated
- c. Both a and b
- d. Neither a nor b

Ans - a

Which of the following charge over assets of the company is not required to be registered with Registrar of Companies?

- a. Equitable Mortgage
 - b. Hypothecation
 - c. Pledge
-

d. Charge on Book Debts

Ans - c

A charge created on the assets of the Company is required to be registered with RoC within how many days?

- a. 30 days from the date of sanction
- b. 60 days from the date of sanction
- c. 30 days from the date of creation of charge
- d. 60 days from the date of creation of charge

Ans - c

The role of banking ombudsman is;

- a. resolution of complaints against banks regarding deficiency in services
- b. it is an external agency includes mediation persuasion and adjudication
- c. it is an external agency having independent identity
- d. all the above

Ans - d

Who can't participate in Call/Notice Money Market?

- a. SCBs
- b. Co-Operative Banks
- c. RRBs
- d. PDs

Ans - c

FERA was replaced by FEMA with effect from

- a. 01.01.1999
 - b. 01.06.1999
-

- c. 01.01.2000
- d. 01.06.2000

Ans - d

The tenor of issue of CDs can be upto months.

- a. 3
- b. 6
- c. 9
- d. 12

Ans - d

There are types of possible errors during screening of ideas.

- a. 1
- b. 2
- c. 3
- d. 4

Ans - b

One of the objective of Feature improvement are

- a. Reliability
- b. Safety
- c. Aesthetic appeal
- d. Speed

Ans - b

An audiocassette manufacturer enters into fax machines or diet products businesses is an example of

- a. Concentric diversification
-

- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans - c

Minimum and maximum number of share holders in a public limited company?

- a. 2, 50
- b. 10, 50
- c. 7, no limit
- d. 7, 50

Ans - c

The data processing NEFT clearing centre National Clearing Cell (NCC), of the RBI is located at?

- a. New Delhi
- b. Mumbai
- c. Calcutta
- d. Chennai

Ans – b

CHIPS started its operation in

- a. 1960
- b. 1970
- c. 1980
- d. 1990

Ans - b

In credit cards, the period of interest free credit ranges from days.

- a. 15 to 50
-

- b. 16 to 51
- c. 15 to 51
- d. 16 to 50

Ans - c

.....

In service sector, small enterprises investment in equipment is

- a. Less than 25 lakhs
- b. 10 Lakhs to 2 Crores
- c. 25 Lakhs to 5 Crores
- d. 5 Crores to 10 Crores

Ans - b

.....

What are we going to do? And, how are we going to do? In which of the following categories these two questions fall?

- a. Researching
- b. Planning
- c. Controlling
- d. Managing

Ans - b

.....

Which of the following is true when Death/ insolvency/ Retirement or Expulsion of any partner takes place in a Partnership firm?

- a. Firm is compulsorily dissolved
- b. Firm is reconstituted
- c. Continuation of the Firm depends upon the provisions made in the Partnership Deed
- d. Both b or c

Ans - d

.....

Which of the following is the instrument of payment called Plastic Money? (i) Debit card, (ii) Credit card, (iii) Banker's cheque

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

The T-bill is quoted in the secondary market with the minimum tradable amount of Rs.....

- a. 100
- b. 10000
- c. 25000
- d. 50000

Ans - c

In Housing Loan, if EMI is not paid on due date, penal interest at % will be charged normally.

- a. 2
- b. 3
- c. 4
- d. 5

Ans - a

Under the Banking Ombudsman scheme an arbitrator is separately appointed by

- a. Banking ombudsman himself
- b. RBI
- c. GOI-MOF
- d. GOI-Law ministry

Ans – d

A settlement system in which the processing and final payment of funds transfer instructions takes place continuously, is called

- a. debit clearing system
- b. credit clearing system
- c. national clearing system
- d. real time gross settlement

Ans - d

Instead of 4P, which is used for Marketing services?

- a. 5P
- b. 6P
- c. 7P
- d. 8P

Ans - c

Book debts can be financed by

- a. Factoring
- b. Forfeiting
- c. Both a and b
- d. None of these

Ans – c

INDONET was set up by

- a. RBI
- b. CMC Ltd
- c. TCS
- d. None of the above

Ans - b

A CP is a/an instrument.

- a. Secured
- b. Unsecured
- c. Both a & b
- d. None of these

Ans - b

.....

Which is/are not correct? Travelers cheques are (i) Transferable, (ii) Not transferable, (iii) Transferable provided transferee is a hotel, departmental store or a bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

Which of the following are part of Public Sector Banks ? (i) State Bank of Hyderabad, (ii) Central Bank of India, (iii) Regional Rural Bank, sponsored by a nationalized bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Travellers cheques are payable to

- a. Bearer
- b. Order
- c. Named payee only
- d. All of the above

Ans - b

.....

Which among the following defines a non performing asset?

- a. In a loan account, the principal due has not been paid for more than ninety days
- b. In a loan account, the interest due has not been paid for more than ninety days
- c. Both (a. and (b. as mentioned above
- d. Assets that have not been commented upon by the bank auditors

Ans - c

.....

Which among the following committees had recommended Income Recognition and assets classification norms?

- a. Rangarajan committee
- b. Goiporia committee
- c. Narasimhan committee
- d. Jankiraman committee

Ans - c

.....

What do you mean by the term called as "DRT", when it comes to recovery of bank dues?

- a. Debt Recovery Tribunal
- b. Debtor recovery tribunal
- c. Debt reminder tribunal
- d. Debt recovery tariff

Ans - a

.....

Which of the following has introduced "Banking Ombudsman" in our country?

- a. Reserve Bank of India
- b. Indian Bank's association
- c. National Institute of Bank Management
- d. Indian Institute of Banking and Finance

Ans - a

.....

Banking Ombudsman scheme has been introduced under the provisions of

- a. Reserve Bank of India act
- b. Banking regulation act
- c. Indian contract act
- d. Consumer protection act

Ans - b

What is the maximum period of time after which a customer of a bank can contact Banking Ombudsman, if he does not receive satisfactory response to his complaint?

- a. One month
- b) Two months
- c. Three months
- d. One year

Ans - b

A complaint can be submitted before Banking Ombudsman within _____ of final decision by the bank?

- a. Two months
- b. Three months
- c. Six months
- d. Twelve months

Ans - d

In the term "CIBIL", what do you mean by "B"?

- a. Bank
- b. Bureau
- c. Borrower
- d. Bench

Ans - b

Which committee has recommended financing to self help group?

- a. Kalia committee
- b. Narasimhan committee
- c. Vasu committee
- d. Goiporia committee

Ans - a

.....

When a currency is converted into any other currency without any limit and for any purpose, it is called as

- a. Fully convertible
- b. Partially convertible
- c. Controlled convertible
- d. Not at all convertible

Ans - a

.....

Which of the following committees has recommended for capital account convertibility in our country?

- a. A T Pannirselvam
- b. S. Padmanabhan
- c. S. Rangarajan committee
- d. S. S. Tarapore committee

Ans - d

.....

What is the necessity of foreign capital for a developing country like India?

- a. It encourages savings in the country
- b. It is helpful to solve the problem of balance of payment
- c. It is helpful for economic development of a developing country
- d. All the above

Ans - d

.....

The consequences of errors in computerised systems are more serious than in manual systems because

- a. Computer systems process more data
- b. Errors in computer systems are generated at high speed, and the cost to correct may be high
- c. Users of computer systems perceive the computer outputs to be always correct
- d. All of above

Ans - d

Compared to a manual system, in a computer system

- a. The methodologies for implementing controls change
- b. Basic controls objectives change
- c. Control objectives are more difficult to achieve
- d. All of above

Ans - d

Which of the following statements are not correct? (i) In India, foreign exchange regulations are administered by Reserve Bank of India, (ii) Reserve Bank of India maintains the external value of rupee, (iii) Reserve Bank of India does not deal in foreign exchange directly with the public

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

As regards deposit insurance which of the following statement/s is/are True? (i) insurance cover for deposits (demand and term) upto Rs.1,00,000.00 is available, (ii) insurance cover is provided by general insurance companies, (iii) insurance premium is to be paid semi annually by the bank and not customer/s.

- a. i and iii
 - b. ii
-

- c. ii and iii
d. iii

Ans - a

State which of the following statement/s is/are True? (i) open ended schemes are offered by mutual funds, (ii) banks cannot setup mutual funds, without RBI's permission, (iii) bank branches used as a distribution channel for insurance products is called bancassurance.

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

One of the key area of Asset Liability Mangement of banks is the interest management. Banks analyse interest trends based on

- a. gap analysis
b. value at risk
c. duration analysis
d. All of the above

Ans - d

Provisions of SRFAESI Act,2002 is not applicable to

- a. a pledge of movables as per Sec 172 of Indian Contract Act
b. any interest for repayment (upto Rs one lakh for secured loans and upto Rs ten lakhs for unsecured loans
c. any one of a or b
d. both a and b

Ans - d

Securitisation is the process of acquisition of loans classified as

- a. standard assets
- b. book debts
- c. non performing assets
- d. any one of the above

Ans - c

.....

What is a Demat a/c ?

- a. acronym for Demat is dematerialization of shares
- b. dematerialization is a paperless book entry form of shares
- c. demat accounts can be opened by banks
- d. all of the above

Ans - d

.....

In periods of boom, which leads to economic instability Reserve Bank does not resort to (i) Selling of first class securities in its precession in the market, to reduce the supply of money as a measure of open market operations, (ii) Bying of approved securities in the market as a measure of open market operations, (iii) Increasing the bank rate as a measure of open market operations

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

What are the powers of Reserve Bank of India for conducting scrutiny of a Bank? (i) The RBI is empowered to conduct scrutiny of affairs of a Bank in addition to regular inspection, (ii) The scrutiny officer has the same powers as the inspecting officer of RBI, (iii) A copy of the scrutiny report would be produced to the Bank

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Forms of direct marketing includes (i) direct mail marketing, (ii) catalog marketing, (iii) personal selling

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following sections do not deal with the amalgamation of a bank? (i) Section 44, (ii) Section 44A, (ii) Section 45

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Marketing messages that are based to respect consumers wishes and willingness is classified as

- a. permission marketing
- b. supplier marketing
- c. customer specified marketing
- d. activity marketing

Ans - a

How many members can be nominated as Board of Directors on the Board of a Bank ?

- a. 12
- b. 13
- c. 14
- d. 15

Ans - a

.....

Process of managing information about customers to maximize loyalty is said to be

- a. company relationship management
- b. supplier management
- c. retailers management
- d. customer relationship management

Ans - d

.....

In buyer decision process, percentage of potential customers in a given target market is called

- a. customer funnel
- b. company funnel
- c. marketing funnel
- d. retailers funnel

Ans - c

.....

Aggregate value of customer's base is classified as

- a. shareholder value
- b. base value
- c. retention value
- d. marketers base value

Ans - a

.....

Benefits in Core Banking is

- a. Reliable centralised data recovery
- b. Data warehousing and data mining technologies
- c. Integrated customer centric services
- d. All of above

Ans - d

.....

Terminals connected to a server is known as

- a. Clients
- b. Nodes
- c. Both (a) & (b)
- d. None of these

Ans - c

.....

For uninterrupted power supply in branch computerisation, the following device is used

- a. Online UPS
- b. Offline UPS
- c. Convertor
- d. Generator

Ans - a

.....

In ring topology

- a. Each node is joined to the central node by a separate link
- b. Devices are connected in a closed loop
- c. Information is passed from one node to the other in series
- d. Both b & c

Ans - c

.....

One advantage a non-profit has when opening a private social network is

- a. its tax exempt status makes the start up cost of a private social network more affordable.
- b. its supporters tend to spend more time using social networks.
- c. that it has an immediate user base of people interested in the cause.
- d. its supporters have a higher tolerance for marketing messages.

Ans - c

.....

..... concerns with pricing policies for late entrants to a market.

- a. Marketing skills
- b. Marketing research
- c. Elasticities
- d. Market penetration

Ans - d

.....

Under the provision of Reserve bank of India (Note Refund) Rules, 1989, the exchange of mutilated notes is required to be done by the branches of :

- a. State bank of India only
- b. Nationalised bank only
- c. Public Sector banks
- d. Scheduled Commercial banks including Regional Rural banks

Ans - c

.....

Pricing that starts with an ideal selling price is known as

- a. Value based pricing
- b. Going-rater pricing
- c. Skimming pricing
- d. Target pricing

Ans - d

.....

Trustee securities refer to

- a. securities issued under the provisions of Section 20 of Indian Trust Co
- b. securities issued in trust of other
- c. any security
- d. All of the above

Ans - a

.....

Which of the following is an important aspect of creating blogs and posting content? (i) Using a witty user name, (ii) Posting at least once a month to the blog, (iii) Social Media Optimization

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

In case of a micro enterprise, the maximum investment in plant and machinery is Rs. & in equipment Rs.

- a. Rs.10 lac, Rs.10 lac
- b. Rs.10 lac, Rs.25 lac
- c. Rs.25 lac, Rs.10 lac
- d. Rs.25 lac, Rs.25 lac

Ans - c

.....

What is the record preservation period under RTGS?

- a. 5 years
- b. 5 to 8 years
- c. 10 years
- d. 20 years,

Ans - c

.....

Which of the following guidelines are applicable in connection with shortfall in lending to priority sector? (i) Any shortfall in achieving sub-target under SSI sector, an equivalent amount should be invested with SIDBI, (ii) An equivalent amount of shortfall under agriculture sector should be invested with RIDF, Interest of RIDF investment is payable at 2%

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

The system that has a very high frequency radio signal to transmit data through space, is known as

- a. optical fibre
- b. Coaxial cable
- c. microwave system
- d. modem

Ans - c

Mr. x wants a demand draft striking the word 'Order' and writing the word 'Bearer'. Can bank help him ?

- a. Bearer Draft is unlawful under section 31 of RBI
- b. Bearer Draft can be issued like a cheque
- c. Signature of the payee should be attested on the back of draft by the issuing branch
- d. Attestation of the signature of the payee on a separate slip of paper by bank (without striking out the word 'Order' on draft)

Ans - d

The term booting is not used in connection with (i) activation of internet, (ii) activation of ATM, (iii) activation of the smart card

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Windows software that is used for managing text through the word processing is

- a. MS Word
- b. MS Power Point
- c. MS Access
- d. MS Excel

Ans - a

..... is the best promotion tool in any type of marketing.

- a. Creativity
- b. Communication
- c. Telecalling
- d. Publicity

Ans - d

Which of the following penalties, the RBI can impose as a bank incase it defaults in maintaining the required CRR? (i) It will impose penal interest upto 5% over the bank rate, (ii) It can impose a fine on the officer responsible for default, (iii) RBI can prohibit the schedule Bank from receiving any fresh deposits

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Interest rate futures were launched with a minimum value of Rs. lakh/s.

- a. 1
- b. 2
- c. 3
- d. 4

Ans - b

.....

The banking ombudsman scheme 1995 was amended in

- a. 2000
- b. 2001
- c. 2002
- d. 2004

Ans - c

.....

BCSBI has been set up on the recommendations of Committee.

- a. Jankiraman
- b. Narasimhan
- c. Tarapore
- d. Rangarajan

Ans - c

.....

Inter-Bank Term money means, borrowings among banks for

- a. 1 day
- b. 2-14 days
- c. more than 14 days
- d. None of these

Ans - c

.....

Under forfaiting, the exporter is able to transfer risk.

- a. Credit
- b. Political
- c. Interest Rate
- d. All the above

Ans - d

.....

The combination of two or Companies into a single Company where one survives with it's name (or a combined new name. and others lose their corporate existence is known as

- a. Merger
- b. Diversification
- c. Combination
- d. Amalgamation

Ans - b

.....

A formal and mutually agreed commercial collaboration between Companies is known as

- a. Merger
- b. Amalgamation
- c. Strategic Alliance
- d. Subsidiary

Ans - b

.....

National Clearing Cell of the RBI is located in

- a. Mumbai
- b. New Delhi
- c. Calcutta
- d. Chennai

Ans - a

.....

Mandate given by the illiterate account holder should be

- a. Attested by manager who confirms and certifies thee same.
- b. Attested by Notary public or Magistrate.
- c. It is enough if we ask for a Mandate letter with LTI which has to be attested an authorised official.
- d. We cannot accept a mandate from an illiterate customer at all.

Ans - b

Data related to crime does not incorporate

- a. Data Didling
- b. Data Spying
- c. Data Leakage
- d. Data Mining

Ans - d

CHIPS system is set-up in

- a. USA
- b. UK
- c. Hong Kong
- d. Brazil

Ans - a

Which of the following is not a function of RBI?

- a. Managing Govt Debt
- b. Bankers to Govt
- c. Raising deposit from public
- d. Lender of last resort to banks

Ans - c

The management level responsible for making long range strategic decisions about which products and services to produce is the

- a. Technology Level
- b. Application Level
- c. Operational Level
- d. Top Level

Ans - d

Which is the main fund transfer system in the USA?

- a. Bankwire
- b. Fedwire
- c. POS
- d. None of these

Ans - b

Export credit target for domestic commercial banks is of ANBC.

- a. 10 %
- b. 12 %
- c. 20 %
- d. None of these

Ans - d

Export credit target for foreign banks is of ANBC.

- a. 10 %
- b. 12 %
- c. 20 %
- d. None of these

Ans - b

HNI stands for

- a. Hindustan National Investment
- b. High National Investment
- c. High Net worth Individual
- d. None of the above

Ans - c

.....

Which of the following is the internal factor influencing pricing?

- a. Price elasticity of the demand of the product
- b. Competitors' policy
- c. Bargaining power of suppliers
- d. Social considerations

Ans - a

.....

Markup pricing comes under which of the pricing method?

- a. Value-based pricing
- b. Cost-based pricing
- c. Competition-based pricing
- d. Going rate pricing

Ans - b

.....

A charge created on the assets of the Company is required to be registered with RoC within how many days?

- a. 30 days from the date of sanction
- b. 60 days from the date of sanction
- c. 30 days from the date of creation of charge
- d. 60 days from the date of creation of charge

Ans - c

.....

Which one of the following doesn't come under the functions of RBI in India?

- a. Regulating the Money Market
- b. Supervision over NBFCs
- c. Supervision over FIIs
- d. Management of Payment System

Ans - c

.....

Which of the following sets refers to the order or sequence of marketing management functions?

- a. Control – implementation – market planning
- b. Market planning – control – implementation
- c. Implementation – control – market planning
- d. Marketing planning – implementation - control

Ans - d

.....

Which of the following is not true in respect of Joint Hindu Family?

- a. It is governed by two schools of Hindu law – Dayabhaga & Mitakshara
- b. Under Mitakshara, every son/daughter of a coparcener acquire a right in JHF by birth
- c. Under Dayabhaga School he/she acquires the right in JHF only after father's death
- d. All members of the family are called coparceners including mother and daughter-in-law

Ans – d

.....

Two firms are said to be identical when

- a. Partners of the two firms are same
- b. When the two firms have some common factors
- c. When the activity is same
- d. When the address is same

Ans – a

.....

The mental act, condition or habit of placing trust or confidence in another shows which of the following options?

- a. Motive
- b. Belief
- c. Behavior
- d. Attitude

Ans - d

A joint account is operated by A and B as both or survivor. A dies and a cheque signed by A and B are presented for payment. The cheque

- a. Can be paid.
- b. Can be paid after getting confirmation from B.
- c. Can be paid after getting the consent of the legal heirs of A.
- d. None of the above

Ans - b

Which of the following is not true in respect of Guardian to Minor?

- a. Guardian of Illegitimate minor child – Mother
- b. Guardian of Hindu married minor girl – Girl's Father-in-law, If Husband Minor
- c. Testamentary Guardian becomes effective after death of father and mother
- d. Natural Guardian varies from religion to religion

Ans - b

Who is the Governing Body for the New Pension Scheme?

- a. SEBI
- b. RBI
- c. FMC
- d. PFRDA

Ans – d

What is the risk weightage for capital adequacy purpose, in case of credit card

- a. 25%
- b. 50%
- c. 100%
- d. 125%

Ans - d

Minimum Bank Rate is

- a. 3%
- b. 4%
- c. 5%
- d. None

Ans - d

Except one of the following, others are part of Public Sector Banks:

- a. State Bank of Hyderabad
- b. Central Bank of India
- c. Regional Rural Bank, sponsored by a nationalized bank
- d. None of these

Ans - d

Which is not a major promoter of CIBIL?

- a. HDFC
- b. SBI
- c. RBI
- d. Trans Union International Inc.

Ans - c

Which one is not a fund based service?

- a. Short term finance
- b. Letter of Credit
- c. Bill discounting
- d. Export credit

Ans - b

.....

Which of the following can't be included in the definition of "Financial Intermediary"?

- a. Financial Institutions
- b. Banks
- c. NBFC & Mutual Funds
- d. None of these

Ans - d

.....

Expand - RAID

- a. Redundant Array of Inexpensive Disks
- b. Relevant Array of Inexpensive Disks
- c. Relevant Array of Inexpensive Drives
- d. Redundant Array of Inexpensive Drives

Ans - a

.....

In ECS-Debit (i) One account debited, number of accounts credited, (ii) One account credited, number of accounts debited

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

BCC in an email denotes (i) blind carbon copy, (ii) black carbon copy

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

Expand - ENIAC

- a. Electronic Numerical Integrator and Calculator
- b. Electronic Number Integrator and Calculator
- c. Electronic Numerical Integrator and Coumputer
- d. None of the above

Ans - a

.....

Expand - RDBMS

- a. Responsive Data Base Management System
- b. Relational Data Base Management System
- c. Responsive Data Base Maintenance System
- d. Relational Data Base Maintenance System

Ans - b

.....

IP address is a numerical label assigned to each (i) Computer, (ii) Printer

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Nither (i) nor (ii)

Ans - c

.....

Which of the following sections prohibits a bank from granting any loan (secured or unsecured), to any of its Directors or any other firm or company in which such Director has vested interest?

- a. Section 12
- b. Section 18
- c. Section 20
- d. Section 21

Ans - c

If NPA is purchased from X bank by Y Bank and Y bank wants to sell it to Z bank, what is the time period for which the account should remain with bank Y

- a. 6 months
- b. 12 months
- c. 15 months
- d. 18 months

Ans - a

In case of component 'Urban Self-Employment Programme' (USEP) of SJSRY, What should be the minimum percentage of women beneficiaries?

- a. 30%
- b. 20%
- c. 15%
- d. 12%

Ans - a

Which of the following are the restrictions on loans and advances under Section 20? (i) No bank shall grant any loans or advances on the security of its own shares, (ii) No bank will grant any loan or advances to or on behalf of any Director or to a firm in which the Director has vested interest, (iii) No bank would grant loan to any individual in respect of whom any of its Directors is a partner or guarantor

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Cheque is payable on

- a. Demand
- b. Usance
- c. Fixed future date
- d. After Sight

Ans - a

.....

A bearer cheque is issued by one Mr. Ashok in favour of Aman, but he forgets to hand over the cheque to Aman. Aman however, picks up the cheque in his absence from his table. Whether the negotiation has taken place?

- a. No, endorsement is also needed
- b. No, delivery is also needed
- c. No, endorsement and delivery both required
- d. Yes, the cheque is drawn in his favour

Ans - b

.....

Under the Nayak Committee recommendations, the quantum of working capital limits from the bank is minimum of the projected annual sales.

- a. 5%
- b. 15%
- c. 20%
- d. 25%

Ans - c

.....

Voting Right of the shareholders with total Rights of all shareholders of a Bank are limited to

- a. One per cent of total Rights
- b. Two per cent of total Rights
- c. Five percent of total Rights
- d. Ten percent of total Rights

Ans - a

Mr. X mortgages his bungalow to Bank of India to secure a cash credit limit of Rs. one lakh. While the account is drawn to the extent of Rs. 50,000/-. HDFC, who had notice of the first mortgage, advance Rs. 75,000/- against the same property and gives notice to Bank of India of the second mortgage in his favor. Subsequent to this notice, Mr. X borrows further Rs. 50,000/- under the cash credit limit up to the full stipulated limit.

- a. The entire borrowing to the extent of Rs. one lakh will receive priority although part of it was drawn subsequent to the notice of the second mortgage.
- b. The loan of Rs. 75,000/- from HDFC will have the priority over the 2nd installment drawn by Mr. X from the Bank.
- c. Both the facilities will have the same priority.
- d. None of the above

Ans - a

Central Bank of India, is a nationalized bank. It is classified as

- a. Co-operative Society registered under the Co-operative Societies Act
- b. Body corporate constituted under special statute/s
- c. Company registered under the Indian Companies Act,1956
- d. either b or c

Ans - b

As regards co-operative banks, RBI does not

- a. issue license

- b. permit Forex business
- c. appoint/approve statutory auditors
- d. conduct inspection

Ans - c

.....

A borrower can legally create any number of mortgages on his property. The mortgages, however, will rank in priority accordingly to the dates of the mortgage. In this context the following statement is true :

- a. A subsequent mortgagee, say a third mortgagee by redeeming a prior mortgage. Say the first mortgagee is entitled to lack (fasten) his third mortgage to the first mortgage so redeemed to the detriment of the intermediate mortgagee; i.e., the second mortgagee.
- b. No subsequent mortgage by paying off a prior mortgage whether with or without notice of an intermediate mortgage, acquires thereby any priority in respect of his original security.
- c. A banker who has made an advance on second mortgage can not take over the first mortgage by paying off the dues to the first mortgagee.
- d. None of the above

Ans - b

.....

The maximum Bank Rate is

- a. 3%
- b. 6%
- c. 7.5%
- d. None of the above

Ans - d

.....

Bank rate policy, open market operations, variable reserve requirements and statutory liquidity requirements as measures of credit control are not classified as ... (i) Quantitative methods, (ii) Quantitative methods, (iii) Weighted average methods

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)

d. (i), (ii) and (iii)

Ans - a

The Reserve Bank of India Act, 1934 does not deal with

- a. financial supervision of banks/financial institutions
- b. policy planning of cooperative banks
- c. management of forex/foreign reserves
- d. capital management and business of banks

Ans - b

CRR and SLR are not applicable to

- a. a certificate of deposit
- b. credit balance in a current account
- c. a flexible deposit
- d. a commercial paper

Ans - d

Bancassurance is

- a. an insurance scheme to insure bank deposits
- b. an insurance scheme exclusively for the employees of banks
- c. a composite financial service offering both bank and insurance products
- d. a bank deposit scheme exclusively for employees of insurance companies

Ans - c

Comprehensive and organized collection about individual prospect of customer including psychographic, geographic and demographic data is called

- a. premium database
 - b. customer database
-

- c. event database
- d. rebate database

Ans - b

.....

Kind of direct marketing by which an offer, reminder or announcement is sent to people at specific virtual or physical address is called

- a. direct mail marketing
- b. kiosk marketing
- c. catalog marketing
- d. premium marketing

Ans - a

.....

Major sources of ideas for product development comes from (i) internal sources, (ii) product lines extension, (iii) external sources

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Promotion is an exercise of maintaining contact with the consumer at different levels so as to

- a. enhance customer relationship
- b. lure the customer in to buying the products
- c. prevent customer from being critical of the firm
- d. none of the above

Ans - a

.....

Segmentation on basis of values and attitudes and behavioral patterns is an example of

- a. geographic location
- b. cultural factors
- c. economic factors
- d. political and legal factors

Ans - b

.....

Targeting affluent customers with luxurious goods is an example of

- a. geographic segmentation
- b. income segmentation
- c. psychographic segmentation
- d. behavioral segmentation

Ans - b

.....

Segmentation of international markets on basis of monetary regulations is an example of

- a. geographic location
- b. cultural factors
- c. economic factors
- d. political and legal factors

Ans - d

.....

Direct marketing through which products are sold directly to customer on phone call is classified as

- a. telephone marketing
- b. online marketing
- c. offline marketing
- d. offline marketing

Ans - b

.....

Upto how much amount loan can be sanctioned by appropriate authority within powers delegated to him to any relative of their own director or directors of other banks or relative of director of other bank?

- a. up to Rs 25 lakh
- b. Rs 25 lakh and above
- c. Less than Rs 25 lakh
- d. None of these as loan to relatives of bank's directors can not be granted without RBI permission

Ans - c

The small companies/organisations that have been created exclusively to deal in govt. securities are called:

- a. NBFCs
- b. mutual funds
- c. primary dealers
- d. asset management companies

Ans - c

As a cover for bank note issue, RBI keeps some minimum value of total approved assets in the form of:

- a. cash and bank balances
- b. cash, gold coins and bank balances
- c. gold coins, bullion and foreign securities
- d. all the above

Ans - c

For controlling inflationary or deflationary situations in India, RBI makes use of(which one is excluded):

- a. Cash Reserve Ratio
 - b. Statutory Liquidity ratio
-

-
- c. Open Market operations
 - d. Liquidity adjustment facility

Ans - d

.....

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that PA holder has died. Which of the following action you will take?

- a. Return the cheque as agency is terminated
- b. Pay the cheque as Principal is alive
- c. Pay the cheque after obtaining Principal's confirmation
- d. None of these

Ans - b

.....

One of the objective of Style improvement is

- a. Products' versatility
- b. Aesthetic appeal
- c. Durability
- d. Convenience

Ans - b

.....

How many types of diversification are generally observed?

- a. 2
- b. 3
- c. 4
- d. 5

Ans - b

.....

There are stages of branding in banking services.

- a. 2
-

- b. 3
- c. 4
- d. 5

Ans - c

In which of the following product life cycle stages, sales are zero and the company's investment costs mount?

- a. Product development
- b. Introduction
- c. Growth
- d. Maturity

Ans - a

The central banking authority i.e. RBI in India , is performing two distinct roles in context of money market that include:

- a. monetary control and banking supervision
- b. issue of currency and maintenance of CRR
- c. handling govt. business and maintaining price stability
- d. banking supervision and financial stability

Ans - a

Introducing additional brands in an existing product category is called as

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - c

Which of the following statement is correct regarding CAMELS Approach? (i) The Reserve Bank of India is the authority to decide Ratings, (ii) The banks have been classified into two categories for the purpose of Rating, (iii) For the Rating of Foreign banks compliance with regulatory guidelines is significant

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following are characteristics of an equity share? (i) it is called ordinary share also, (ii) it represents complete ownership of the company, (iii) it provides voting right to the holder

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

When it comes to new private sector banks, which amongst the following is odd man out?

- a. Axis Bank Limited
- b. ICICI Bank Limited
- c. Kotak Mahindra Bank Limited
- d. The Ratnakar Bank Limited

Ans - d

RBI is responsible for undertaking the following activities except

- a. Currency note issuing authority
 - b. Banker to the banker
 - c. Financial adviser to the government
 - d. Controller of capital markets
-

Ans - d

Which of the following norms are applicable to a new private sector bank? (i) The bank shall get its shares listed on the stock exchanges within two years of licensing, (ii) A minimum capital of Rs. 500 crore, (iii) The bank shall open at least 25 per cent of its branches in unbanked rural centres

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The Banking Codes and Standards Board of India was registered on 18 February, 2006 under

- a. RBI Act
- b. Banking Regulation Act
- c. the Societies Registration Act, 1860
- d. None of the above

Ans - c

The responsibility to make investment in various types of securities for a mutual fund lies with which of the following?

- a. sponsor
- b. asset management company
- c. trustee
- d. custodians

Ans - b

Which of the following sections of banking regulation act 1949 deals with the pension of statutory liquidity ratio (SLR)?

- a. Section 42
- b. Section 24
- c. Section 3b
- d. None

Ans - b

.....

Find the odd man out from the following:

- a. State Bank of Patiala
- b. State Bank of Indore
- c. State Bank of Hyderabad
- d. State Bank of Bikaner and Jaipur

Ans - b

.....

New Bank of India merged with which of the following banks?

- a. Central Bank of India
- b. Canara Bank
- c. Indian Bank
- d. Punjab National Bank

Ans - d

.....

Which amongst the following banks is one among the private sector banks classified as old private sector banks?

- a. Axis Bank Limited
- b. HDFC Bank Limited
- c. Nainital Bank Limited
- d. Yes Bank Limited

Ans - c

.....

.....

A future is a (i) standard contract based on an agreement to buy or sell an assets at a certain price at a certain time in future, (ii) It is an obligation on the buyer to purchase the underlying instrument, (iii) It is an obligation on the seller to sell it

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

When it comes to the regional centres of Reserve Bank of India, which amongst the following is odd man out?

- a. Chennai
- b. Hyderabad
- c. Mumbai
- d. New Delhi

Ans - b

.....

When it comes to nationalization of six banks during the second stage on 15.04.1980, which among the following is not true?

- a. Andhra Bank
- b. Punjab and Sind Bank
- c. New Bank of India
- d. Indian Overseas Bank

Ans - d

.....

Currency note issue is one among several functions of Reserve Bank of India and which amongst the following is not the responsibility of RBI?

- a. Issue of 2 rupee notes
 - b. Issue of 1000 rupee notes
 - c. Issue of one rupee notes
-

d. Issue of ten rupees notes

Ans - c

Which are the traditional functions of Reserve Bank of India?

- a. Issue of currency notes
- b. Forex management
- c. Functions like export assistance and clearing house functions
- d. All the above

Ans - d

Which amongst the following is not the development function of Reserve Bank of India?

- a. Agriculture development
- b. Promotion of industrial finance
- c. Development of bill market
- d. Open market operations

Ans - d

The financial system in our country comprises of which amongst the following?

- a. Financial markets
- b. Financial assets
- c. Financial Intermediaries and institutions
- d. All the above

Ans - d

Which amongst the following is a money market instrument?

- a. Call money
 - b. Term money
 - c. Notice money
-

d. All the above

Ans - d

A Government Security is the security which is issued by the Government to raise a public loan and issued in the form of (i) Bearer bonds, (ii) Promissory notes, (iii) Stock certificates

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A modem performs the function of (i) Modulating binary data for voice line transmission, (ii) Demodulating the transmitted data for computer processing, (iii) Multiplexing of several signals

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Under the powers derived from Section 20, 21 and 21A, Reserve Bank of India does not (i) manage the public debt and issue new loans on behalf of the Central and state Government, (ii) provide refinance to NABARD in respect on agriculture advances, (iii) regulate flow of credit to the economy by variation in the Statutory Liquidity requirement and Cash Reserve Ratio

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....
The desire to have a commodity or service is called

- a. Want
- b. Utility
- c. Goods
- d. None of these

Ans - a

.....

The holder of the card can purchase goods and avail services, upto a specified limit, from (i) Shops, Department Stores, Hotels, Restaurants, (ii) Railway Stations, Airlines etc, (iii) Emporiums

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

A company which pools money from investors and invests in stocks, bonds, shares is not called as (i) A bank, (ii) An insurance company, (iii) Mutual Fund

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

What is Repo? (i) It is a method of borrowing against certain securities for a short period, (ii) The borrower undertake a commitment to purchase back the same securities after specified period at predetermined price, (iii) It is helpful in contracting liquidity in the system

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)

d. (i), (ii) and (iii)

Ans - a

Credit cards are of standard size and thickness and are embossed with the following details
(i) Name of card holder, (ii) Card number, (iii) Validity date

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Communication technology

- a. facilitates the processing of data
- b. helps in transmission of data
- c. enables decision support system
- d. is a tool for data mining

Ans - b

The minimum percentage of Priority Sector advances to be maintained by foreign banks in India with 20 and above branches

- a. 40%
- b. 18%
- c. 32%
- d. 60%

Ans - a

Book debts can be financed by

- a. Factoring
-

- b. Forfeiting
- c. Both a and b
- d. None of these

Ans - c

Encoding the contents of a message in such a way that hides the contents from outsider is not called as (i) encryption, (ii) decryption, (iii) cryptography

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Following kind/s of market exist on the basis of geographical area (i) Retail Market, (ii) Local Market, (iii) Global Market

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Loans to corporates directly engaged in Agriculture and Allied Activities to an aggregate limit of 2 crore is covered under Priority Sector as advances

- a. Direct Agriculture
- b. Indirect Agriculture
- c. Self Employment Scheme
- d. Allied to indirect Agriculture

Ans - a

Attachment order is issued by (i) Income Tax Officer, (ii) Public Debt Officer, (iii) Sales Tax Officer

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

To take care of temporary liquidity problems of central and state govt., what kind of loan is given by RBI?

- a. Treasury bills
- b. Dated securities
- c. Short duration bonds
- d. Ways and means advance

Ans - d

Section 7(1) of RBI Act concerns with which of the following aspects?

- a. RBI authority to regulate the banks
- b. NABARD authority to regulate RRBs
- c. Govt. authority to issued directions to RBI
- d. RBI authority to issue directions to banks in India

Ans - c

For collection of which of the following, the collecting bank will get protection (i) A cheque that does not bear any crossing before it is handed over to the bank. Bank puts its own stamp to present the cheque for clearing, (ii) A cheque, as first deposit in the newly opened account after complying with KYC guidelines, (iii) A cheque written in two inks, two handwritings and two scripts

- a. Only (i) and (ii)
- b. Only (i) and (iii)

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Bank B makes payment of the following cheque. For which of these the bank will not get protection?

- a. A cheque with one endorsement as forged endorsement
- b. A bearer cheque bearing an endorsement in favour of X while payment is received by Y without endorsement from X
- c. A cheque the amount of which has been filled by the payee and was left blank by the drawer
- d. A cheque having amount in words as Rs:five thousand while amount in figures was left blank

Ans - a

.....

Which of the following is an example for Digital Banking channel? (i) Mobile & Phone Banking, (ii) Internet Banking, (iii) Branch Banking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Under National Electronic Funds Transfer (NEFT), the customers can complain to Ombudsman if complaint is not resolved within days

- a. 15 days
- b. 30 days
- c. 45 days
- d. 60 days

Ans - b

.....

Which of the following is not the growth strategies?

- a. Intensive growth
- b. Innovative growth
- c. Integrative growth
- d. Diversification growth

Ans - b

.....

Banking operations in India are governed mainly by Act and Act and the regulator of banks

- a. Banking Regulation Act, NI Act, RBI
- b. RBI Act, NI Act, RBI
- c. Banking Regulation Act, RBI Act, RBI
- d. Banking Regulation Act, RBI Act, SEBI

Ans - c

.....

In which of the following situation, bank shall issue a financial guarantee? (i) For supply of goods on credit basis, (ii) In favor of custom authorities, (iii) In favor of tax authorities

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

In banking reference, credit risk refers to

- a. default of a banker in sanctioning credit limits to the borrower
- b. default of a banker in keeping sufficient cost at branch level
- c. default by a borrower in repayment of banks dues
- d. All of the above

Ans - c

.....

Govt. regulates the banking system by affecting the decision making by RBI since (a) Govt. holds the entire share capital of RBI (b) Govt. can give direction to RBI u/s 7 (1) of RBI Act. (c) Govt. has absolute powers over the banking system

- a. A to c all correct
- b. A and b only are correct
- c. B and c only are correct
- d. A and c only are correct

Ans - b

In early stages computers were being used as Systems in organization Fulfilling their own requirements.

- a. Stand-alone
- b. Network Systems (LAN)
- c. Satellite Network Systems
- d. Microwave Systems

Ans - a

Under the impact of Information Technology, large banks are shifting their focus away from the domestic market to the

- a. Rural Area
- b. Corporate Sector
- c. Global Area
- d. Government Deposits

Ans - c

Some banks are using mobile mounted on trucks to offer regular cash withdrawal like pension payments at remote areas.

- a. Cheque Dispenser Machines
 - b. ATMs
 - c. Cash Dispenser Machines
-

d. Both a and b

Ans - c

Smart card (i) has an integrated circuit with microprocessor chip embedded in it so that it could perform calculations, maintain records and act as electronic purse, (ii) has built in facility for protection against fraudulent operations, (iii) can either be rechargeable or exchangeable

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The provisions in respect of removal on ceiling on borrowing powers of the Board of a public limited company or subsidiary of a public limited company, are given in Section of the Companies Act 2013

- a. 125
- b. 293
- c. 180
- d. 134

Ans - c

A cheque issued by a director of a Limited Company is presented for payment after death of the director which the bank pays, But the company raises the claim on the plea that bank cannot pay such cheque after death of the director

- a. Bank cannot pay the cheque as the drawer expired
- b. Bank can pay the cheque as the company is still a legally competent person to contract signed as agent of the company
- c. Bank should contact the Co. because loss will be of the company is case of dispute
- d. B and c

Ans - b

The concept of 'discovered price' is used, in the context of

- a. Rights issue
- b. Initial public issue
- c. Book building issue
- d. Bonus issue

Ans - c

The mortgagor who has redeemed the mortgage is entitled on redemption to the following right (i) To get back from the mortgagee, the mortgage deed and all the other related documents, (ii) To obtain possession of the mortgaged property, (iii) To have the mortgaged property re transferred at his cost to him or to such third person as he may direct

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is not correct in the context of dishonor of cheque for insufficiency of funds?

- a. To file the suit, holder is required to give a notice to drawer within 30 days of receipt of information about dishonor
- b. To file the suit, the holder is to give notice to draw to make payment within 30 days of receipt of notice by drawer
- c. Court can impose fine up to double the amount of cheque on the drawer
- d. Drawer can be imprisoned up to 2 years, if found guilty

Ans - b

National Payments Corporation of India (NCPI) is owned by

- a. SEBI
- b. RBI

- c. Gol
- d. Major Public and Private Sector Banks

Ans - d

In a factoring transaction, where the factor retains the right to recover the amount from seller, if payment is not recovered from the buyer of goods, is called

- a. Without recourse factoring
- b. With recourse factoring
- c. Advance factoring
- d. Back factoring

Ans - b

Which of the following is/are the pricing strategy? (i) Geographical pricing, (ii) Psychological pricing, (iii) Product mix pricing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A bill of exchange is different from a cheque in the following context (a) cheque is payable on demand but BoE can be payable on demand or in future (b) a cheque is drawn on a specific bank and a bill of exchange can be drawn on a bank or some other person also (c) BoE can be endorsed and crossed but a cheque cannot (d) when cheque is dishonored, notice of dishonor need not be sent to drawer but in case of BoE it is required to make him liable.

- a. a to d all correct
- b. a, b and c are correct
- c. a, c and d are correct
- d. a, b and d are correct

Ans - d

Banknet and SWIFT for transmission of messages were commissioned in India in the year

- a. 1951
- b. 1991
- c. 1961
- d. 1971

Ans - b

Non-fund based credit facilities include (i) Letter of credit, (ii) Letter of guarantee, (iii) Acceptance of bills on behalf of customer

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Credit risk emanates from a bank's dealing with

- a. Individuals
- b. Corporates
- c. Banks
- d. Any of the above

Ans - d

To make the cost of credit costlier, which of the following is done by RBI?

- a. Decrease in bank rate
- b. Increase in repo rate
- c. Increase in SLR
- d. All the above

Ans - b

Foreign banks are to deposit in SEDF with SIDBI, the shortfall in respect of (i) Export advances target of 12%, (ii) Overall priority sector target of 40%, (iii) Micro & small enterprises target of 7.5%

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The issue of and servicing of govt. debt, is management by

- a. Commercial Banks
- b. Public Sector Bank
- c. Reserve Bank
- d. Govt. itself

Ans - c

When specific goods are charged to the banker by a firm by means of a letter of Hypothecation but are in actual or constructive possession of the borrower then in the event of the insolvency of the borrower the goods

- a. can be claimed by the Official Receiver
- b. can be claimed by the Official Receiver for the general benefits of the creditors
- c. cannot be claimed by the Official Receiver
- d. None of the above

Ans - c

The system in which users use the network without knowing the details of the Hardware, communication method etc. such a world-wide network is known as

- a. LAN
 - b. Internet
 - c. CICNET
-

d. ERPNET

Ans - b

Find out the incorrect statement regarding term of office of directors of a bank

- a. A whole time directors is appointed for a term not exceeding 5 years
- b. Term of a whole time director can be renewed for further period 5 years
- c. A part-time director is appointed for a term not exceeding 5 years
- d. A part-time director can hold office for consecutive period up to 8 years

Ans - c

When an unlisted company issues fresh securities for the first time, it is called

- a. Initial public offering
- b. Rights issue
- c. Follow – on public offering
- d. Bonus shares

Ans - a

What is the maximum extent up to which a single investor can hold shares in an Indian stock exchange?

- a. 1 percent
- b. 2 percent
- c. 5 percent
- d. 10 percent

Ans - c

..... is a tax levied on all transactions code on the stock exchange at rates prescribed by Central Govt. from time to time

- a. Transactions tax
-

- b. Stock exchange transactions tax
- c. Securities transaction tax
- d. Securities tax

Ans - c

.....

Which of the following statement is correct in the context of red herring prospectus?

- a. The price is mentioned in this prospectus
- b. The no. of shares being offered is mentioned in this prospectus
- c. The amount of issue is mentioned in this prospectus
- d. Details or price, no of shares and amount of issue is not mentioned in this prospectus

Ans - d

.....

What are the characteristics of Open-ended Mutual Fund? (i) They are bought and sold on demand at their net asset value, or NAV, (ii) Generally calculated at the close of every trading day, (iii) Investors buy shares directly from a fund

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following is/are component(s) of product personality? (i) The associated features, (ii) The package and label, (iii) The brand name and logo

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following is not a feature of a factoring transactions? (a) in factoring the receivables are purchased by a factor company (b) in the balance sheet of the seller firm, the factored receivables are an off- balance sheet item (c) factoring is another name for bills discounting (d) registration of charge is required to be registered in factoring like bills discounting.

- a. a and c
- b. b and c
- c. c and d
- d. b and d

Ans - c

Decision support system (DSS) uses (i) query language, (ii) financial advice, (iii) statistical analyser

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A customer of a bank placed certain funds with the bank for purchase of certain securities. Bank started the purchase of securities as per instructions of the customer. But before the purchase of securities for the entire amount could be complete, the bank failed. The relationship of the customer in this case with the bank is that of

- a. Agent - principal
- b. Bailor - bailee
- c. Beneficiary - Trustee
- d. Creditor - debtor

Ans - c

Which is not a characteristic of services?

- a. Perishable
- b. Tangible
- c. Heterogeneous
- d. Inseparable

Ans - b

Which one of the following Committees introduced the concept of weaker sections within the priority sector for the first time in India?

- a. Ojha Committee
- b. Nariman Committee
- c. Krishnaswamy Committee
- d. None of these

Ans - c

What are the provisions of remuneration of the banking ombudsman ?

- a. he is eligible for remuneration and other perquisites
- b. this will be determined by the RBI
- c. this has to be borne by banks proportionately
- d. all the above

Ans - d

As per Sec 3 of The Majority Act, a person below how many years of age is Minor in case guardian has been appointed by court?

- a. 16
- b. 18
- c. 21
- d. Depends upon court order

Ans - b

Normally the day of auction for 91-day T-bill is

- a. Wednesday
- b. Wednesday of reporting week
- c. Wednesday of non-reporting week
- d. None of the above

Ans - a

.....

A Power of Attorney PA executed abroad, should be stamped within how many months of its receipt in India?

- a. One Month
- b. Two Months
- c. Three Months
- d. Six Months

Ans - c

.....

Which of the following is not true in respect of Executors?

- a. Appointed by a testator through a will
- b. Appointed by Court in absence of a will to act through Letter of Administration
- c. Performs the duty of realizing and distributing the assets of a deceased
- d. On death of one of the Executors his powers are vested in surviving executors

Ans - b

.....

Which one is a distributed control Network?

- a. Star Topology
- b. Bus Topology
- c. Tree Topology
- d. Loop Topology

Ans - b

.....

Commonly used medium of communication in banking

- a. Coaxial Cables
- b. Fibre Optic Cable
- c. Telephone Lines
- d. None of these

Ans - c

.....

'DOS' floppy disk does not have

- a. A Boot Record
- b. A File Allocation Table
- c. A Root Directory
- d. Virtual Memory

Ans - d

.....

Credit card is a small plastic card of around cm.

- a. 7.0 x 5.5
- b. 8.5 x 5.0
- c. 7.5 x 5.0
- d. 8.5 x 5.5

Ans - d

.....

The way devices are interconnected is known as

- a. Network
- b. Topology
- c. LAN
- d. None of these

Ans - b

.....

In Garnishee Order, balances held outside India

- a. can be attached
- b. can't be attached
- c. can be attached if ordered so by the court
- d. None of these

Ans - b

.....

In which account customer has the flexibility to select the number of installments and also vary his monthly installment amounts subject to certain conditions?

- a. An EEFC account
- b. A variable recurring deposit account
- c. A flexi deposit account
- d. A roaming current account

Ans - b

.....

RSA is

- a. Symmetric Cryptosystem
- b. Asymmetric Cryptosystem
- c. Block Cypher
- d. Digital Signature

Ans - b

.....

Firewalls are used to protect against

- a. Unauthorised Attacks
- b. Virus Attacks
- c. Data Driven Attacks
- d. Fire Attacks

Ans - a

.....

Minimum tenure of Government Securities is days.

- a. 1
- b. 2
- c. 3
- d. 5

Ans - a

.....

SCBs can lend to the extent of % of their capital funds on any day.

- a. 25
- b. 50
- c. 75
- d. 100

Ans - b

.....

Compiler is a

- a. Package
- b. System Software
- c. Process
- d. Application Software

Ans - b

.....

If number of partners in a firm is 22 in respect of trading activity the firm is

- a. Limited company
- b. Large partnership
- c. Illegal association
- d. None of these

Ans - c

.....

CPs are issued normally for a tenure of.....

- a. 30 Days
- b. 60 Days
- c. 90 Days
- d. 120 Days

Ans - c

.....

The validity period of SEBI's observation letter for IPO offer document is.....

- a. 1 month
- b. 2 months
- c. 3 months
- d. 6 months

Ans - c

.....

ECS-RAPID was introduced by RBI in

- a. 1995
- b. 1996
- c. 1997
- d. 1998

Ans - c

.....

Smallest storage unit of a computer is

- a. Bit
- b. Byte
- c. Nibble
- d. Pixel

Ans - a

.....

MICR was introduced in

- a. 1945
- b. 1954
- c. 1965
- d. 1956

Ans - b

.....

Reforms in the financial services sector were initiated on the recommendations of Committee.

- a. Jankiraman
- b. Narasimhan
- c. Tarapore
- d. Rangarajan

Ans - b

.....

Treasury bills are issued for a period of upto.....

- a. 30 days
- b. 31 days
- c. 90 Days
- d. 91 days

Ans - d

.....

Notice Money means money lent/borrowed between banks and entities like PDs for

- a. 1 day
- b. 2-14 days
- c. More than 14 days
- d. None of these

Ans - b

.....

In bank's parlance credit risk in lending is

- a. Default of the banker to maintain CRR
- b. Default of the banker to maintain SLR
- c. Default of the banker to release credit to the customer
- d. Default of the customer to repay the loan

Ans - d

.....

Headquarters of SWIFT is at

- a. Newyork
- b. Paris
- c. Brussels
- d. London

Ans - c

.....

ECS was launched by RBI in

- a. 1995
- b. 1996
- c. 1997
- d. 1998

Ans - a

.....

Digital Signature consists of

- a. Message Only
- b. Random Number Only
- c. Both A and B
- d. None of these

Ans - c

.....

Online Marketing is the function of which of the following

- a. Purchase section
- b. Production Department
- c. IT Department
- d. A collective function of all staff

Ans - d

.....

Lead generation does not mean (i) tips for selling tactics, (ii) tips for better production, (iii) likely sources for prospective clients

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

BCSBI is setup on the Recommendations of which Committee

- a. S.S. Tarapore Committee
- b. Dr. C. Rangarajan Committee
- c. Vijay Kelkar Committee
- d. Montek Singh Ahluwalia Committee

Ans - a

.....

Relationship of Banker with Payee of Draft

- a. Trustee and Beneficiary
- b. Drawer and Drawee
- c. Licensor and Licensee
- d. Principal and Agent

Ans - a

.....

A savings account is treated as a dormant account if there is no operation in the account for the last years.

- a. one
- b. three
- c. two
- d. five

Ans - a

Electronic purse may have following number of storage space

- a. only one
- b. two
- c. several
- d. no storage space

Ans - c

Cheque truncation can be done by (i) using MICR data, (ii) sending cheque by speed post, (iii) using image processing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

The law of equi-marginal utility is otherwise called as

- a. Law of substitution
- b. Law of diminishing MU
- c. Law of negative returns
- d. None of these

Ans - a

A book "The Nature and significance of Economic Science" is written by

- a. Alfred Marshal
- b. Lionel Robbins
- c. Samuelson
- d. Adam Smith

Ans - b

When different version of products are priced differently but in accordance to difference in their value then it is a form of

- a. Psychological pricing
- b. Segmented pricing
- c. Product-line pricing
- d. Product-form pricing

Ans - d

Mediums of data transmission are (i) Terrestrial Cables, (ii) Microwave Systems, (iii) Communication Satellite

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

what relationship is created when the bank collects a cheque in clearing?

- a. holder for value
- b. clearing member and principle.
- c. agent and principle
- d. collecting bank and holder

Ans - d

.....
The committee on communication networks for banks set up in 1987 under the chairmanship of Executive Director, RBI

- a. Mr. Rangarajan
- b. Mr. K. Sarraf
- c. Mr. T.N. Ananthram Iyer
- d. None of the above

Ans - a

.....
Where the mortgagor ostensibly sells the mortgaged property, on the condition that in default of payment of the mortgage money on a certain date, the sale shall become absolute or on the condition that on such payment being made, the buyer shall transfer the property to the seller, the transaction is known as

- a. Simple mortgage
- b. Mortgage by condition sale
- c. Mortgage by deposit of title deeds
- d. None of these

Ans - b

.....
State which of the following statement/s is/are correct? (i) KYC norms is applicable only to deposit accounts, (ii) A cash credit facility is a fund based limit, (iii) An incomplete negotiable instrument is called as an inchoate instrument

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....
In case of unitary elastic, demand curve is

- a. Horizontal
- b. Vertical

- c. Rectangular hyperbola
- d. None of these

Ans - c

In terms of PMLA, Records of Cash Transaction of Rs. 10 Lacs and Suspicious Transactions are required to be maintained for a Period of

- a. 5 Years
- b. 10 Years
- c. 15 Years
- d. 25 Years

Ans - b

Which of the following statements is correct?

- a. The delivery of documents of title to goods (except a bill of lading) by the owner of the goods to the lender is not considered as a valid pledge in English Law, however, under the Indian Law, such delivery constitutes a valid pledge.
- b. The delivery of documents of title to goods by the owner of the goods to the lender is not considered as a valid pledge in Indian Law, however, under the English Law, such delivery constitutes a valid pledge.
- c. Both of the above are correct
- d. None of the above

Ans - a

01st August of Every Year is observed as

- a. KYC Compliance Day
- b. KYC Compliance and AML Day
- c. Computer Security Day
- d. KYC Compliance and Fraud Prevention Day

Ans - d

Which Section of Banking Regulation Act, 1949 provides Nomination for Payment of Depositor's Money?

- a. Section 42
- b. Section 24
- c. Section 110A
- d. Section 45ZA

Ans - d

A bearer cheque of Rs. 3 lac has been presented by Mr. Sham Kumar, the payees of a cheque drawn on your branch. He being new to the bank has shown inability to give identification

- a. In case of bearer cheque, no identification is needed irrespective of the amount of the cheque
- b. Identification is required to safe guard the interest of the bank
- c. Identification is essential for all instruments for getting protection
- d. Identification would not be required if presented with pass book

Ans – a

Which of the following statements, is correct regarding licensing of a banking company under Banking Regulation Act 1949? (i) It is necessary to obtain a license for opening of Banking company, (ii) RBI has powers to cancel the license, (iii) The bank may make an appeal with the central government against the decisions of the RBI

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Suspicious Transactions Reports (STRs), is submitted to

- a. RBI
- b. Banking Department, Ministry of Finance

-
- c. FIU-IND
 - d. Central Bureau of Investigation (CBI)

Ans – c

.....

In Marketing mix which scope of product supports the elements? (i) Guarantee/Warranty, (ii) Quality, (iii) Packaging

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

A and B have a locker as either or survivor and A inform that keys have been lost. Thereafter B comes for operations.

- a Bank will allow operations
- b Bank will allow operations if indemnity is given by B
- c Bank will not allow operations without consent of A
- d Bank will not allow operations to any of them without a court order

Ans - c

.....

Which of the following is correct with regard to quantum of loan to micro, small & medium enterprises?

- a. WC and TL for micro enterprise — maximum Rs.25 lac
- b. WC and TL for small enterprise — maximum Rs.200 lac
- c. WC and TL for medium enterprise — maximum Rs.500 lac
- d. WC and TL need based and composite loan (SIDBI Scheme) to MSEs Rs.100 lac

Ans - d

.....

Normally the amount of auction for 182-day T-bill is crores

- a. 4000
- b. 5000
- c. 6000
- d. 7000

Ans - c

.....

The head quarter of IMF is located at

- a. London
- b. Washington
- c. New York
- d. Paris

Ans - b

.....

Basel II consists of three mutually reinforcing pillars viz; minimum capital requirement, supervising review of capital adequacy and the 3rd one is

- a. Internal Audit
- b. USGAAP
- c. CRA
- d. Market Discipline

Ans - d

.....

In a securitisation deal, the role of a Special Purpose Vehicle (SPV) is

- a. To acquire large Non Performing Loans (NPA)
- b. To acquire such loans from a bank or financial institution
- c. To acquire such loans for a transfer price, with or without recourse
- d. To manage the acquired loans for the purpose of realization or holds them as investment till maturity

Ans – d

.....

Securitisation is a process of acquiring the loans classified as (i) Bookdebts, (ii) Non performing debts

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - b

Which of the following is not a popular social marketing network?

- a. Facebook
- b. Pinterest
- c. Twitter
- d. None of the above

Ans - b

Sale or purchase of Govt Securities by RBI in open market is called as

- a. Credit Planning
- b. SCC
- c. OMO
- d. CAS

Ans - c

How many types are T bills are issued?

- a. 2
- b. 3
- c. 4
- d. 5

Ans - b

In respect of which one of the following co-operative institutions the percentage share of deposits in their total financial resources is the lowest among all the institutions given in the list?

- a. PACS
- b. DCCB
- c. SCB
- d. PLDB

Ans - d

Bank A allows one of its clients to withdraw against clearing of a cheque. The banker is called.....

- a. Collecting banker
- b. Holder in due course
- c. Holder for value
- d. Paying banker

Ans – c

Any contract with minor is void ab initio in terms of which of the following Act?

- a. Sec 34 Transfer of Property Act 1882
- b. S 11 of Indian Contract Act 1872
- c. Sec 26 Negotiable Instruments Act 1881
- d. Sec 6 of The Majority Act

Ans - b

The banking ombudsman scheme covers the following banks;

- a. scheduled commercial banks.
- b. regional rural banks.
- c. co-operative banks.
- d. all these

Ans – d

Total amount of transactions are accumulated and debited to the customer's account in

- a. Debit Card
- b. Credit Card
- c. Charge Card
- d. Smart Card

Ans - c

.....

As per Basel 2 Recommendations, the subordinate Term Debt are restricted to...

- a. 25% of Tier I Capital
- b. 50% of Tier I Capital
- c. 25% of Tier II Capital
- d. 50% of Tier II Capital

Ans - b

.....

In India, the drought in which one of the following years was categorised as 'SEVERE'?

- a. 1979
- b. 1966
- c. 1987
- d. All these years

Ans - c

.....

At which one of the following centres one of the Software Parks is located?

- a. Gandhinagar
- b. Cochin
- c. Kandla
- d. None of these

Ans - a

.....

Under PMRY scheme, which is not levied?

- a. Penal Interest
- b. Processing charges
- c. both a and b
- d. None of these

Ans - c

The service provided by HSBC which allows the customer to access their accounts from a PC installed at his office or at their home is called

- a. Corporate Banking
- b. Hexagon
- c. Personal Banking
- d. Both a & c

Ans - b

Communication software which allows free format messaging and file transfer on Banknet infrastructure is

- a. NICNET
- b. Banknet
- c. RBI Net
- d. Indonet

Ans - c

Which one comes under Terrestrial cables?

- a. Copper wire-pair
- b. Coaxial pair
- c. Optical fibre
- d. All of them

Ans - d

.....
The customer has the option to pay the entire amount once in a month or pay in installments in

- a. Debit Card
- b. Credit Card
- c. Charge Card
- d. Smart Card

Ans - b
.....

SGYS scheme came into operation from

- a. 01.03.1998
- b. 01.04.1998
- c. 01.03.1999
- d. 01.04.1999

Ans - d
.....

Cash budget deals with

- a. cash transactions
- b. non-cash transactions
- c. both a and b
- d. None of these

Ans - a
.....

Who are eligible for subsidy under SHG?

- a. All the members
- b. only BPL members
- c. only APL members
- d. None of the above

Ans - b
.....
.....

Gift cheques are cheque which can be gifts in lieu of

- a. Cash
- b. Demand draft
- c. Mail transfer
- d. All of the above

Ans - a

.....

To carryout functions of Central Federal System, USA has been divided into districts.

- a. 10
- b. 12
- c. 15
- d. 25

Ans - b

.....

Interest is calculated on actual/365 days basis in respect of the following products (i) GOI dated securities, (ii) Call Money, (iii) Notice Money

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

FIMMDA's general principles and procedures are applicable to (i) Fixed Income Markets, (ii) Money Markets, (iii) Derivatives Markets

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Way of personal communication between friends, family, neighbors and target buyers about particular market offering is called

- a. print and broadcast media
- b. word-of-mouth influence
- c. buzz marketing
- d. display and online media

Ans - b

Loan for fish rearing is covered under Priority Sector as advances

- a. Direct Agriculture
- b. Indirect Agriculture
- c. Self Employment Scheme
- d. Allied to indirect Agriculture

Ans - a

..... is capable of fastest broad band transmission.

- a. Dial-up Network
- b. Microwave Network
- c. Leased Lines Network
- d. All of the above

Ans - b

Two firms are said to be identical when

- a. Partners of the two firms are same
- b. When the two firms have some common factors
- c. When the activity is same
- d. When the address is same

Ans - a

Which one is not a part of Marketing Mix (4Ps)

- a. Price
- b. People
- c. Product
- d. Place

Ans - b

.....

Banknet doesn't link

- a. Nagpur
- b. Bangalore
- c. Hyderabad
- d. Ahmedabad

Ans - d

.....

Banks access Banknet with

- a. RBI Net
- b. INET
- c. COMET
- d. INDONET

Ans - c

.....

The message transfer utility of COMET enables users to login at a time at each node.

- a. 200
- b. 2000
- c. 400
- d. 4000

Ans - c

.....

In the context of ATMs, PIN stands for and it is a digit code

- a. Perfect Information Number, 5 digits
- b. Personal Information Number, 5 digits
- c. Personal Information Number, 4 digits
- d. Perfect Information number, 4 digits

Ans - c

.....

The debit payment system that works on the principle of multiple debits and a single credit

- a. debit clearing
- b. electronic debit clearing
- c. electronic clearing
- d. electronic clearing service

Ans - b

.....

Which of the following is not correctly matched?

- a. WAN - Wide Area Network
- b. LAN — Local area network
- c. MAN - Model Area Network
- d. RAM - Random Access Memory

Ans - c

.....

Which of the following is not an advantage of the multi-user computer system through networking?

- a. Corporate level information is available at one place
- b. Costly hardware can not be shared between various user due to which it is not effective
- c. Information can be shared easily between various users
- d. Computing resources can be used economically by processing the high volume data

Ans - b

.....

In each node is joined to the central node by a separate link

- a. Star topology
- b. Bus topology
- c. Ring topology
- d. None of the above

Ans - a

.....

In star topology for a local area network

- a. Each node is joined to each other by a common link
- b. All nodes are linked to the server through individual nodes
- c. Each node is joined to the central node by a separate link
- d. The nodes are connected through a continuous cable

Ans - c

.....

In a smart card the security features are (a) multiple pins (b) retinal pattern verification (c) dynamic signature verification (d) vein recognition

- a. a and c only
- b. b and c only
- c. a, c and d only
- d. a to d all

Ans - d

.....

The minimum and the maximum amount for RTGS transactions is

- a. no minimum and no maximum
- b. no minimum but max Rs.2 lac
- c. no maximum but min Rs.2 lac
- d. no minimum but max Rs.2 cr

Ans - c

.....

Under Money Transfer Service Scheme (MTSS), what is the maximum amount of single inward foreign currency remittance?

- a. USD 10000
- b. USD 5000
- c. USD 2500
- d. USD 1000

Ans - c

The risks that is managed by RTGS are

- a. liquidity risk and settlement risk
- b. settlement risk and systemic risk
- c. systemic risk and liquidity risk
- d. liquidity risk and operational risk

Ans - b

Which of the following is an example for Digital Banking channel? (i) Mobile & Phone Banking, (ii) Internet Banking, (iii) Branch Banking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Universal Bank has granted cash credit limit of rs.10 lac to M/s Kala traders, a partnership firm. The account is showing a debit balance of rs.9.50 lac when the notice is received about the insolvency of one of the partners, which among the following steps should be initiated by the bank to safeguard its interest?

- a. Operations in the account to be stopped and balance confirmation letter to be obtained from all the partners
-

- b. Operations in the account to be stopped and notice of demand to be issued on the remaining partners
- c. Notice about the outstanding dues to be sent to the official assignee in whom the estate of the insolvent partner has been vested
- d. b and c above

Ans - d

Debit card can be used for (i) Cash withdrawal from ATMS, (ii) For making payment in POS terminals, (iii) Making payment in e commerce portals by providing card number, expiry date and CVV number

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Under National Electronic Funds Transfer (NEFT), the customers can complain to Ombudsman if complaint is not resolved within days

- a. 15 days
- b. 30 days
- c. 45 days
- d. 60 days

Ans - b

The Basel Committee on Banking Supervision, is a committee that was constituted by

- a. RBI and World Bank
- b. International Monetary Fund
- c. United Nations
- d. None of the above

Ans - d

Your customer issues a cheque for Rs.10000 in discharge of his liability towards Mr. Shayam Prasad or order, who endorses the same in favour of Mr. Sita Ram In blank. This cheque

- a. Cannot be endorsed further as the blank endorsement restricts further negotiation
- b. Can be negotiated by Mr. Sita Ram without endorsement by him and by the mere delivery
- c. Can be negotiated further by Mr. Sita ram full endorsement by him followed be delivery
- d. Can be endorsed by him in blank only

Ans - b

A bank has risk weighted assets of Rs.1000 cr and it has undisclosed reserves of Rs.30 cr. What is the maximum amount of such reserves that can be included Tier-2 capital?

- a. Rs.90 cr
- b. Rs.30 cr
- c. Rs.12.50 cr
- d. Rs.7.50 cr

Ans - c

Which of the following transactions is backed by a letter of credit?

- a. Factoring
- b. Forfaiting
- c. Securitization
- d. Leasing

Ans - b

NAV is required to be disclosed by the mutual funds on a basis

- a. daily
- b. weekly
- c. depending on the type of scheme
- d. none

Ans - c

When investment is made in other schemes of the same or different mutual funds, such fund is called

- a. Index fund
- b. Gilt fund
- c. Fund of funds
- d. Mutual fund

Ans - c

Which of the following statement is correct regarding premium on life insurance policies?

- a. The premium rates for with profit policy are higher than the premium for without profit policy
- b. The premium rates for with profit policy are lower than the premium for without profit policy
- c. The premium rates for with profit policy are equal than the premium for without profit policy
- d. None of the statement is correct

Ans - a

A banking company fails to produce books, accounts and documents which it is bound to furnish under the provisions of RBI Act, what is the penalty as per Banking Law Amendment Act 2012? (i) It can be fined up to Rs.200000, (ii) It can be fined up to Rs.5000, (iii) If offence continues additional fine could be Rs.50000

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

In case of deferred payment guarantee. Normally advance payment is made by the buyer of machinery to the supplier of the machinery, which is treated as margin by the bank

- a. 5% to 10%
 - b. 5% to 30%
-

- c. 10% to 15%
- d. 20% to 30%

Ans - c

Current assets of a company are Rs.800 lac and other current liabilities Rs.80 lac. If the amount of net working capital is Rs.170 lac what will be amount of excess borrowing, as per 2nd method of lending?

- a. Rs.120 lac
- b. Rs.80 lac
- c. Rs.50 lac
- d. Rs.30 lac

Ans - d

A saving bank customer of Modern Bank issues a cheque of Rs.1500 in favour of M/s swastic Enterprises or order. The cheque is paid by the bank on presentation through clearing with endorsement from the payee as 'Svastika Enterprises'. The endorsement is also confirmed by the collecting bank. The drawer claims that the payment has not been made in due course and claims refund of the amount

- a. This is a payment on the guarantee by the collecting bank due to which paying bank's position is safe
- b. The cheque is of a small amount,. Hence the bank should refund the money
- c. If customer is valuable, the customer's request should be accepted
- d. Endorsement is irregular due to which the paying bank is not protected under the provisions of Section 85 of NI Act

Ans - d

If a banker allows an advance by keeping 25% margin and the amount of loan is Rs. 1 lac, the value of security would be

- a. Rs.1.25 lac
 - b. Rs.1.33 lac
 - c. Rs.1.50 lac
-

d. Rs.1 lac

Ans - b

.....

Which of the following relationship between customer and bank matches?

- a. Safe deposit of articles – bailer & bailey
- b. Collection of cheque – agent and principal
- c. Deposits- debtor and creditor
- d. Mortgage – mortgagee, mortgage

Ans - a

.....

X is associated with the following account maintained in your branch. The branch receives an attachment order. The order will be applicable on

- a. Current account of XYZ Private Limited, in which X is the managing director with Majority shareholding.
- b. Overdraft account against life policy in the name of X with balance of Rs.15000 against the limit of Rs.2 lac.
- c. Account in the name of his minor daughter M under guardianship of X
- d. A term deposit to mature after 2 years in his joint name with his wife

Ans - d

.....

Marketing in which product is described to customers with air television spots providing customers with toll free numbers or Website to order is called

- a. kiosk marketing
- b. offline marketing
- c. telephone marketing
- d. direct response TV marketing

Ans - d

.....

In Core banking system

- a. Branches are connected to a central host
- b. Branch automation modules and delivery channels are incorporated
- c. Transactions are done centrally and online
- d. All of above

Ans - d

.....

A typical computerised environment constitutes three interdependent but separate components

- a. Software, hardware and data
- b. Hardware, software and UPS
- c. Software, modem and networking
- d. Software, people ware and data

Ans - a

.....

A Full-duplex transmission is capable of

- a. transmitting data in one direction only
- b. data movement in both the direction but only in one direction at a time
- c. providing a simultaneous two way communication
- d. data communication only

Ans - c

.....

Collateral security & margin in loan to agriculture exempted for loan

- a. Up to Rs.10000
- b. Up to Rs.15000
- c. Up to Rs.25000
- d. Up to Rs.100000

Ans - d

.....

Which of the following is value added service as part of wholesale banking?

- a. structured finance
- b. channel financing
- c. supply chain management
- d. letter of credit

Ans - b

.....

PNs are used mainly by investors based in (i) India, (ii) Abroad

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

Locker operated by A & B with either or survivor instructions. Nomination done by A in favour of X. A dies. Y is the son of A. Payment will be made to (i) B, (ii) X, (iii) X & Y

- a. Only (i)
- b. Only (i) and (ii)
- c. Only (iii)
- d. (i) and (iii)

Ans - a

.....

Urban Cooperative Banks are controlled by (i) NABARD, (ii) State Governments, (iii) RBI

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

.....
The upper value limit of an individual national electronic funds transfer (NEFT) transaction is

- a. Rs. 20000
- b. Rs. 50000
- c. Rs. 100000
- d. None of the above

Ans - d
.....

'Currency of India' refers to

- a. One rupee notes only
- b. One rupee notes and coin
- c. Bank notes issued by Reserve Bank of India; i.e., Rs. 2, Rs. 5, Rs. 10, Rs. 20, Rs. 50, Rs. 100, Rs. 500 and Rs. 1000
- d. One rupee notes and coins and bank notes issued by reserve Bank of India

Ans - d
.....

Non-volatile Memory retains data (i) only when the computer is ON, (ii) even when the computer is turned off

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b
.....

An export client M/s Shanbeg Exports of your branch receives an export order for export of handicraft items to US under a letter of credit of \$ 30000. It is stated that your bank can issue another credit in favour of local supplier/manufacturer from whom the exporter is to procure the material. Under which of the following categories, such letter of credit can be classified

- a. red clause letter of credit
- b. green clause letter of credit

- c. transferable letter of credit
- d. back to back letter of credit

Ans - d

.....

A bank can purchase NPA from another bank, if in the books of selling bank, the account was NPA for

- a. 2 years
- b. 3 years
- c. 5 years
- d. 7 years

Ans - a

.....

A and B maintain an FD account with a locker and want to make single nomination for both the accounts:

- a. Nomination can be made in both the accounts separately
- b. Nomination cannot be allowed in lockers in joint names
- c. It will depend on bank's discretion
- d. Nomination can be accepted

Ans – a

.....

What is the process of amalgamation? (i) It has to be approved by majority of shareholders representing 2/3 shareholders, (ii) The RBI has to sanction the scheme, (iii) After approval of RBI assets and liabilities are transferred to acquiring bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The provision for making the payment of amount mentioned in words in a cheque is described u/s...of NI Act.

- a. 16
- b. 18
- c. 20
- d. 21

Ans - b

Crossing is a direction to the bank to pay the cheque to the payee through a bank.

- a. Drawer
- b. Payee
- c. Paying
- d. Passing

Ans - c

Retail stores such as Best Buy, Staples and Pet Smart are examples of

- a. superstore
- b. outbound stores
- c. inbound stores
- d. intensive stores

Ans – a

The crossing in a crossed cheque can be cancelled by

- a. Drawer
- b. Drawee
- c. Endorser.
- d. Acceptor

Ans - a

.....

According to Sec. 59 of the Transfer of Property Act, 1882, where the principal money secured is one hundred rupees or more, a mortgage other than a mortgage by deposit of title deeds can be affected only by a registered instrument signed by the mortgagor and attested by two witnesses. The document is to be presented for registration at the office of the Sub-Registrar/Registrar of Assurances within

- a. one month from the date of execution
- b. three months from the date of execution
- c. four months from the date of execution
- d. None of the above

Ans - c

.....

Mr. A & Mr. B operate their bank account in the mode of "Jointly or Survivor" and Mr. A dies, then the proceeds of the account can be

- a. shared between Mr. B and the legal heirs of Mr. A
- b. transferred to Mr. B's own other bank account
- c. shared between Mr. B and the nominee
- d. shared between Mr. B, the nominee and the legal heirs of Mr. A

Ans - b

.....

Mr. A, Mr. B & Mr.C operate their bank account in the mode of "Any or Survivor" and Mr. A dies, then the right to operate lies with

- a. Either B or C individually
- b. Either B or C as given in the mandate
- c. B and C but jointly
- d. Any of the above

Ans - c

.....

Segmentation of international markets on basis of common languages, religions and customs is example of

- a. geographic location
-

- b. cultural factors
- c. economic factors
- d. political and legal factors

Ans - b

.....

Acts done honestly is called acts done

- a. Without negligence
- b. Rashly
- c. Mollified
- d. In good faith

Ans - d

.....

Of the following pricing strategies, are ideal for new products. (i) Discriminatory pricing, (iii) Market-penetration, (iii) Promotional Pricing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – c

.....

Customer market division done on basis of 'compulsive, ambitious and outgoing customers' classified as

- a. geographic segmentation
- b. demographic segmentation
- c. psychographic segmentation
- d. behavioral segmentation

Ans - c

.....

Retailer store which carries deep assortment of specialty product line and customers are served by knowledgeable staff is classified as

- a. category killer
- b. discount killer
- c. limited inbound retailers
- d. limited outbound retailers

Ans - a

Retailing operation which is operated and owned by manufacturer and carries surplus or irregular goods is classified as

- a. factory outlets
- b. warehouse clubs
- c. factory clubs
- d. surplus center

Ans - a

Examples of ECS (Credit) are (i) Dividend, (ii) Interest, (iii) Salary payment

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Sec of RBI Act,1934 gives sole power to RBI to issue currency notes

- a) 10
- b) 18
- c) 22
- d) 26

Ans – c

Off-price retailer that sells limited brand names for grocery items or other variety, offering discount to customers who pay membership fees is called as

- a. factory outlets
- b. warehouse clubs
- c. factory clubs
- d. surplus center

Ans - b

.....

Diversification Growth is defined as.....

- a. Identify opportunities for further growth within the existing businesses
- b. Identify opportunities to build or acquire businesses related to the existing businesses
- c. Identify opportunities to add attractive businesses, unrelated to the existing businesses
- d. None of the above

Ans - c

.....

Who regulates the Insurance Business in India?

- a. RBI
- b. SEBI
- c. IRDA
- d. AMFI

Ans - c

.....

RBI exercises monetary control in India through...

- a. Issue of currency
- b. Cash reserve and liquid reserve ratios
- c. Repo and Reverse Repo Rate
- d. Regulated Payment System

Ans - b

.....

Building a brand doesn't involve

- a. Brand positioning
- b. Brand name selection
- c. Brand marketing
- d. Brand development

Ans - c

.....

Which of the following is not required in case of a private limited company?

- a. Memorandum of Association
- b. Articles of association
- c. Certificate to commence business
- d. Certificate of incorporation

Ans - c

.....

Creator of Trust is referred as

- a. Trustee
- b. Beneficiary
- c. Settlor
- d. Garnishee

Ans - c

.....

Who is the customer among the following?

- a. One who acts as an agent for one maintaining a deposit account.
- b. One who regularly gets Draft issued.
- c. One who maintains a Loan Account.
- d. One who regularly visits the bank.

Ans - c

.....

FIMMDA's guidelines cover the following products, except one:

- a. Call Money
- b. Cross Currency Interest Rate swaps
- c. Commercial Paper
- d. Certificate of Deposit

Ans – b

.....

In Manufacturing sector, small enterprises investment in plant and machinery is

- a. Less than 25 lakhs
- b. 10 Lakhs to 2 Crores
- c. 25 Lakhs to 5 Crores
- d. 5 Crores to 10 Crores

Ans – c

.....

While opening an account in the name of a Joint Hindu Family a JHF letter is obtained. It will be signed by?

- a. Karta
- b. Adult Coparceners
- c. Minor Coparceners
- d. Only by a and b

Ans - d

.....

The measurement and evaluation of progress against the goals and targets of plans falls under...

- a. Planning
- b. Implementation
- c. Control and review
- d. Analysis

Ans – c

.....

.....

ABC Company purchased Hear Music and began making compilation music CDs to play and sell in its stores. It has also tested new restaurant concepts. It is considering which of the following strategies?

- a. Product development
- b. Market development
- c. Diversification
- d. Market penetration

Ans - a

.....

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that Principal has died. Which of the following action you will take?

- a. Return the cheque
- b. Pay the cheque
- d. Confirm the legal heirs of the principle
- c. None of these

Ans - a

.....

Fortnightly average borrowing outstanding of Commercial Banks should not exceed more than % of their capital funds.

- a. 100
- b. 125
- c. 150
- d. 175

Ans - a

.....

The bank is required to comply with the execution of the award of banking ombudsman within the bank is required to comply with the execution of the award of banking ombudsman within;

- a. 7 days
- b. 15days
- c. 30days

d. 60days

Ans - b

Relationship between Banker & Customer in case of Deposit Account is

- a. Creditor- Debtor
- b. Bailer – Bailee
- c. Debtor – Creditor
- d. Licensor – Licensee

Ans - c

There is a joint account in the names of A and B to be operated upon by both of them jointly. On the death of A, the credit balance in the account is payable to

- a. B
- b. B and Legal heirs of A Jointly
- c. Either a. or b.
- d. None of these

Ans - b

What can be a characteristic of Physical Products?

- a. Inseparability
- b. Heterogeneity
- c. Homogeneous
- d. Perishability

Ans - c

Apart from Product, price and place, which is the other one in 4Ps?

- a. Profit
 - b. Plan
-

- c. Promotion
- d. People

Ans - c

The banking ombudsman may reject the complaint on the following grounds

- a. complaint is without sufficient cause.
- b. complaint is not pursued with reasonable diligence.
- c. there is no loss or damage or inconvenience suffered by the complainant.
- d. any one or all of the above

Ans - d

Which of the following is not true in respect of Guardian to Minor?

- a. Guardian of Illegitimate minor child – Mother
- b. Guardian of Hindu married minor girl – Girl's Father-in-law, If Husband Minor
- c. Testamentary Guardian becomes effective after death of father and mother
- d. Natural Guardian varies from religion to religion

Ans - b

Which of the following forms of business are permissible under BR Act:

- a. Borrowing
- b. Issuance of Letters of Credit
- c. Buying and selling of bullion
- d. All of the above

Ans - d

FIMMDA's general principles and procedures are applicable to:

- a. Fixed Income Markets
 - b. Money Markets
-

- c. Derivatives Markets
- d. All of the above

Ans - d

.....

Mode of communication capable of receiving and transmitting at all time (i.e. Two-way communication simultaneously possible) is

- a. Simplex
- b. Semi duplex or half duplex
- c. Duplex
- d. None of the above

Ans - c

.....

Which one doesn't offer voting rights?

- a. Equity shares
- b. Preference shares
- c. Bonus Shares
- d. Rights shares

Ans - b

.....

Which is not an objective of Test Marketing?

- a. To know how the consumers and dealers react to handling, using and repurchasing the actual product
- b. To learn the size of the market
- c. To test the product in authentic consumer settings
- d. All the above

Ans - d

.....

Mode of communication capable of receiving and transmitting both but only one at a time is

- a. Simplex
- b. Semi duplex or half duplex
- c. Duplex
- d. None of the above

Ans - b

Who is eligible to issue CPs?

- a. Corporates
- b. PDs
- c. FIs
- d. All of them

Ans - d

LC is issued by the opening bank on request of ...

- a. Seller
- b. Supplier
- c. Applicant
- d. Beneficiary

Ans - c

..... are not Commercial Banks

- a. Public Sector Banks
- b. Cooperative Banks
- c. Private Sector Banks
- d. Foreign Banks

Ans - b

The bank that makes payment to the beneficiary on receipt of documents as per terms of Letter of Credit is...

- a. Advising Bank
- b. Negotiating Bank
- c. Confirming Bank
- d. Opening Bank

Ans - b

Equity shares are issued on redemption of bond to the holder of bond.

- a. Coupon
- b. Convertible
- c. Preference
- d. Zero Coupon

Ans - b

NREP has been merged into :

- a. EAS
- b. NRY
- c. JRY
- d. PMRY

Ans - c

The deposit of cash under CRR requirement with RBI is requirement.

- a. Voluntary
- b. Discretionary
- c. Mandatory
- d. None of the above

Ans - c

A direct marketing channel is also called level channel

- a. Zero
- b. One
- c. Two
- d. Three

Ans - a

.....

In the recent years, important of marketing has increased due to ...

- a. Availability of information to customer
- b. Target and customised communications and offerings
- c. Consumer has wider choices
- d. All the above

Ans - d

.....

In a book built issue allocation, RIIs, NIIs and QIBs are in the ratio of

- a. 30:20:50
- b. 35:50:15
- c. 35:15:50
- d. 30:50:20

Ans - c

.....

Bank can grant loans against ...

- a. LIC Policy
- b. CDs
- c. FD issues other bank
- d. Mutual fund

Ans - a

.....

CIBIL came into effect with effect from?

- a.1999
- b.2000
- c.2001
- d.2002

Ans - b

.....

Which is not a retail deposit product?

- a. credit card
- b. term deposits
- c. senior citizen deposits
- d. No frills acct

Ans - a

.....

Marketing passes through the management functions of

- a. Analysing
- b. Planning
- c. Controlling
- d. All the above

Ans - d

.....

As per Foreign Exchange Regulation Act 1973 which one of the following forms is to be used by the exporter for declaring the exports made to all countries otherwise than by post?

- a. PP Forms
- b. G R Forms
- c. V P Forms
- d. COD Forms

Ans - b

.....

Which of the following conditions should be fulfilled by a business Enterprises providing any service under priority sector loans? (i) The original cost of equipment does not exceed Rs. 20 lac with a working capital limit of Rs. 10 lac or less, (ii) The aggregate of term loan and working capital should not exceed Rs. 20 lac

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Which of the following statements, is correct?

- a. RBI may decide interest rate to be charged by a Bank on individual loans
- b. Margin amount on secured loans can be decided by the RBI
- c. RBI may stipulate norms for the banks for the commission to be charged on guarantee
- d. Maximum amount of loan which can be considered by a bank to a single party having regard to the paid up capital, Reserves & Deposits of the individual.

Ans - a

Which of the following statements, is correct regarding nomination? (i) Two or more hirers of a locker with joint signatures may nominate one or more persons as nominee who may have access to the locker, (ii) Even a minor can appoint a nominee but a major person has to sign on its behalf, (iii) If the nominee dies before the death of the depositors, the nomination automatically terminates

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In case of Unitary elastic demand, the value of Ed is

- a. Zero
- b. One
- c. Infinite
- d. Greater than one

Ans - b

.....

Once a Bearer is always a bearer is applicable in respect of

- a. A bill of exchange payable after 90 days
- b. A cheque
- c. A demand promissory note
- d. A certificate of deposit

Ans - b

.....

Blue chip securities refer to

- a. shares of any company
- b. shares of companies, which are listed at any of the stock exchange
- c. shares of good companies
- d. All of the above

Ans - c

.....

When a bank lends money to the corporate person the relationship between bank and corporate person is

- a. borrower and lender
- b. creditor – debtor
- c. debtor - creditor
- d. customer and client

Ans - b

.....

Garnishee order is issued by

- a. Police Officer
- b. Revenue Officer
- c. CBI
- d. Courts of Law

Ans - d

The various dangers to any computer system can be classified as (i) Physical damage due to natural calamities, (ii) Damage due to operational problems like power failure, System malfunction etc, (iii) Human errors

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Attachment order is issued by (i) Income Tax Officer, (ii) Public Debt Officer, (iii) Sales Tax Officer

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

The mortgagor who has redeemed the mortgage is entitled on redemption to the following right

- a. To get back from the mortgagee, the mortgage deed and all the other related documents
 - b. To obtain possession of the mortgaged property
 - c. To have the mortgaged property re transferred at his cost to him or to such third person as he may direct
-

d. All of the above

Ans - d

The DSS and ESS bring about a lot of transparency in

- a. Data Processing System
- b. Cheque Processing
- c. Decisions Making Process
- d. Withdrawal Processing

Ans - c

Total investments made in all subsidiaries and other entities that are engaged in financial services activities together with equity investments in entities engaged in non financial services activities should not exceed of the bank's paid-up share capital and reserves

- a. 5 percent
- b. 10 percent
- c. 20 percent
- d. 25 percent

Ans - c

Choose the correct statement/s about RTGS (i) RTGS went live on March 26, 2004 for settlement of inter-bank transactions, (ii) From April 29,2004. the RTGS has been opened for the settlement of customer transactions, (iii) The receiving bank is under an obligation to credit the beneficiary customer's account within two hours of receiving the credit notification at its payment systems gateway

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Eligibility Criteria for banks to apply for PD licence (i) Minimum Net Owned Fund of 1,000 crore, (ii) Minimum CRAR of 9 per cent, (iii) Net NPAs of less than 3 per cent and a profit making record for the last three years

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

What type of function is carried by the banks under bancassurance?

- a. the banks develop their own insurance products and sell to their customers
- b. the banks develop their own insurance products and sell through of other companies
- c. the banks distribute insurance products of other companies to their customers as agents
- d. the banks distribute insurance products of other companies to their customers as agents with with-risk or without-risk features

Ans - c

Which of the following statements, is correct? (i) Banks are required to submit a return of unclaimed deposits under section 26 of banking regulation Act, 1949, (ii) This includes all the accounts which have not been operated upon for ten years, (iii) The return of unclaimed deposits is required to be submitted on 31st March of every year

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is not a function of capital market regulatory authority i.e. SEBI, in India?

- a. regulation of debt market
-

-
- b. control over the equity market
 - c. framing the rules for pension funds
 - d. supervision over listed companies

Ans - c

.....

All pre-paid payment instruments issued in the country shall have a minimum validity period of from the date of activation/issuance to the holder.

- a. One month
- b. Three months
- c. Six months
- d. Twelve months

Ans - c

.....

Scheduled commercial banks (SCBs) and primary dealers (PDs) have been allowed with effect from November 2006, to cover their short positions within an extended period of

- a. five trading days
- b. two trading days
- c. short sales not permitted
- d. none

Ans - a

.....

Real Time Gross Settlement System means a payment system in which

- a. both processing and final settlement of funds transfer instructions can take place continuously
- b. final transaction takes place at the end of the day
- c. final payment is physically effected within 24 hours
- d. Final settlement of funds take place at 3 PM daily

Ans - a

.....

.....

.....
A computer network mainly used to share

- a. Data
- b. Software
- c. Hardware
- d. All of the

Ans - d
.....

Audited copies of Balance sheet is to be submitted to (i) 3 copies to RBI, (ii) 3 copies to Registrar of Companies, (iii) Annual General Body Meeting

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d
.....

What is the maximum time limit for publishing a bank balance sheet in the newspaper?

- a. Within 2 months from the date of balance sheet
- b. Within 3 months from the date of balance sheet
- c. Within 6 months from the date of balance sheet
- d. No such time limit

Ans - c
.....

The Officer who Issues a Notice under SARFAESI Act should be at least

- a. Branch Manager
- b. Chief Manager
- c. Assistant General Manager
- d. Deputy General Manager

Ans - b
.....
.....

Which is not correct with regard to Marketing?

- a. Focus is on the consumer
- b. Marketing is a broader concept than selling
- c. Focus is on the products
- d. Profit maximises with customer satisfaction

Ans - c

.....

Based on Product, markets can be grouped into

- a. Real Estate Market
- b. Regional Market
- c. Cash/Spot Market
- d. Commodity Market

Ans - a

.....

What is the time period under SARFAESI Act for replying the borrower, in case he raises an objection for possession of the asset:

- a. 60 days
- b. 30 days
- c. 7 days
- d. 3 days

Ans - c

.....

Govt. Securities are called gilt-edge securities because (i) these securities carry fixed interest rate, (ii) they are easily realizable, (iii) their prices generally do not fluctuate adversely

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

A withdrawal slip is a

- a. Cheque
- b. Bill of Exchange
- c. Promissory Note
- d. All of these

Ans - c

Eligibility Criteria for Scheduled commercial banks (AD Category I) to become trading/clearing members of the currency derivatives segment to be set up by the stock exchanges recognized by SEBI (i) Minimum Net Owned Fund of 500 crore, (ii) Minimum CRAR of 10 per cent, (iii) Net NPAs of less than 3 per cent and a profit making record for the last three years

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Some banks are using mobile mounted on trucks to offer regular cash withdrawal like pension payments at remote areas.

- a. Cheque Dispenser Machines
- b. ATMs
- c. Cash Dispenser Machines
- d. Both a and b

Ans - c

Smart card (i) has an integrated circuit with microprocessor chip embedded in it so that it could perform calculations, maintain records and act as electronic purse, (ii) has built in facility for protection against fraudulent operations, (iii) can either be rechargeable or exchangeable

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
-

-
- c. Only (ii) and (iii)
 - d. (i), (ii) and (iii)

Ans - d

.....

Which of the following is the advantage of bancassurance business to banks (which one cannot be included)? (i) improved customer retention and overall customer satisfaction, (ii) higher employee productivity, (iii) means of earning risk free non-interest income

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Phone are sophisticated electronic devices that can deliver E-mail, their focus away from the domestic market to the

- a. Ordinary
- b. Intelligent
- c. Smart
- d. Both a and b

Ans - c

.....

Under the finger print identification systems, the customers use bank cards wherein the ___ of the index finger stored on the magnetic strip on the card is used to match the impression with that scanned at the time of making withdrawal

- a. Magnetic Ink Impression
- b. Ink Impression
- c. Embossed Impression
- d. Digitized Impression

Ans - d

.....

.....

Bailor – bailee relationship is applicable in

- a. cash deposited with cashier by customer
- b. safe deposits locker
- c. demand draft issued by bank
- d. keeping articles in safe custody with bank

Ans - d

.....

Which of the following is the supplementary liquid reserve requirements of banks, in addition to CRR?

- a. CRAR
- b. Marginal Ratio
- c. SLR
- d. CAR

Ans - c

.....

Motor car for a busy doctor is a

- a. Necessary
- b. Comfort
- c. Luxury
- d. None of these

Ans - a

.....

Wrist watch for a college student is a

- a. Necessary
- b. Comforts
- c. Luxury
- d. None of these

Ans - a

.....

Match the following:

- i) IRDA a. Insurance
- ii) Garnishee Order b. Judgement debtor
- iii) ATMs c. Assignment
- iv) Book debt d. E- Banking

- a. i-D,ii-C,iii-A,iv-B
- b. i-A,ii-B,iii-D iv-C
- c. i-B,ii-A,iii-D,iv-C
- d)i-D,ii-C,iii-B,iv-A

Ans - b

.....

State which of the following statement/s is/are correct? (i) KYC norms is applicable only to deposit accounts, (ii) A cash credit facility is a fund based limit, (iii) An incomplete negotiable instrument is called as an inchoate instrument

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

In addition to the normal services as defined in the Banking regulation Act, banks also undertake activities like project appraisal, underwriting of issue, technical know how etc. This business is called

- a. Consultancy services
- b. Bancassurance
- c. Merchant banking
- d. Advisory services

Ans - c

.....

Under National Electronic Funds Transfer (NEFT), bank to afford credit to beneficiary accounts immediately upon completion of a batch or else return the transactions within hours of completion of batch settlement, if credits are unable to be afforded

- a. immediately
- b. half an-hour
- c. one hour
- d. 2 hours

Ans - d

The functions of purchase of receivable, maintenance of receivable ledgers and collection of dues on due date, under factoring becomes the function of

- a. Seller
- b. Factor
- c. Buyer
- d. a & c

Ans - b

You have a current account of XYZ Limited, a public company, account is operated by its managing director and one more director singly. You receive a notice of death of managing director and another notice that liquidation process has been initiated against the company. Two cheques signed by them (one each) are received for payment. What will be bank do?

- a. Cheque signed by director will be paid and other cheque signed by managing Director will be returned
- b. Both the cheques will be paid as the directors are only agents
- c. Both the cheques will be returned as with liquidation process the powers of Board of Directors have ceased
- d. Cheques are issued for the purpose of the company, due to which these can be paid

Ans - c

Which of the following is at zero channel level?

- a. Retailer
- b. Jobber
- c. Internet
- d. Wholesaler

Ans - c

In which of the following accounts, the funds (the principal and interest) can be repatriated outside India?

- a. FCNR, NRO account only
- b. NRO, NRE accounts only
- c. FCNR, NRE only
- d. None of the above

Ans - c

A crossing is direction of the drawer to Which among the following is not correct?

- a. General crossing - to collection bank
- b. Not-negotiable crossing - to collecting bank
- c. Account payee crossing – to paying bank
- d. All are correct

Ans - c

Garnishee order is issued by

- a. Police Officer
- b. Revenue Officer
- c. CBI
- d. Courts of Law

Ans - d

Which of the following instrument has three parties i.e.drawer, payee and drawee, to the instrument?

- a. Bill of exchange and cheque
- b. Bill of exchange and promissory note
- c. Promissory note and cheque
- d. Promissory note and demand draft

Ans - a

A cheque is received for payment with amount mentioned only in words. The banker would

- a. as per NI Act,honour the cheque for the amount in words
- b. dishonour the cheque because no amount is mentioned in figures
- c. to safe guard the bank's interest return the cheque with reason:words and figure differs
- d. none of the above

Ans - c

Which of the following represent the acronyms of age groups? (i) PUPPIES, (ii) SKIPPIES, (iii) DINKS

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is not the characteristic of physical product?

- a. Tangible
- b. Core value produced in factory
- c. Heterogeneous
- d. Transfer of ownership possible

Ans - c

A is a type of transferable financial instrument which is traded at local stock exchange of a country but represents a security (usually, in the form of equity) which is issued by a foreign publicly listed company

- a. American Depository receipt
- b. Depository Receipt
- c. Global Depository Receipt
- d. Foreign Convertible Bonds

Ans - b

Bank A grants an overdraft to ABC Ltd against book debts. This is secured by

- a. hypothecation
- b. pledge
- c. mortgage
- d. assignment

Ans - d

On the request of its customer B, Commercial Bank's branch, transferred the account to its branch. A cheque was presented on the first (transferor) branch which it returned with thereason 'refer to drawer'. Customer claimed damages from the bank

- a. Bank is liable to the customer for not having returned the cheques with a proper reason
- b. Bank is liable to the customer for having returned the cheques if the balance in the other branch was adequate, where account was transferred.
- c. Bank is not liable to the customer, as the cheque could not have been paid, otherwise.
- d. None of the above

Ans - a

Which of the following is not a feature of an 'account payee crossing'?

- a. It is defined as per Section 130 of NI Act
 - b. Its payee is holder only
 - c. It can be endorsed and transferred any no. of times
-

d. All the above

Ans - d

Where by any case other than the wrongful act or default of the mortgage or mortgagee, the mortgaged property is wholly or partially destroyed or the security is rendered insufficient and the mortgagor has not provided enough further security, the mortgagee has a right to file a suit in a court of law for the mortgage money. A security is considered insufficient unless the value of the mortgaged property exceed the amount for the time being, by

- a. one-third, or if consisting of building, exceeds by one-half
- b. one-half or if consisting of building exceeds by one-third
- c. one-third in both cases
- d. one-half in both cases

Ans - a

The Urban Cooperative Banks are regulated by

- a. RBI
- b. NABARD
- c. Registrar of Coop Societies of the State Govt
- d. SEBI

Ans - a

The facility that enables Indian exporters to extend term credit to importers of eligible goods at the post-shipment stage is called

- a. buyer's credit
- b. channel financing
- c. seller's credit
- d. supply chain partnering

Ans - c

U/s 35-A of Banking Regulation Act, a banking company, before allowing transfer of shares is required to obtain RBI acknowledgment if such transfer results in holding more than % of the paid up capital of the bank

- a. 2
- b. 5
- c. 7.5
- d. 10

Ans - b

Under provisions of which of the following relating to account of a customer can be disclosed (a) as per banking practices (b) as per provisions of the law (c) as per implied or express consent of the customer (d) disclosure in public interest?

- a. a, b and d only
- b. b, c and d only
- c. a, b and c only
- d. a to d all

Ans - d

..... Market provides a platform for trading of existing securities and price discovery thereof

- a. Primary market
- b. Secondary market
- c. Money market
- d. Insurance market

Ans - b

under which of the following circumstances, a bank need to give notice to the customer, before exercising right of set off?

- a. When customer has expired
- b. When customer has gone abroad indefinitely
- c. When garnishee order has been received

d. When attachment order has been received

Ans - b

Mr. Ashok Kumar issues a power of attorney in favor of Mr. Amit Kumar in July 31, 2017 and dies on December 03, 2017. Your branch receives (on Dec 26, 2017) through clearing house, two cheques, one of which is signed by Mr. Ashok Kumar, on Dec 12, 2017. Which cheques will be paid?

- a. Both the cheques will be paid, if there is balance in the account
- b. Both the cheques will be return
- c. Cheques signed by Mr. Ashok Kumar will be paid as the cheques was signed before death
- d. Cheques signed by Mr. Amit Kumar will be paid, as he is alive

Ans - b

Certain category of banks in India are incorporated under the provisions of Companies Act 1956 which mainly include

- a. Public sector banks, private banks and foreign banks
- b. RRBs, private banks and foreign banks
- c. private banks and foreign banks
- d. private banks, foreign banks and Coop banks

Ans - c

Bank A and Bank B have been combined into a single bank. Where bank A survived and Bank B lost its corporate identity. This is called

- a. Alliance
- b. Merger
- c. Acquisition
- d. Consolidation

Ans - b

..... is the first national level. Network in India which was commissioned in February 1991

- a. Internet
- b. INET
- c. BANKNET
- d. VSAT

Ans - c

.....

Impact of IT on banks can be

- a. change in organisational structure
- b. change in organisational orientation
- c. change in service delivery channel
- d. All of the above

Ans - d

.....

The fear psychosis rings the air with the spread of IT and the impact is felt cutting across all levels of management of functional areas. These fears may be described as (i) Job Content-losing of one's skills and expertise, (ii) Job Security, (iii) Authority Dilution

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following statement is false?

- a. In Stored value card monetary value is stored in the card itself
- b. In Stored value card credit limits are generally provided by the card issuer
- c. Stored value card is a prepaid card and card issuer is not a bank but a service provider
- d. In prepaid card the value of the card lying in the deposit account linked at the back end

Ans - b

.....

A holder for value is

- a. A bank allows one of its clients to withdraw against clearing of a cheque.
- b. A bank which maintains high net worth customers accounts
- c. A bank which collects cheques for non customers
- d. A bank which handles high value clearing cheques

Ans - a

.....

A charge against property for an amount of debt where neither ownership nor possession is passed to the creditor is known as

- a. Pledge
- b. Hypothecation
- c. Mortgage
- d. Lien

Ans - b

.....

Which among the following is a false statement?

- a. Signature of the payee or endorsee for negotiation of the cheque is called endorsement
- b. Endorsement can be only on the back side or separate sheet of paper called allonge
- c. A cheque can be endorsed for any number of times
- d. Endorsement is possible on bill of exchange, promissory note and cheque

Ans - b

.....

Which of the following endorsements match their description?

- a. Pay to X Rs.10000 and Y Rs.2000 (the cheque is for Rs.12000)- partial endorsement
- b. Pay to X only-restricted endorsement
- c. Pay to X when he returns from UK-conditional endorsement
- d. Pay to X without my responsibility – sans recourse endorsement

Ans - a

.....

Which of the following is not the level of the product?

- a. Potential product
- b. Augmented product
- c. Product line
- d. Expected product

Ans - c

.....

A Government Security is the security which is issued by the Government to raise a public loan and issued in the form of (i) Bearer bonds, (ii) Promissory notes, (iii) Stock certificates

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The mechanism for pooling resources from the public by issuing units to them and investing the funds, so collected in securities in accordance with objectives disclosed in an document, is called

- a. Public issue
- b. Mutual fund
- c. Securitization
- d. Initial public offering

Ans - b

.....

A post-dated cheque is returned by the bank without payment because, the bank is exposed to the following risk (a) customer dies before date of the cheque (b) if garnishee order is received before date of the cheque (c) if payment is stopped by the drawer before date of the cheque (d) if another cheque is returned for insufficiency of funds, after date of the post-dated cheque

- a. a, b and c are correct
- b. a to d all are correct

- c. a, c and d only are correct
- d. b, c and d are correct

Ans - a

A Transaction processing system reflects any changes in the books of the instantaneously.
(i) Real-time, (ii) On-line, (iii) Batch

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Small and relatively new banks with limited network of branch become better placed to compete with established banks, by integrating in their operations.

- a. Customer advice
- b. Customer share
- c. Advertising agencies
- d. Information technology

Ans - d

Under the finger print identification systems, the customers use bank cards wherein the ___ of the index finger stored on the magnetic strip on the card is used to match the impression with that scanned at the time of making withdrawal

- a. Magnetic Ink Impression
- b. Ink Impression
- c. Embossed Impression
- d. Digitized Impression

Ans - d

One of the following is a target group for the marketing of educational loan

- a. All the customers
- b. Students
- c. Only poor students
- d. Students having promising educational track record

Ans - b

.....

Cardholder's data can be well protected through (i) Firewall Configuration, (ii) Effective Encryption, (iii) Digital Encryption

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following is not a function of SEBI?

- a. To regulate securities market
- b. To protect the interest to investors in securities
- c. To promote the development of securities market
- d. None of the above

Ans - d

.....

Direct marketing channel functions which channel level?

- a. One level
- b. Two level
- c. Zero level
- d. Three level

Ans - c

.....

Bank B made payment of a cheque with following endorsements. In which of these cases the payment will not be deemed to be a payment in due course?

- a. Endorsement by X the payee, in favour of Mr. Y and the cheque has not negotiable crossing.
- b. Endorsement by X, to Y, Y to Z and Z to A
- c. Endorsement by Renu wife of Mr. Sunil Kumar, while the cheque is in favour of Mrs. Sunil Kumar
- d. Endorsement by X the payee in favour of Mr. Y while the cheque is having payee's account crossing

Ans - d

Weaker sectors include (i) Small and Marginal farmers, (ii) Landless laborers, tenant farmers, artisans and village and cottage industries where credit limit does not exceed Rs.25000, (iii) Beneficiaries under SGSY, SJSRY, SLRS

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Hot listing of Credit card means

- a. enhancement of amount of limit in the card
- b. blocking the operations of the card
- c. reducing the amount of limit in the card
- d. listing the card on more than one network

Ans - b

Adding a standard mark up to the cost of the product refers to

- a. Inelastic
 - b. Price elasticity
 - c. Break-even price
-

d. Cost-plus price

Ans - d

The Debit card offers

- a. revolving credit for certain period
- b. payoff the entire amount of card usage
- c. online recover of amount of card usage
- d. all of above

Ans - c

Merchant bankers' activity relate to

- a. Equity and equity related finance
- b. Debt and Debt related finance
- c. Fund Business
- d. Non-Fund business

Ans - a

Trust receipt refers to

- a. receipt issued by any trust
- b. donation receipt of charitable trust
- c. a document containing promise from the borrower to hold goods or their sale proceeds as trustee for the banker.
- d. Any of the above

Ans - c

The most visible of impact of technology is reflected in the way the banks respond for making its effective used for efficient service delivery.

- a. Technically
-

- b. Operationally
- c. Strategically
- d. Financially

Ans – c

In early stages computers were being used as Systems in organization Fulfilling their own requirements.

- a. Stand-alone
- b. Network Systems (LAN)
- c. Satellite Network Systems
- d. Microwave Systems

Ans - a

A Transaction processing system reflects any changes in the books of the instantaneously.
(i) Real-time, (ii) On-line, (iii) Batch

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

What steps have been taken by banks to counter the high turnover rate of IT professionals? (i) Banks have given life time job security to employees, (ii) Banks have set up their In-House Centre for Software Development, Maintenance and manpower training, (iii) Banks have offered motivational incentives

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Mobile Banking offers the following (i) Withdrawal of cash anywhere in India, (ii) Statement of account for a specific period, (iii) Transfer of funds from one account to another account

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

The maximum shareholding of a stock exchange by a single investor, is restricted to

- a. 2%
- b. 5%
- c. 10%
- d. 15%

Ans - b

In Modems (whose the wrong one) (i) Digital signals are amplified, (ii) Several digital signals are multiplexed, (iii) AC is converted DC

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Basic component of a data Communication System is

- a. Transmitting/Receiving devices
- b. Interface equipments
- c. Transmission medium
- d. Transmission Processors

Ans - a

The demand for commodity on which a consumer spends more percentage of his income is

- a. More elastic
- b. Less elastic
- c. Unity
- d. None of these

Ans - a

.....

An activity of intangible nature to satisfy the customer requirement is called as...

- a. Marketing
- b. Services
- c. Products
- d. None of the above

Ans - d

.....

Sales are declining, profits are declining and competition is increasing. These indicate that the product may be in

- a. Introduction stage
- b. Decline stage
- c. Growth stage
- d. None of the above

Ans - b

.....

Which one is not a non-fund based service?

- a. Collection of bills and documents
- b. Letter of Credit
- c. Bill discounting
- d. Bank guarantee

Ans - c

.....

The three layers of packaging are

- a. Primary, secondary, tertiary packaging
- b. Primary, secondary and shipping packaging
- c. Shipping, inner and outer packing
- d. None of the above

Ans - b

.....

By making a table, a carpenter creates

- a. Form utility
- b. Place utility
- c. Service utility
- d. None of these

Ans - a

.....

The satisfaction of human want is called

- a. Consumption
- b. Production
- c. Distribution
- d. None of these

Ans - a

.....

The objectives of price can be

- a. Profit
- b. Market share
- c. cash flow
- d. All the above

Ans - d

.....

RBI approval is required for appointment of a chairman of a bank. Which of the following statements, is correct? (i) RBI approval is required for appointment of a chairman of a bank, (ii) RBI is empowered to remove top managerial personnel of a bank, (iii) RBI may appoint suitable person in place of the person so removed

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which is/are correct as regard to smart/debit cards? (i) Banks are generally extending this facility to savings/current account, fixed deposit account holders with built in liquidity features, (ii) Smart/Debit card facility is not extended to loan account holders

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Which of the following is an important reason for regulation of banking system? (i) to promote confidence of public in banking system, (ii) to protect interest of the investors, (iii) to ensure that the financial markets are efficient and transparent

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Participatory notes are not allowed to be issued to

- a. Foreigners
-

- b. Non-Residents
- c. PIOs
- d. None of these

Ans - c

.....

The small companies created exclusively to deal with Govt Securities are called...

- a. Mutual Funds
- b. Primary Dealers
- c. FIIs
- d. NBFCs

Ans - b

.....

A period of rapid market acceptance and increasing profits refers to which of the following stages of the product life cycle?

- a. Decline
- b. Maturity
- c. Introduction
- d. Growth

Ans - d

.....

In the call/notice money market the following participants are not allowed to trade (i) all corporates, (ii) Primary Dealers and Mutual funds, (iii) banks

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Time limit for settlement of claims in Deceased cases

- a. 30 days from the date of death
- b. 15 days from the date of death
- c. 15 days from the date of submission of all the documents
- d. 30 days from the date of submission of all the documents

Ans - c

A draft purchased is reported lost and the purchaser wants to stop the payment of the draft. What should the Bank do?

- a. Bank cannot stop payment since it is a promissory note.
- b. Bank can stop payment since covered under negotiable instrument.
- c. Bank can ask the purchaser to suffer for negligence and bank cannot help.
- d. Bank would issue stop payment instructions only after two weeks from date of issue.

Ans - a

Which among the following is not mentioned in the Memorandum of Association of a company?

- a. Objects of the company
- b. Authorized capital
- c. Powers of directors in conducting general affairs of the company
- d. Registered office

Ans - c

LAF relates to...

- a. Temporary loans to state govt by RBI
- b. Short term loans to Banks by RBI
- c. Temporary loans to central govt by RBI
- d. None of these

Ans – b

Nomination can be done in the case of (i) Individuals, (ii) Partnership, (iii) Sole Proprietorship

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – b

Treasury Operations is an example for

- a. Market Risk
- b. Operational Risk
- c. Credit Risk
- d. All of the above

Ans - c

The overall responsibility of risk management is assigned to...

- a. Risk Management Committee
- b. Board of Directors
- c. Risk management Group
- d. None of these

Ans - a

This kind of market does not exist on the basis of Geographical Area.

- a. Regional Market
- b. National Market
- c. Retail Market
- d. Global Market

Ans - c

.....
Diversification in which the new products or businesses have no relationship to the existing technology, products or market of the firm is called as

- a. Concentric diversification
- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans - c

.....
A social and managerial process by which individuals and organizations obtain what they need and want through value creation refers to which one of the following concepts?

- a. Selling
- b. Advertising
- c. Barter
- d. Marketing

Ans - d

.....
In the case of SRMS, what is the rate of subsidy for project cost of more than Rs.25,000/-? (i) 25% of the project cost, (ii) Minimum of Rs 10000 (iii) Maximum of Rs 20,000.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Minimum of Rs 12500

.....
Karan draws a cheque for Rs. 5,000 favouring Vignesh (a minor aged 12 years) or bearer. Vignesh presents the cheque on counter duly signed on the back. Bank should

- a. refuse, since no contractual capacity
- b. pay the cheque after inquiring with X

- c. pay to Vignesh without any responsibility of bank
- d. ask Vignesh to bring his parents

Ans - c

If loan given to agriculture is classified in Priority Sector. (i) Direct, (ii) Indirect

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Attachment order is issued by (i) income tax officer, (ii) sales tax officer, (iii) public debt office

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

A cheque drawn for Raj or order is stolen. The thief made endorsement as Raj on the cheque in his favour. The cheque is presented in clearing and paid by bank. True owner later on sent legal notice to bank. What is the liability of the bank?

- a. the paying bank will get protection under N.I. Act
- b. forgery does not give any rights to bank, hence liable
- c. under section 85, the paying bank is liable
- d. under section 131, the paying bank is liable.

Ans - a

Can Board of Directors of a Public Limited Company borrow in excess of the aggregate of the paid-up capital and its free reserves?

- a. Yes, after passing a resolution at a duly convened meeting of the Board
- b. Yes, after obtaining consent of the shareholders in its General Meeting
- c. No, it is prohibited under Section 293 of Companies Act
- d. Yes, Borrowing upto 200% of Paid Up capital & free reserves is permitted under Sec 293

Ans – b

A Limited Company can make a loan to any other body corporate and give a guarantee upto

- a. 60% of its paid-up share capital and free reserves
- b. 100% of its free reserves
- c. Higher of a and b
- d. Lower of a and b

Ans - c

Mandate is a/an agreement. (i) Stamped, (ii) Unstamped

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

Certification Test for marketing & selling of mutual fund products is conducted by

- a. SEBI
- b. NSE or BSE
- c. AMFI
- d. RBI

Ans – c

Which one of the following doesn't come under the functions of SEBI in India?

- a. Supervision over listed companies
- b. Management of Payment System
- c. Control over Equity Market
- d. Regulation of Debt Market

Ans - b

.....

Which is not a criteria generally adopted for short listing the ideas generated?

- a. Should build on the resources and the skills of the firm
- b. Should be suggested by the staffs
- c. Should have sufficient market potential
- d. Should fit into the overall strategy of the firm

Ans - b

.....

No-frills savings bank account, multi-city cheque book facility of savings bank account are example for

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - a

.....

Which one doesn't belong to Money Market?

- a. T. Bills
- b. Commercial Papers
- c. PSU Bonds
- d. Certificate of Deposits

Ans - c

.....

Normally, the amount of advance payment made to the seller by the buyer before issue of guarantee is...

- a. 5-10%
- b. 10-15%
- c. 15-20%
- d. 20-25%

Ans - b

Customer keeps certain valuables with the bank for safe-keeping. Here the bank is a

- a. Debtor
- b. Creditor
- c. Trustee
- d. Lessee

Ans - c

RBI notifies CRR under Act

- a. Section 24 of the Banking Regulation Act
- b. Section 42 of the Banking Regulation Act
- c. Section 24 of the RBI Act
- d. Section 42 of the RBI Act

Ans - d

The rate at which RBI lends to banks under the Liquidity Adjustment Facility (LAF) is called

- a. Repo Rate
- b. Reverse Repo Rate
- c. Bank Rate
- d. Cash Reserve Ratio

Ans - a

Retail loans are generally given for the duration of

- a. 2-7 years
- b. 2-5 years
- c. 5-7 years
- d. None of these

Ans - c

.....

Marketing management comprises key functional aspects.

- a. 3
- b. 4
- c. 5
- d. 6

Ans - b

.....

Bank loans to are covered under Priority Sector as Indirect advances. (i) corporates directly engaged in Agriculture and Allied Activities to an aggregate limit of more than 2 crore, (ii) Bank loans to Farmers' Service Societies (FSS), Bank loans to Primary Agricultural Credit Societies

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

ATM cards are issued to a person who maintains any of following accounts with the bank
(i) Savings bank Accounts, (ii) Current Accounts, (iii) Term Deposits

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

All the customers are charged with a single price without any discrimination is called ...

- a. Dynamic Price
- b. Fixed Price
- c. Single Price
- d. Variable Price

Ans - b

.....

The Advance Value on LIC Policy is linked with

- a. Face Value
- b. Surrender Value
- c. Paid Up Value
- d. Depending on the Age of the Policy Holder

Ans - b

.....

PDs are permitted to borrow on an average in a reporting fortnight to the extent of % of their total Net Owned Funds as at the end of March of the previous financial year in the call/notice money market.

- a. 75
- b. 175
- c. 225
- d. 275

Ans - c

.....

The market trading timings for Government Securities are from AM to PM

- a. 9, 4
- b. 9, 5
- c. 10, 4
- d. 10, 5

Ans - b

.....

Section 45ZA to 45ZF relate to Nomination in (i) Deposit, (ii) Safe custody, (iii) Locker accounts

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The minimum tenor of issue of CPs can be days.

- a. 7
- b. 14
- c. 30
- d. 91

Ans - a

The banking ombudsman receives maximum number of complaints in respect of;

- a. foreign bank
- b. public sector bank
- c. regional rural bank
- d. co- operative bank

Ans - b

Vaidyanathan Committee's report relates to revival of

- a. RRBs
- b. NBFCs
- c. Cooperative Credit Structure
- d. Nationalised Banks

Ans - c

The Third Pillar under BASEL II is?

- a. market discipline
- b. disclosure norms
- c. minimum capital requirement
- d. supervisory review

Ans - a

.....

After close of business hours by 3.30 hrs. the account holder himself availed payment. At 4.30 p.m. income tax attachment order is received by bank. What would be the liability of paying bank?

- a. payment is made in due course and as payment is debitible next day, bank is protected.
- b. payment is not in due course since paid after reasonable time.
- c. attachment order will be effective after bank's right of lien over the late payment bank
- d. should approach the customer to get the order changed to next day.

Ans - b

.....

For creating Equitable Mortgage by Deposit of Title Deeds, the property must be situated in
(i) Where EM is created, (ii) Any where in India.

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

Mr. Ram has a bank account and credited Rs. 5 lakh in it. Subsequently he was arrested on charge of fraud. The police informed the bank not to allow withdrawals from his account. Two days later, bank receives a cheque of Rs. 15,000 favouring Ram's creditor. Bank should

- a. not to pay cheque
 - b. return cheque with memo stating A/c holder in jail
 - c. honour the cheque
-

d. get police orders for payment

Ans - c

As per MSMED Act, the buyer has to pay penalty, if he fails to pay the amount to the supplier within

- a. 30 days
- b. 45 days
- c. 60 days
- d. 90 Days

Ans - b

..... % of small enterprises advances should go to micro enterprises in case of foreign banks.

- a. 20
- b. 40
- c. 60
- d. 80

Ans – c

Breakdowns in internal controls is an example for

- a. Market Risk
- b. Operational Risk
- c. Credit Risk
- d. All of the above

Ans – b

In Manufacturing sector, medium enterprises investment in plant and machinery is

- a. Less than 25 lakhs
 - b. 25 Lakhs to 5 Crores
-

- c. 2 Crores to 5 Crores
- d. 5 Crores to 10 Crores

Ans - d

Which one doesn't fall under Multi-user Systems?

- a. Mini computers
- b. Micro-computers
- c. Stand Alone Computers
- d. Main Frame Computers

Ans - c

Branches send the information to head office covering branch profile containing

- a. Standing data file (SDF form)
- b. Performance report file (PRF)
- c. Both a and b
- d. Neither a nor b

Ans - c

The process of product development comprises of main stages?

- a. 3
- b. 4
- c. 5
- d. 6

Ans - c

Diversification in which the new products appeal to the existing customers though the products are technologically unrelated to existing product lines is called as

- a. Concentric diversification
-

- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans - b

PDs are permitted to lend on an average in a reporting fortnight to the extent of % of their total Net Owned Funds as at the end of March of the previous financial year in the call/notice money market.

- a. 25
- b. 50
- c. 75
- d. 100

Ans - a

What can be a characteristic of Service Products?

- a. Transfer of ownership possible
- b. Tangible
- c. Homogeneous
- d. Perishability

Ans - d

As per MSMED Act, if the buyer fails to pay the amount to the supplier within 45 days, he has to pay compound interest to the supplier on the amount with monthly interest at of the bank rate.

- a. two times
- b. three times
- c. four times
- d. five times

Ans - b

Trading of securities of a particular company at a stock exchange can be suspended by

- a. RBI
- b. Central Govt
- c. SEBI
- d. AMFI

Ans - c

Which one is not a Commonly forfeited instrument?

- a. Promissory notes
- b. Bills of exchange
- c. Drafts
- d. None of these

Ans - d

Clearing house facilities of securities is provided by

- a. SEBI
- b. Stock Exchanges
- c. RBI
- d. Clearing Corporation of India

Ans - b

RBI introduced the ECS-RAPID in?

- a. 1983
- b. 1987
- c. 1993
- d. 1997

Ans - d

The purchase amount is debited to the customers a/c immediately after the transaction in

- a. Debit Card
- b. Credit Card
- c. Charge Card
- d. Smart Card

Ans - a

.....

Pick the odd one.....

- a. Commercial Banking
- b. Retail Banking
- c. Wholesale Banking
- d. Corporate Banking

Ans - b

.....

As per SGSY, who will not be member of the team while selecting the Swarozgaris?

- a. BDO
- b. Banker
- c. BPL Families
- d. Surpanch

Ans - c

.....

Under group loan (SGSY), the group is entitled to a subsidy of % of project cost.

- a. 20
- b. 30
- c. 40
- d. 50

Ans - d

.....

Banker's lien is not applicable in case of (i) Safe custody, (ii) debts not due, (iii) Securities left negligently

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Sameer issued a cheque at 4:30 p.m. (one hour after close of business hours of the bank) to Ranjit. Ranjit approached the bank and on request got paid the money at 4:45 p.m. as late payment. Sameer reached the bank and stopped payment of cheque issued to Ranjit at 4:50 p.m. on the same day. Who is liable for loss?

- a. Payment after business hours is not a payment in due course hence bank is liable, Section 10 N.I. Act.
- b. Payment even though after business hours but within banking hours is protected under Section 31.
- c. Payment late for today is protected under Section 85.
- d. Refused to accept stop payment instructions since late for today.

Ans - a

If both duplicate and original drafts are presented in Clearing, Bank should pay (i) original and return Duplicate (ii) Pay duplicate and return Original

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

In Service sector, medium enterprises investment in equipment is

- a. Less than 25 lakhs

- b. 25 Lakhs to 5 Crores
- c. 2 Crores to 5 Crores
- d. 5 Crores to 10 Crores

Ans – c

.....

The software that consists of all the programs, languages and documents supplied by the manufacturer of the computers is called: (i) application software, (ii) system software

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

The highest percentage of victims of computer crime are in

- a. Banks
- b. Commercial Users
- c. Government
- d. University

Ans - b

.....

The minimum percentage of Priority Sector advances to be maintained by foreign banks in India

- a. 40%
- b. 18%
- c. 32%
- d. 60%

Ans - c

.....

The board for financial supervision has a term of

- a. One year
- b. Two years
- c. Ten years
- d. No time limit

Ans - a

.....

In ECS-Credit (i) One account debited, number of accounts credited, (ii) One account credited, number of accounts debited

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

Examples of documents are (i) Word-processing files, (ii) Spreadsheets, (iii) Bitmaps

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Expand - CAD/CAM

- a. Computer Aided Development/Computer Aided Maintenance
- b. Computer Aided Design/Computer Aided Maintenance
- c. Computer Aided Development/Computer Aided Manufacturing
- d. Computer Aided Design/Computer Aided Manufacturing

Ans - d

.....

Which of the following is/are the sole authority for issuance of currency in India? (i) Controller of Currency, (ii) Government of India, (iii) Reserve Bank of India

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following do not fall under qualitative methods of credit control adopted by Reserve Bank of India? (i) Selective Credit Control, (ii) Credit authorization scheme, (iii) Moral sausion

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Company marketing mix that target market segments very broadly is called

- a. mass marketing
- b. segmented marketing
- c. niche marketing
- d. micromarketing

Ans - a

Recipients listed in the BCC field receive a copy of the message, but are not shown on (i) Any other recipient's copy (excluding other BCC recipients), (ii) Any other recipient's copy (including other BCC recipients)

- a. Only (i)
 - b. Only (ii)
 - c. Either (i) or (ii)
-

d. Both (i) and (ii)

Ans - b

Situation in which company targets whole market with one similar offer is called as

- a. mass marketing
- b. segmented marketing
- c. niche marketing
- d. micromarketing

Ans - a

Bank cannot use the services of one of the following person/association/organisation as intermediaries in providing financial and banking services through the use of business facilitator and correspondent models

- a. non-governmental organizations
- b. self-help groups (NGOs/SHGs)
- c. village sarpanch
- d. Micro Finance Institutions (MFIs)

Ans - c

The intention of provisions of shareholders Rights is to, (i) To prevent the shareholders of a Bank from securing control over the management, (ii) To prevent preferential Rights on the Assets of the company

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Pick the correct statement about credit cards (i) Credit cards used in those establishments only which have agreed to accept them for which the card-issuing bank/institution enters into agreement with them, (ii) Some banks provide the facility of cash withdrawal through credit cards from any of their branches and/or ATMs subject to a certain monetary ceiling per transaction per month, (iii) Credit cards are allowed to be used by the card holder only

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Promotion has to be given a little more importance in marketing services due to the

- a. Hybrid offer
- b. Tangible and intangible characteristics
- c. Pure service
- d. Tangible good with accompanying services

Ans - b

Which is the form of the element of promotion mix among?

- a. Personal selling
- b. Advertising
- c. Sales promotion
- d. All of the above

Ans - d

What is the advantage of demutualized stock exchange over the mutual stock exchange? (i) the ownership is different from trading interest, (ii) the management is different from ownership and trading, (iii) the trading is different from the ownership and management

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
-

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Top Executives of banks look at IT as a requirement and apply it for improving organizational efficiency and effectiveness.

- a. Employee
- b. Functional
- c. Customer
- d. Financial

Ans - b

.....

Under RTGS (i) Bank will route payments through online messages to RBI's clearing cell, (ii) Each transactions will be cleared and settled independently on a minute-by-minute basis, (iii) The payee would have funds in his account within a maximum time frame of two hours of the settlement.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following was set up as an exclusive data communication network for banks in terms of recommendations of committee on communication network of banks?

- a. BANKNET
- b. SWIFT
- c. MICR
- d. All of the above

Ans - a

.....

Which are correct regarding Indo - Nepal Remittance Scheme? (i) A remitter can transfer funds up to Indian Rupees. 50,000, (ii) A remitter can transfer funds below Indian Rupees. 50,000, (iii) It is not necessary that the remitter should maintain an account with a bank in India.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. C, son of A, serves a legal notice through his advocate and objects payment to the nominee d. What action you will take?

- a. Payment will be made jointly to legal heirs of A & B
- b. Payment will be made to C
- c. Payment to D will be a valid discharge to Bank's Liability
- d. Payment to D will be stopped

Ans - c

Which of the following functions are carried by IRDA in India? (i) Regulator of insurance companies, (ii) Regulator of insurance products, (iii) Supervision of the general insurance market

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Stand-alone systems are best suited for the

- a. CBS
- b. Decision-making process

- c. Customer Service
- d. None of these

Ans - b

.....

Expand IFTP ...

- a. Inter-bank funds transfer processor
- b. Inter-bank funds transfer protocol
- c. Inter-bank file transfer protocol
- d. International file transfer protocol

Ans - a

.....

As per section 108 of Indian Evidence Act, 1872, Presumption of death can be raised only after a lapse of Years from the date of any person being reported missing

- a. 3 years
- b. 5 years
- c. 7 years
- d. 10 years

Ans - c

.....

'A' maintaining a SB A/c is reported missing for more than a year. Balance in his account is Rs 1 lakh. Which of the following is true regarding settlement of claim in this case?

- a. Claim can be settled only after a lapse of 7 years
- b. Claim can be settled after obtaining FIR, Non-traceable report issued by the police authorities & Indemnity from the claimant as per discretionary power of Branch Manager
- c. Claim can be settled after obtaining FIR, Non-traceable report issued by the police authorities & Indemnity from the claimant by AGM (Admin) of the respective region
- d. All are true

Ans - c

.....

The BBA asks Banks to contribute the LIBOR for each maturity and each currency.

- a. 4
- b. 8
- c. 16
- d. 32

Ans - c

.....

MIBOR was launched in year

- a. 1996
- b. 1997
- c. 1998
- d. 1999

Ans - c

.....

What is the relationship between the bank and RBI when the bank is handling the currency chest at its branch?

- a. Beneficiary and Trustee
- b. Agent and Principal
- c. Bailee and Bailor
- d. Trustee and Beneficiary

Ans - b

.....

Bank can grant loans against

- a. LIC Policy
- b. CDs
- c. FD issues other bank
- d. Mutual fund

Ans - a

.....

Vikash wants a demand draft striking the word 'Order' and writing the word 'Bearer'. How can the bank help him?

- a. Bearer Draft is unlawful under Section 31 of RBI.
- b. Bearer Draft can be issued like a cheque.
- c. Signature of the payee should be attested on the back of draft by the issuing branch.
- d. Attestation of the signature of the payee on a separate slip of paper by bank (without striking out the word 'Order' on draft).

Ans - d

Merchant bankers' activity are not related to (i) Debt and debt related finance, (ii) Fund Business, (iii) Non-Fund Business

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Long Form Audit Report (LFAR) is prepared and submitted by

- a. RBI inspectors
- b. Internal inspectors
- c. Statutory auditors
- d. Concurrent auditors

Ans - c

Which of the following is true in case a notice is received by your branch that an insolvency petition has been filed against or by a customer?

- a. Operation in the account should be stopped only when the customer is adjudicated as insolvent
- b. Operation in the account should be stopped from date of notice of insolvency petition itself

-
- c. Operation in the account should be stopped only when the Official Receiver requests in writing
 - d. None of these

Ans - b

.....

Mr. X is maintaining a Savings Bank Account with your branch. His son reports that he has become insane. Which of the following action you will not take?

- a. Operation in the A/c will be stopped after exercising due diligence in verifying the fact
- b. Balance in the A/c will be paid to the legal heirs of Mr X after obtaining affidavit & indemnity
- c. His son will be advised to approach any court for appointment of Official Receiver
- d. Balance in the A/c will be paid to the Receiver appointed by a court under Mental Health Act

Ans - b

.....

The word 'FTP' stands for

- a. File Translate Protocol
- b. File Transit Protocol
- c. File Typing Protocol
- d. File Transfer Protocol

Ans - d

.....

Mr. X has been declared insolvent. You receive a cheque for payment drawn by Mr. X as a trustee of a Trust Account maintained at your branch. He is the sole authorised signatory on behalf of the Trust. What action you will take?

- a. Return the cheque
- b. Pay the cheque
- c. Pay the cheque if confirmed by other trustees
- d. None of these

Ans - b

.....

Which of the following is not true in respect of Insolvency?

- a. A person who cannot pay his debts of Rs 500/- or more may be declared as insolvent
- b. Application for declaring a person insolvent can be made by his creditors only
- c. An insolvent person cannot act as director of company
- d. An insolvent can operate his PPF A/c and a Trust A/c as trustee

Ans - b

.....

Under what circumstances a complaint can be lodged with the banking ombudsman

- a. if the bank has not settled the issue within a period of two months.
- b. the bank has rejected the complaint of the customer
- c. the reply given by the bank to the customer was not satisfactory.
- d. all the above

Ans - d

.....

Official liquidator is appointed by which of the following?

- a. Board of Directors of a Company going into liquidation
- b. Company Law Board
- c. Registrar of Companies
- d. Court

Ans - d

.....

What is the tenure of banking ombudsman?

- a. 1 years
- b. 3 years
- c. 5 years
- d. no such time limit

Ans - c

.....

Most common tenor of issue of ICDs is days.

- a. 7
- b. 14
- c. 30
- d. 90

Ans - d

.....

Creator of Trust is referred as

- a. Trustee
- b. Beneficiary
- c. Settlor
- d. Garnishee

Ans - c

.....

All Trust accounts should be verified by Branch Manager at what interval?

- a. At the time of taking over charge
- b. Half Yearly
- c. Annually
- d. Both a and c

Ans - d

.....

While opening an account in the name of a Joint Hindu Family a JHF letter is obtained. It will not be signed by

- a. Karta
- b. Adult Coparceners
- c. Minor Coparceners
- d. All will sign

Ans - c

.....

What are the important features of new approach of Risk based supervision of banks? (i) Optimum utilization of supervisory resources, (ii) To minimize impact of crises situation in the financial system, (iii) It involves continues monitoring and evaluation of the risk profiles

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The demand for comforts is

- a. Elastic
- b. Inelastic
- c. Unitary elastic
- d. Perfectly elastic

Ans - a

A savings account transferred to inoperative accounts if there is not operation in the account for the last

- a. 2 years
- b. 3 years
- c. 4 years
- d. 5 years

Ans - c

Where by any case other than the wrongful act or default of the mortgage or mortgagee, the mortgaged property is wholly or partially destroyed or the security is rendered insufficient and the mortgagor has not provided enough further security, the mortgagee has a right to file a suit in a court of law for the mortgage money. A security is considered insufficient unless the value of the mortgaged property exceed the amount for the time being, by

- a. one-third, or if consisting of building, exceeds by one-half
-

- b. one-half or if consisting of building exceeds by one-third
- c. one-third in both cases
- d. one-half in both cases

Ans - a

.....

The system in which users use the network without knowing the details of the Hardware, communication method etc. such a world-wide network is known as

- a. LAN
- b. Internet
- c. CICNET
- d. ERPNET

Ans - b

.....

Repayment capacity of a company in case of term loan proposals, is judged by the banks, with which of the following ratios :

- a. debt equity ratio
- b. internal rate of return
- c. net present value
- d. debt service coverage ratio

Ans - d

.....

Which type of the following software is not used by a person for preparation of text documents. (i) Data processor (ii) Word processor, (iii) Compiler

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Transactions relating to Government receipt are recorded in

- a. Cash book/Day book
- b. Transfer book
- c. Receipt Scrolls
- d. All of these

Ans - c

IDRBT stands for

- a. Institute for Development and Research in Banking Technology
- b. Institute for Development and Research in Business Technology
- c. Institution of Development and Research in Banking Technology
- d. Institute for Development of Rural Banking Technology

Ans - a

Relationship of Banker with Payee of Draft is

- a. Trustee and Beneficiary
- b. Drawer and Drawee
- c. Licensor and Licensee
- d. Principal and Agent

Ans – a

Which of the following transactions would amount to a pledge? (i) Delivery of the key where the goods are stored, (ii) Endorsement of Railway Receipt/Lorry Receipt in favor of bank by the borrower, (iii) Endorsement of warehouse receipt by the borrower in favor of the bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following statements is correct regarding acquiring of a banking company by the central bank? (i) Banking regulation Act (as amended) empowers Central government to acquire a Banking company, (ii) It can do so after receiving a report from the RBI, (iii) It can also acquire Banking Company for better provision of credit.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

What is the minimum quorum for the board meeting?

- a. 50% of the total strength of Directors
- b. One-third of the number of Directors present on the day subject to a minimum of 3
- c. One-third of the total strength of the Directors
- d. No such condition

Ans - b

In the second phase of Banks' nationalization, 6 more Banks were nationalized on

- a. 31.12.1974
- b. 31.03.1975
- c. 01.01.1980
- d. 15.04.1980

Ans - d

Which of the following is correct regarding Capital Adequacy ratio? (i) The objective of Capital Adequacy is to strength the financial stability of banks, (ii) Capital is divided into two tiers, tier I and tier II, (iii) Assets are assigned risk weight from 0-100 based on intensity of risk

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
 - c. Only (ii) and (iii)
-

d. (i), (ii) and (iii)

Ans - d

In a Garnishee Order, the banker on whom a garnishee order served is the

- a. judgement debtor's creditor
- b. judgement creditor's creditor
- c. judgement creditor's debtor
- d. judgement debtor's debtor

Ans - d

A bank accepts a deposit from a Corporate house. The features of the deposit are: (i) accepted at a discounted value, (ii) stamp duty is borne by the bank, (iii) issued as usance promissory note, (iv) TDS is not applicable. Identify the deposit

- a. commercial paper
- b. certificate of deposit
- c. flexi deposit
- d. caution deposit

Ans - b

A bank finances an agriculturist to buy a tractor. The loan is secured by:

- a. Hypothecation of the tractor
- b. Mortgage of the tractor
- c. Pledge of the tractor
- d. Assignment of the tractor

Ans - a

An idea for a possible product that company will offer is classified as

- a. product idea
-

- b. product image
- c. customer management
- d. none of above

Ans - a

.....

The tools for communications with the customer are (i) Promotion mix, (ii) Product and price (iii) other three elements of marketing mix

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Detailed stated version of shortlisted new ideas in meaningful consumer terms is best classified as

- a. product concept
- b. production phase
- c. production screening
- d. raw-material screening

Ans - a

.....

The functions of distribution channel include (i) gathering and providing market information, (ii) marketing research, (iii) assisting the consumer in understanding and using the goods

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Variables such as market and product variability plays a role in designing of

- a. positioning strategy
- b. targeting strategy
- c. differentiation
- d. market segmentation

Ans - b

Promotion seeks to influence the buyer in decision-making through (i) Persuasion, (ii) Reminding, (iii) Compulsion

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

In positioning statement, first thing that must be stated is

- a. target segment
- b. market segmentation
- c. differentiation
- d. positioning

Ans - a

Of the following pricing methods, are based on competitors pricing. (i) English auction, (ii) Sealed bid auction, (iii) Going-rate pricing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Positioning statement first states the

- a. product membership in category
- b. points of priority
- c. points of differences
- d. brands superiority

Ans - a

.....

Which of the following statement/s is/are True? (i) Commercial Paper is issued by a Corporate, (ii) Certificate of Deposit is issued by a Bank, (iii) Letter of Credit is non fund based line of credit

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Proper functioning of a computerised system is ensured by

- a. Generation of audit trails
- b. Exceptional transaction report
- c. Tallying of cash book
- d. All of the above

Ans - d

.....

In multi-user computer networking

- a. Computers are based on a centralised processing concept
- b. Various terminals are attached to the main computer
- c. All data and information is kept on the main computer
- d. All of above

Ans - d

.....

In star topology

- a. Each node is joined to the central node by a separate link
- b. Devices are connected in a closed loop
- c. Information is passed from one node to the another in series
- d. Devices on the network are connected to a single continuous cable

Ans - a

.....

In an optical fibre data is transmitted through

- a. a very thin glass or plastic fibres with a beam of light
- b. satellite
- c. laser beam driven by a high speed high current driver
- d. both a and c

Ans - d

.....

In a microwave system

- a. radio waves are modulated to carry information
- b. wave beams are sent from one antenna to another
- c. along the route, the received data is amplified and retransmitted
- d. all of above

Ans - d

.....

Banks evaluate a credit proposal based on which of the parameters? (i) character, capital, condition, (ii) capacity, collateral, compliance, (iii) capital, collateral, (iv) capacity, compliance

- a. (i)
- b. (ii)
- c. (i),(iv)
- d. (i),(ii)

Ans - d

.....

Sec 85 of NI Act,1881 extends protection to the

- a. paying banker
- b. collecting banker
- c. advising banker
- d. issuing banker

Ans - a

.....

..... pools money from investors and invests in stocks, bonds, shares.

- a. a bank
- b. a merchant banker
- c. a factor
- d. a mutual fund

Ans - d

.....

X and Y are twin brothers aged 15 years. They want to open a joint account in your bank. You will allow them, to open a joint account

- a. to be operated jointly
- b. with operating instructions either or survivor
- c. with operating instructions former or survivor
- d. with operating instructions any one or survivor

Ans - a

.....

Which of the following ratings are provided in 'CAMELS' Approach?

- a. A to E
- b. A to C
- c. A & B
- d. A to D

Ans - a

.....

The control risks are (i) Internal central Risk, (ii) Organizational Risk, (iii) Management risk & Compliance Risk,

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Assessment is to be made under Risk Based Supervision in areas.

- a. 4
- b. 8
- c. 10
- d. 12

Ans - d

Up to which of the following limits loan granted to Small Scale service Business Enterprises for instrument in fixed assets excluding land and building are treated as priority sector?

- a. Rs. 5 lac
- b. Rs. 10 lac
- c. Rs. 20 lac
- d. Rs. 50 lac

Ans - b

The Central Banking Inquiry Commission was set up in

- a. 1925
- b. 1926
- c. 1931
- d. 1933

Ans – c

According to Section 130 of Transfer of Property Act the transfer of an actionable claim can be effected only by the execution of an instrument in writing signed by transferor or by his duly authorized agent This mode of transfer of an actionable claim is known as

- a. Assignment
- b. Lien
- c. Mortgage
- d. Hypothecation

Ans - a

Mr.Rao wants to give mandate to his minor son

- a. It cannot be accepted since the mandate is to be given in favour of a minor
- b. It can be accepted as the minor can act as an agent
- c. Mandate can be accepted to operate only credit transactions and no debit should be allowed
- d. None of the above

Ans - b

Expand - IDRBT

- a. Institute for development & Research in Banking & Training
- b. Institute for development & Research in Banking Terminalogy
- c. Institute for development & Research in Banking Technology
- d. None of the above

Ans - c

A message switcher is used to

- a. store and forward data to large number of terminals over a single communication channel
- b. send more than one signal simultaneously over a single communication channel
- c. intercept and handle communication activities for the host computer
- d. all of above

Ans – a

In bus topology

- a. Each node is joined to the central node by a separate link
- b. Devices are connected in a closed loop
- c. Information is passed from one node to another in series
- d. Devices on the network are connected to a single continuous cable

Ans - d

.....

A coaxial cable consists of

- a. two insulated copper wire
- b. an inner copper conductor held in position by circular spacers
- c. single copper wire
- d. all of these

Ans - b

.....

Effective control mechanism(s) in computerised environment are

- a. Preventive
- b. Detective
- c. Corrective
- d. All of above

Ans - d

.....

Audit trail is

- a. A chronological record of all events occurring in a system is:
- b. Report submitted by auditors
- c. A collection of record generated by database administrator
- d. All of above

Ans - a

.....

Front End Processor (FEP) is used to

- a. store and forward data to large number of terminals over a single communication channel.
- b. send more than one signal simultaneously over a single communication channel
- c. intercept and handle communication activities for the host computer
- d. all of above

Ans - c

.....

Executors and administrators can delegate their powers to a third party to operate the account

- a. By mandate
- b. By power of attorney
- c. By obtaining permission from RO
- d. None of the above

Ans - b

.....

Registration of a society is required

- a. To sue in it's own name as a separate legal entity
- b. To open a bank account
- c. To facilitate receipt of donations/grants from foreign countries
- d. None of the above

Ans - a

.....

Coupon rate refers to

- a. Bank rate
- b. PLR
- c. The annual interest rate specified on bonds
- d. All the above

Ans - c

.....

Section 171 of Indian Contract 1872, gives to a Banker an absolute right of general lien on all goods and securities received by the Banker. The Bankers Lien is

- a. Set off
- b. An Implied Pledge
- c. Mortgage
- d. Hypothecation

Ans - b

In one of the joint Savings Bank accounts, you as a Branch Manager received information that one of the depositors had been declared as Insolvent? The depositors other than the undischarged insolvent claim the balance lying in the SB account. Can you pay?

- a. You can pay to the other deposit holders jointly
- b. You can pay to the other deposit holders, dividing the balance proportionately
- c. You can pay as per instruction jointly signed by the solvent depositors and the official receiver of the undischarged insolvent
- d. You can pay to the other deposit holders, dividing the balance proportionately, after taking RO permission

Ans - c

Nomination rules for deposit accounts have been introduced under the following rules of Banking Regulation Act, 1949:

- a. Sec. 45ZA
- b. Sec. 45ZA – F
- c. Sec. 45ZA – B
- d. None of the above

Ans - a

Under the banking ombudsman scheme a complaint can be lodged with the ombudsman

- a. within in the specified jurisdiction.
- b. with the head office of the bank

- c. with the consumer of the bank
- d. any of the above

Ans - a

A Corporate Bond which carry a rating of D is considered to be

- a. Highly safe
- b. High probability of default
- c. Can't say
- d. None of the above

Ans - b

Normally the day of auction for 182-day T-bill is

- a. Wednesday
- b. Wednesday of reporting week
- c. Wednesday of non-reporting week
- d. None of the above

Ans - c

Real Time Gross Settlement (RTGS) is managed by

- a. State Bank of India
- b. Reserve Bank of India
- c. Indian Banks Association (IBA)
- d. Government of India

Ans - b

Overdrafts granted against 'no frills' accounts in rural and semi-urban areas is classified as

- a. 50% Direct Advance to Agriculture Sector
- b. 100% Direct Advance to Agriculture Sector

- c. 100% Indirect Advance to Agriculture Sector
- d. 100% Direct Advance to Personal Segment

Ans - c

What is the provisions of remuneration of the baking ombudsman ?

- a. 60 years
- b. 62 years
- c. 65 years
- d. 68 years

Ans - c

Forex is a hour market.

- a. 8
- b. 12
- c. 24
- d. None of the above

Ans - c

LIBOR is not issued for

- a. USD
- b. GB Pound
- c. INR
- d. Japanese Yen

Ans - c

NSE MIBOR is based on the rates polled by NSE from a representative panel of banks/FIs/PDs.

- a. 30
-

- b. 31
- c. 50
- d. None of the above

Ans - b

.....

Bancassurance can be sold to

- a. All banks
- b. All insurance companies
- c. Insurance Agents
- d. All existing and prospective bank customers

Ans - d

.....

FERA came into force with effect from

- a. 01.01.1973
- b. 01.01.1974
- c. 01.01.1983
- d. 01.01.1984

Ans - b

.....

What are the provisions of remuneration of the banking ombudsman ?

- a. he is eligible for remuneration and other perquisites
- b. this will be determined by the RBI
- c. this has to be borne by banks proportionately
- d. all the above

Ans - d

.....

The scope of activities undertaken by the business correspondents will not include

- a. disbursal of small value credit
- b. recovery of principal/collection of interest

-
- c. collection of small value deposits
 - d. payment of money on demand drafts not exceeding Rs. 1,000

Ans - d

.....

Who passed the Bill to set up the Reserve Bank of India?

- a. Legislative Assembly
- b. Parliament
- c. Governor General
- d. British council

Ans - a

.....

RBI has given freedom to Banks to (i) Convert their non-viable rural branches into satellite offices on certain conditions, (ii) Provision of locker facilities at the extension counters, (iii) Closing of loss making branches in urban/metro centers and loss making branches at rural centers served by two Commercial Bank branches excluding RRBs, after mutual consent

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Mr. X who is an Ordinary SB account holder of your branch wants to nominate Mr. Y, an U.S. national, who is his friend. Is that allowed?

- a. Yes it is freely permitted
- b. Yes it is freely permitted, but at the time of settlement of claim and repatriation to the nominee, branch has to take RBI permission
- c. Yes it is freely permitted, subject to Regional office approval
- d. Yes it is freely permitted, subject to CO approval

Ans - b

Which of the following actions can be considered an action of a partner that would bind other partners?

- a. Acknowledgement of debt already obtained by the firm
- b. Opening a bank account of the firm, in his own name
- c. Giving a mandate to allow another person to operate the account
- d. To sell the immovable property relating to the firm

Ans - a

What is the maximum extent of investment in plant & machinery for MSE ancillary units?

- a. Rs.250 lac
- b. Rs.300 lac
- c. Rs.500 lac
- d. Rs.750 lac

Ans - c

In the MICR code structure which of the following is wrong (0 represents no. of digits)?

- a. city code - 000
- b. bank code – 0000
- c. branch code - 000
- d. none of these

Ans - b

Indian Financial System Code (IFSC) is an code based on the pattern followed by the Society for Worldwide Inter-bank Financial Telecommunication (SWIFT)

- a. 10 digit numeric code
- b. 11 digit numeric code
- c. 10 digit alpha numeric code
- d. 11 digit alpha numeric code

Ans - d

Bank can be held liable for conversion, in which of the following circumstance?

- a. Payment of a bearer cheque to a person other than payee without endorsement by the payee.
- b. Collection of a cheque belonging to one X for another X who opened the account with proper introduction.
- c. Collection of a cheque of large amount for a customer having poor financial background, without enquiring the source of the cheque.
- d. All the above

Ans - c

The prepaid instruments can be issued as (1) smart cards or magnetic stripe cards, (2) internet accounts or internet wallets, (3) mobile accounts or mobile wallets (4) paper vouchers, which can be used to access the pre-paid amount

- a. only 1
- b. 1 and 3 only
- c. 1 to 3 only
- d. 1 to 4 all

Ans - d

Which of the following functions is not carried by a Modem?

- a. Modulation of digital signals into analogue
- b. Modulation of analogue signals into digital
- c. Modulation of data into images
- d. None of the above

Ans - c

In a ATM, the PIN

- a. Stands for postal index number
 - b. Is randomly generated sequence of digits
 - c. Stored in magnetic strip of the card
-

d. b and c both

Ans - d

Cheque truncation can be done by (a) using image processing (b) using MICR data (c) sending by courier or speed post for early delivery.

- a. a, b and c all
- b. a and b only
- c. b and c only
- d. a and c only

Ans - b

Spend now and pay later stands for

- a. ATM card
- b. Credit card
- c. Debit card
- d. Electronic purse

Ans - b

The decision support system makes use of (a) query language (b) adhoc report generator (c) statistical analyzer (d) graphics

- a. a to c only
- b. b and c only
- c. a to d all
- d. b, c and d only

Ans - c

A marketing technique where marketer plays a specific role in a particular segment is called

- a. Mass Marketing
-

- b. Niche marketing
- c. Strategic Marketing
- d. Communication Marketing

Ans - b

.....

The term 'hot card' refers to (a) lost card (b) stolen card (c) misplaced card (d) misused card. Which combination is correct?

- a. a, b, c
- b. a, b, d
- c. a, c, d
- d. b, c, d

Ans - a

.....

Market Expansion doesn't mean (i) hiring more staff, (ii) firing more staff, (iii) buying more products

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Effective marketing helps in (i) developing new products, (ii) creating a competitive environment, (iii) building demand for products

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

What is M-marketing?

- a. Mobile Marketing
- b. Management Marketing
- c. Model Marketing
- d. Modern Marketing

Ans - a

.....

Delivery Channel means

- a. maternity wards
- b. handing over the products to the buyers
- c. places where products are made available to the buyers
- d. All of these

Ans - c

.....

Market Survey means

- a. Market Research
- b. Market Planning
- c. Marketing Strategies
- d. Market Monitoring

Ans - a

.....

Online Marketing is the function of which of the following?

- a. Purchase section
- b. Production Department
- c. IT Department
- d. Design Section
- d. A collective function of all staff

Ans - d

.....

Customization is useful for

- a. Designing customer specific product
- b. Call centres
- c. Publicity
- d. Motivating the staff

Ans - a

.....

The key challenge to market-driven strategy is

- a. Selling maximum products
- b. Employing maximum DSAs
- c. Delivering superior value to customers
- d. Being rigid to changes

Ans - c

.....

..... can be done through digital Banking?

- a. Mobile phone
- b. Internet
- c. Telephone
- d. All of these

Ans - a

.....

Which among the following is correct in the context of branding of products?

- a. A brand can be a sign or symbol but not a name
- b. Value of brand is its power to capture consumer preference and loyalty
- c. Brands help in providing legal protection due to unique features
- d. Strong brands enjoy high level of consumer awareness and loyalty

Ans - a

.....

.....
The unique control mechanism used to identify any changes occurring to a message in transit in Electronic Fund Transfer System is called as

- a. Message Activation Code
- b. Message Approval Code
- c. Message Authentication Code
- d. Message Authorisation Code

Ans - c
.....

Pricing is significant for firms because (i) It determines revenues generated by the firms, (ii) It determines profits earned by the firms, (iii) It affects the level of funds available for other element of marketing mix

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d
.....

Which of the following is/are the process of Marketing Management? (i) Analysis, (ii) Planning, (iii) Control

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d
.....

The shares are the shares on which the dividend accumulates if it remains unpaid for a particular year

- a. Convertible preference shares
- b. Cumulative preference shares
- c. Participatory preference shares

d. Preferred shares

Ans - b

What are the functions of SEBI? (i) framing rules and regulations and a code of conduct to regulate the intermediaries, (ii) checking Price Rigging, (iii) prohibiting insider trading and fraudulent & Unfair Trade Practices

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following statements is correct?

- a. The delivery of documents of title to goods (except a bill of lading) by the owner of the goods to the lender is not considered as a valid pledge in English Law, however, under the Indian Law, such delivery constitutes a valid pledge.
- b. The delivery of documents of title to goods by the owner of the goods to the lender is not considered as a valid pledge in Indian Law, however, under the English Law, such delivery constitutes a valid pledge.
- c. Both of the above are correct
- d. None of the above

Ans - a

The credit facilities (both fund based and non-fund based) are provided to finance (i) fixed assets, (ii) current assets, (iii) non-business assets

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

A modem performs the function of (i) Modulating binary data for voice line transmission, (ii) Demodulating the transmitted data for computer processing, (iii) Multiplexing of several signals

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Communication technology

- a. facilitates the processing of data
- b. helps in transmission of data
- c. enables decision support system
- d. is a tool for data mining

Ans - b

The holder of the card can purchase goods and avail services, upto a specified limit, from (i) Shops, Department Stores, Hotels, Restaurants, (ii) Railway Stations, Airlines etc, (iii) Emporiums

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Top Executives of banks look at IT as a requirement and apply it for improving organizational efficiency and effectiveness.

- a. Employee
 - b. Functional
 - c. Customer
-

d. Financial

Ans - b

Statement machines are also in use in few banks which considerably enhance statement delivery times.

- a. Printing
- b. Folding and Franking
- c. Plotting
- d. Ordering

Ans - b

The international level have been active in the privacy area. (i) Organization for Economic Co-operation and Development, (ii) Ashton Tate Corporation Ltd, (iii) AT & T

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Rule in clayton's case is an example of

- a. right of lien
- b. right of set off
- c. right of transfer
- d. right of appropriation

Ans - d

Which of the following is not correct about marketing?

- a. Customer focused
-

- b. Aims at earning profits by maximizing sales volume
- c. Oriented to the needs of the buyer
- d. Maximizing customer satisfaction

Ans - b

.....

Automated Teller machines (ATMs) are innovation for the banking industry. In terms of the service industry this is an innovation in the element of the marketing mix.

- a. Pricing
- b. Promotion
- c. Distribution
- d. Product

Ans - c

.....

The benefits of test marketing is/are (i) More reliable forecast of future sales, (ii) An opportunity to decide about launching or dropping the product, (iii) Determining the better promotional strategies

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following paves the way for listing and trading of the issuer company's securities. Whose securities are already not listed on the stock exchange?

- a. initial public offering
- b. Further public offering
- c. Bonus issue
- d. Rights issue

Ans - a

.....

Your branch receives a garnishee order. It attaches all sums owing or accruing due to Mr. Ashok and Mr. Anand. There is no account at the branch in the joint names of Mr. Ashok and Anand. But they maintain their individual accounts. Under these circumstances

- a. The court should be advised that there is no account in the joint names of Ashok and Mr. Anand. Hence, the garnishee order can not be given effect to.
- b. The garnishee order will attach the individual accounts of Mr. Ashok and Mr. Anand as they are jointly and severally liable for the joint debt.
- c. The matter should be referred to the court for clarification
- d. Since the order is not applicable, the bank need not take any action thereon.

Ans - b

Match the following:

- i) Classification of Assets a. Narasimham
- ii) Allonge b. Endorsement
- iii) Funds Transfer c. EFT
- iv) Crossed cheques d. Collecting banker

- a. i-A, ii-B, iii-C, iv-D
- b. i-D, ii-C, iii-A, iv-B
- c. i-A, ii-D, iii-B, iv-C
- d. i-B, ii-A, iii-C, iv-D

Ans - a

Once a Bearer is always a bearer is applicable in respect of

- a. A bill of exchange payable after 90 days
- b. A cheque
- c. A demand promissory note
- d. A certificate of deposit

Ans - b

Blue chip securities refer to

- a. shares of any company
- b. shares of companies, which are listed at any of the stock exchange
- c. shares of good companies
- d. All of the above

Ans - c

.....

Which of the following was set up as a exclusive data communication network for banks in terms of recommendations of committee on communication network of banks?

- a. BANKNET
- b. SWIFT
- c. MICR
- d. All of the above

Ans - a

.....

Pick the correct statement about credit cards (i) Credit cards used in those establishments only which have agreed to accept them for which the card-issuing bank/institution enters into agreement with them, (ii) Some banks provide the facility of cash withdrawal through credit cards from any of their branches and/or ATMs subject to a certain monetary ceiling per transaction per month, (iii) Credit cards are allowed to be used by the card holder only

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Merchant bankers' activity relate to

- a. Equity and equity related finance
- b. Debt and Debt related finance
- c. Fund Business

d. Non-Fund business

Ans - a

Govt. Securities are called gilt-edge securities because (i) these securities carry fixed interest rate, (ii) they are easily realizable, (iii) their prices generally do not fluctuate adversely

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Trust receipt refers to

- a. receipt issued by any trust
- b. donation receipt of charitable trust
- c. a document containing promise from the borrower to hold goods or their sale proceeds as trustee for the banker.
- d. Any of the above

Ans - c

The cardinal principles of bank lending are (i) Safety, (ii) Security, (iii) Profitability

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In pledge, the delivery of goods may be

- a. Actual
-

- b. Constructive
- c. Both of these
- d. Any of the above

Ans - c

.....

Issuing banks do not accept the requests from the purchaser for stop payment of a demand draft as

- a. Draft represents a commitment of issuing bank in favour of the payee who can always enforce is payment against the bank
- b. If the draft has been negotiated to a holder in due course, he has a right to claim payment from the bank in its capacity as a drawer so long as the draft does not bear 'NOT NEGOTIABLE' crossing
- c. Both of the above
- d. Any one of the above

Ans - c

.....

Where the mortgagor ostensibly sells the mortgaged property, on the condition that in default of payment of the mortgage money on a certain date, the sale shall become absolute or on the condition that on such payment being made, the buyer shall transfer the property to the seller, the transaction is known as

- a. Simple mortgage
- b. Mortgage by condition sale
- c. Mortgage by deposit of title deeds
- d. None of these

Ans - b

.....

Mr. X maintains a SB account with your bank. He has given a POA to his son, to operate his SB account. The relationship between the bank and Mr.X is

- a. debtor and creditor
- b. principal and agent
- c. donor and donee

d. none of the above

Ans - a

Fair Practice Code for lenders is a set of codes which banks are required to follow while dealing with borrowers. This code has been on the insistence of Indian industry after notification of which of the following?

- a. SARFAESI Act 2002
- b. RDDB Act 1993
- c. Legal Services Authority Act 1987
- d. None of the above

Ans - a

With the increased use of IT there is an ever increased demand of the specialized personal in the fields of (i) IT Management & EDP Auding, (ii) Telecommunications, (iii) Data Base Management & Programming

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Cross selling is very effective in the sale of one of the following (i) Debit Card, (ii) Credit Cards, (iii) Internet Banking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The Basic document for sanction of pension, issued By the competent authority is called

- a. Pension Payment Order (P.P.O)
- b. Pension Disbursement Order (P.D.O)
- c. Letter of authority for drawing pension
- d. Pension sanction letter

Ans - a

.....

Target market for debit card is

- a. All existing account holder
- b. All sales persons
- c. All NRI's
- d. All HNI's

Ans - a

.....

Bank Marketing is treated as

- a. Transaction marketing
- b. Service marketing
- c. Indoor marketing
- d. all of these

Ans - b

.....

Which of the following is NOT a part of 'Product Life Cycle'?

- a. Introduction
- b. Growth
- c. Saturation
- d. Inflation

Ans - d

.....

Telemarketing is a form of

- a. Indirect Marketing
- b. Field Marketing
- c. Virtual Marketing
- d. Direct Marketing

Ans - d

The aim of successful marketing is (i) to increase the sale, (ii) to increase the profit, (iii) to increase the output of sellers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

E-Marketing is the same as (i) virtual marketing, (ii) digital marketing, (iii) real time marketing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In a MICR cheque, which of the following code does not match the 'description'

- a. first 6-digit code - cheque number
- b. central 09-digit code — city, bank and branch code
- c. last 2-digit code — transaction code such as saving or current account
- d. none of the above

Ans - d

Digital Banking is characterised by

- a. Visiting branch office for doing transactions and using digital devices available at branches
- c. Use of computers and core banking solutions by the banks for effective customer services
- b. Alternative electronic channels which can be used by customers at their convenience to carry out banking operations
- d. Use of Electronic ledgers and digital tools for book maintenance and transactions by the banks

Ans - b

A firm has been allowed demand loan but it has not carried any operations in the account after disbursement of the full amount. What is the limitation period for this demand loan?

- a. 3 years from date of last withdrawal in the account
- b. 3 years from date of last debit of interest in the account
- c. 3 years from date of documents
- d. A to c, whichever is earlier

Ans - c

Which of the following guarantees, is a financial guarantee? (i) Bank guarantee for supply of goods on credit basis, (ii) Bank guarantee in favour of customs authorities, (iii) Bank guarantee in favour of tax authorities

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A bank has revaluation reserves of Rs.300 cr what amount can be included in the Tier 1 capital?

- a. Rs. 300 cr
 - b. Rs. 165 cr
 - c. Rs. 135 cr
-

d. Rs. 30 cr

Ans - c

Subordinated debt can be included in Tier-2 capital fund, only where it is with an original maturity of

- a. Max 10 years
- b. Min 10 years
- c. Max 5 years
- d. Min 5 years

Ans - d

As per fair Practice Code for lenders, if a bank receives request from borrower for transfer of his loan account to another bank, the bank is to convey its consent objection within from date of receipt of request

- a. 30 days
- b. 21 days
- c. 15 days
- d. 10 days

Ans - b

Which of the following is not a correct statement in the context of registration of a partnership firm?

- a. Provisions for registration of a firm are u/s 58 of Indian Partnership Act
- b. Registration of a firm is optional and not compulsory
- c. If a firm is not registered, neither it can file suit in its own name, nor anyone else can file suit on this firm
- d. If a firm is registered, it can file suit in its own name and suit can be filed on the firm by others, whether registers or unregistered

Ans - c

A mutual fund has, apart from its sponsors (i) Trustees, (ii) Asset Management Company, (iii) Custodian

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is correct in the context of holding of share capital in an RRB?

- a. Central Govt. 50%, State Govt.35%, Sponsoring Bank 15%
- b. Central Govt. 35%, State Govt.15%, Sponsoring Bank 50%
- c. Central Govt. 50%, State Govt.15%, Sponsoring Bank 35%
- d. Central Govt. 35%, State Govt.50%, Sponsoring Bank 15%

Ans - c

The contract notes that are issued by Foreign Institutional Investors (FIIs) to their clients (not registered with SEBI), investing in Indian stock market

- a. Depository receipt
- b. Derivative
- c. Option
- d. Participatory notes

Ans - d

Lahiri Committee Recommendation relate to which of the following

- a. Issue of units by Mutual Funds
- b. Issue of Depository Receipts
- c. Issue of Participation Certificates by Banks
- d. Issue of Participatory notes by FIIs

Ans - d

Inspection and processing fee in case of priority sector can be recovered if the amount of advance is

- a. Rs.10000 or more
- b. Rs.25000 or more
- c. Rs.50000 or more
- d. More than Rs.25000

Ans - d

Depository receipts are traded at

- a. Stock exchanges of the same country in which the listed company issued the depository receipt
- b. Stock exchanges of a country other than in which the listed company issued the depository receipt
- c. Stock exchanges of any country including in which the listed company issued the depository receipt
- d. None of the above

Ans - b

Which of the following expansion does match to the abbreviation?

- a. SSC - Special Credit Control
- b. Ads - Authorised dealers
- c. OMO - Opposite market Operation
- d. All the above

Ans - b

The cheque truncation can be done (a) by using MICR data (b) by sending chequesx courier (c) using imaging technology

- a. Only c
 - b. Only a
 - c. Only a and c
-

.....
d. a to c all

Ans - c
.....

X is maintaining a SB account with Popular Bank and wrongly credited an amount of Rs.12500 to his account. This was entered in his pass book also. Later on when the mistake came to bank's notice it debited customer's account but did not inform the customer. Meanwhile the customer issued a cheque on the basis of this balance which was dishonoured by the bank.

- a. Customer can ask for damages for return of his cheque although amount was recoverable from him, had the cheque been paid
- b. Customer cannot ask for damages as bank has only rectified the mistake.
- c. It was customer's duty to check the pass book for bringing the error to bank's notice. Hence customer cannot claim any damages
- d. None of the above

Ans - a
.....

Unique Transaction Reference (UTR) is code

- a. 21 digit numeric code
- b. 22 digit numeric code
- c. 21 digit alpha numeric code
- d. 22 digit alpha numeric code

Ans - d
.....

Under CTS 2010 Standards of RBI, the cheques used In should be Issued with the account number field pre-printed

- a. all accounts
- b. current account and corporate customers
- c. current and saving bank accounts
- d. large size amount cheques

Ans - b
.....
.....

Compared to a manual system, the consequences of an error in a computerized system are more serious due to (a) errors being generated at high speed will involve higher cost to correct them (b) computer system processes more data (c) users of computer systems perceive the computer output to be always correct

- a. a to c all
- b. Only b and c
- c. Only a and b
- d. Only a

Ans - a

Which of the following is not correct in respect of targets within priority sector?

- a. Weaker section target for Indian banks is 25% of priority sector
- b. Micro enterprises credit target is 7.5% of ANBC
- c. Export credit is 12% of ANBC for Indian banks
- d. Agriculture credit target is 45% of priority sector credit for Indian banks

Ans - c

What is true with regard the liability of a director of a company , in case of dishonor of cheque, issued by a company?

- a. All the directors are liable
- b. Nominated directors also liable
- c. Directors responsible for conduct of the business of the company including managing director
- d. Only those directors who are responsible for accounts maintenance of the company

Ans - c

A customer of your branch Sham, deposits a cheque, which he steals from another person named Sham. Your branch collects this cheque (on which the customer is having a defective title) without being aware about the defect?

- a. Collecting bank is negligent
 - b. Collecting bank will get protection if it has complied the requirement u/s 131.
-

-
- c. Collecting bank is responsible for conversion
 - d. Collecting bank is negligent but will get protection

Ans - b

.....

A payee's account crossed cheque in favor of X is presented by bank B to the drawee Bank-A for payment. In which of the following forms, the payment can be made?

- a. In clearing only,
- b. In clearing or through transfer only
- c. In clearing, through transfer or cash
- d. It cannot be paid as this will violate the direction of the drawer

Ans - c

.....

When a cheque is issued on a particular date and a date prior to the date of writing of the cheque is put, it is called

- a. Stale cheque
- b. Post dated cheque
- c. Ante- dated cheque
- d. Invalid cheque

Ans - c

.....

In a joint deposit account, which of the following is correct?

- a. When nomination is proposed to be made, it should be by all of them
- b. When account is to be closed it should be done by all even if the account is either or survivor, where specific authority to do so has not been obtained in the account opening form
- c. Garnishee order will be applicable on this account on pro-rata basis if the orders received in the name of one of the account holders
- d. Bank cannot use the right of set off a loan in the name of one of them

Ans - c

.....

Lien is the right to of the until repayment of the loan as per provisions of Sec of Indian Contract Act

- a. Retain the possession, goods, securities & bank deposits, Sec 170
- b. Retain the possession, goods and securities, Sec 170
- c. Sell, goods and securities, Sec 171
- d. Retain the possession, goods & immovable properties , Sec 170

Ans - b

If the holder of a cheque removes the crossing in such a way so that the same is not easily detectable (with naked eye) and get the payment after presenting it at counter of the drawee bank will get protection u/s of NI Act

- a. 89
- b. 118
- c. 131
- d. 87

Ans - a

A bank has to give loan to a company for which the company has given certified copy of Articles of Association. Bank has doubt that the Articles of Association stands amended and the company has not given the amended copy. What source can be used by the bank to have copy of the amended documents?

- a. Other bank of the company
- b. SEBI
- c. Registrar of Companies
- d. Any of the above

Ans - c

Borrowing powers of the Board of Directors of a company (which is not true)?

- a. Are mentioned in the Articles of Association
- b. If not mentioned , in the Articles, it is equal to paid up capital + reserves of the company

- c. Where board of directors does not have adequate powers, it has to approach the shareholders u/s 293 (d) (i)
d. None of the above

Ans - d

Which of the following statements can be considered to be true?

- a. Memorandum of Association of a company is called document of Indoor management as it contains internal rules of the company
b. Trustee can rise loan for the trust at their discretion
c. Objects of a company are stated in Articles of Association
d. A person appointed by a court to manage the property of a deceased person is called 'administrator'

Ans - d

Which is not correct with regard to rate of interest in NRI opened accounts?

- a. NRE FDR account- as per ceiling rate fixed by RBI and linked to Bank Rate
b. FCNR account- as per ceiling rate fixed by RBI and linked to LIBOR
c. NRE-Saving account- bank discretion but not more than domestic rates
d. NRO account- bank discretion but not more than domestic rates

Ans - a

What is the amount of bank draft that can be issued by banks in cash under KYC directives of RBI?

- a. Rs.50000 or less
b. Rs.50000 or more
c. Less than Rs.50000
d. More than Rs.50000

Ans - c

Who approves the appointment of the Chief Executive officer (CEO) of a private bank?

- a. Reserve Bank
- b. Board of the Bank concerned bank
- c. If it is a listed bank, then SEBI
- d. Central Govt. in all cases

Ans - a

.....

Amount is immediately recovered from the card holder online for the amount of card used, in case of

- a. A debit card
- b. A post-paid card
- c. A credit card
- d. All the above

Ans - b

.....

The term White Label ATM relates to which of the following

- a. ATMs installed by banks outside their branches
- b. ATMs installed by banks in white buildings
- c. ATMs installed by non bank entities
- d. ATMs jointly installed by banks and non-bank entities

Ans - c

.....

An electronic purse may have number of storage space

- a. one
- b. two
- c. six
- d. several

Ans - d

.....

The term 'audit trail' stands for

- a. report submitted by the concerned auditors
- b. data and record generated by the system administrator
- c. chronological record of all events occurring in a system
- d. all or any of the above

Ans - c

Which of the following organizations maintain the shares of companies in dematerialization format?

- a. SEBI
- b. Depositories
- c. Registrars to the issue
- d. Mutual funds

Ans - b

Which of the following Act, is meant to regulate the Indian Banking System?

- a. Negotiable Instrument Act, Banking Regulation Act, Companies Act
- b. RBI Act, Banking Regulation Act, Companies Act
- c. Banking Regulation Act, Prevention of Money laundering Act
- d. RBI Act, Banking Regulation Act

Ans - d

Deposits and advances of a bank branch have declined and the management of the bank wants to know the reasons for the same. This will fall under the purview of

- a. Market intelligence
- b. Marketing technology system
- c. Taking the required steps for effective marketing of their products
- d. Marketing research system

Ans - d

Popular Bank sanctioned a loan in the name of B, which he had not been repaying. The bank has come to know that B is having an FDR account with national Bank in the same city. At the time of maturity of the term deposit, letter is received by national Bank from Popular Bank to remit money to credit in the loan account

- a. The amount would be remitted by the National Bank to Popular Bank
- b. If indemnity bond is executed by Popular Bank, the amount can be remitted
- c. If consent is given by the depositor and his nominee, the amount can be remitted
- d. The amount cannot be remitted, as right of set-off is not available to Popular Bank

Ans - d

A loan secured by mortgage of immovable property is repayable on demand. The period of limitation in this case will be

- a. Three years
- b. 12 years from date of mortgage deed
- c. 3 years from date of mortgage deed
- d. None of the above

Ans - b

Mr. Akash Khanna is having his personal saving account with United Bank's Chandigarh branch. He is also the sole trustee of Khanna Charitable Trust and operates the account of the trust which is also maintained with the bank. In connection with an important personal work he proposes to proceed abroad for 6 months and seeks your guidance for smooth operations in the accounts

- a. He can execute a power of attorney in favour of a known person for operations in both the accounts
- b. He can give mandate or power of attorney for his personal account
- c. He cannot delegate the powers to any one in case of trust account and could leave some cheque leaves property signed for use in case of trust account
- d. b and c

Ans - d

.....
Banks do not issue demand drafts payable to bearer on demand despite the fact that NI Act section 5, permits issue of a bill of exchange payable to bearer or order

- a. Because of prevalent practices
- b. Because of RBI directives
- c. Because of provisions of Section 31 Banking regulation Act
- d. None of the above

Ans - d
.....

If holder of a cheque wants to file complaint in a court u/s 138 NI Act and other related provisions of NI Act, he can do so

- a. Within one month from date of cause of a action
- b. Within one month from date of returning of the cheque by the collecting bank
- c. Within one month of date of receipt of the information about dishonor by the holder
- d. Within one month of date of dishonor of the cheque

Ans - a
.....

Which of the following is not a feature of a saving bank account?

- a. Interest is prescribed by RBI
- b. Interest is paid on the maximum balance between 7 and last day
- c. No. of withdrawals is generally restricted
- d. Account cannot be opened by organization whose purpose is profit

Ans - b
.....

Mr. P, a student is working on part-time basis for a Charitable trust. The trust makes payment for the part-time work and also makes payment of some stipend to help him to complete his studies. The payments are made to him by way of two separate cheques.

- a. On the cheque for work payment he is holder in due course and for the cheque for stipend he is holder.
- b. On the cheque for work payment he is holder and for the cheque for stipend he is holder in due course.

- c. On the both the cheques he is holder in due course
- d. On the both the cheques he is holder

Ans - a

.....

In respect of deceased person, the bank stops payment on receipt of notice about death. The balance is payable to (a) survivor if it is joint E/S or F/S account (b) survivor and legal heirs of deceased person if it is a jointly operated account (c) to executor if it is a non-testate account (d) to nominee if it is a nomination account of single individual.

- a. a to d all correct
- b. a, b and c correct
- c. a, b and d correct
- d. b to d all correct

Ans - c

.....

A customer of the bank has written a will and he has died. The execution of this Will will be carried by

- a. Administrator
- b. Assignee
- c. Liquidator
- d. None of the above

Ans - d

.....

The primary dealers deal mainly with which of the following?

- a. Shares and debentures
- b. Govt. securities
- c. Mutual fund units
- d. All the above

Ans - b

.....

Which of the following is part of the money market?

- a. bonds issued by the govt.
- b. bonds issued by public sector undertakings
- c. term money
- d. debentures

Ans - c

.....

Monetary control is exercised by RBI in India through:

- a. payment system
- b. issue of currency
- c. cash reserves and liquid reserve ratios
- d. repo rate and reserve repo rate

Ans - c

.....

Supervision over the depositories and stock exchanges is the role of:

- a. RBI
- b. IRDA
- c. SEBI
- d. PFRDA

Ans - c

.....

Which of the following does not match?

- a. regulator of insurance market -IRDA
- b. regulator of capital market -SEBI
- c. regulator of money market -RBI
- d. regulator of forex market -SEBI

Ans - d

.....

Which of the following function is not carried by IRDA in India?

- a. regulator of insurance companies
- b. regulator of insurance products
- c. regulation over the funds managing pension
- d. supervision of the general insurance market

Ans - c

.....

Which of the following have been created to provide long term funds for industry or agriculture?

- a. mutual funds
- b. financial institutions
- c. asset management companies
- d. non-bank finance companies

Ans - b

.....

Which of the following function is not carried out by RBI?

- a. bank of govt.
- b. raising deposits from public
- c. lender of last resort to banks
- d. management of Govt Debt

Ans - b

.....

Which of the following is an important reason for regulation of banking system?

- a. to promote confidence of public in banking system
- b. to protect interest of the investors
- c. to ensure that the financial markets are efficient and transparent
- d. all the above

Ans - d

.....

Which of the following is not covered under selective credit control, at present:

- a. sugar
- b. buffer stocks of sugar
- c. unreleased stocks of sugar with sugar mills representing free levy sugar
- d. none of above

Ans -a

.....

Against which type of following security, the banks can sanction loans:

- a. commercial paper
- b. certificate of deposit
- c. FDR issued by other bank
- d. none of above

Ans - d

.....

The rate at which RBI purchases or rediscounts bill of exchange or other eligible commercial instrument from banks is called:

- a. repo rate
- b. reverse repo rate
- c. MSF rate
- d. bank rate

Ans - d

.....

Which of the following is no more used by RBI as a tool for regulation?

- a. credit rationing or credit allocation
- b. credit authorization scheme
- c. inventory and receivables norms
- d. all the above

Ans - d

.....

Co-operative Banks can lend to the extent of % on any day in the call/notice money market.

- a. 1
- b. 2
- c. 3
- d. No limit

Ans - d

An award of banking ombudsman is;

- a. a judicial decision.
- b. an arbitrarily order
- c. an order on the bank .
- d. an appeal to the bank

Ans - a

The minimum tenor of issue of ICDs can be days.

- a. 1
- b. 7
- c. 14
- d. 30

Ans - a

Which of the following are the norms of awarding compensation by the banking ombudsman ?

- a. banking ombudsman does not have unlimited powers to allow compensation.
- b. the maximum limit of compensation is Rs. 10 lac
- c. no compensation will be awarded in excess of that which is necessary.
- d. all the above

Ans - d

Transferee will not get a better title than that of the transferor in crossing. (i) Payees account only, (ii) Not Negotiable

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans – b

Non resident external account, FCNR account and RFC account can be opened by means of foreign inward remittances only and which amongst the following is not foreign inward remittances?

- a. Foreign demand draft
- b. Foreign currency traveler cheques
- c. Foreign currency notes
- d. Demand draft

Ans - d

Regional Rural Banks were established in our country on

- a. 02.10.1975
- b. 02.10.1985
- c. 02.10.1976
- d. 02.10.1974

Ans - a

At the time of remitting cash into deposit accounts and overdraft accounts, the customers are in a position to furnish the permanent account number for remittance amount exceeding Rupees:

- a. 10000
 - b. 50000
 - c. 100000
-

d. 200000

Ans - b

Mr. X maintains two accounts with you, one his individual saving bank account and another a current as a trustee of a charitable trust. He has to go abroad and gives power of attorney in favour of his wife.

- a bank can allow operations in saving bank account only
- b bank can allow operations in savings account but for trust account refer to trust deed if it can be acceptable
- c bank will not allow operations in trust account in any circumstances
- d bank will allow operations in Trust account and not in the SB account

Ans - b

The negotiable financial instrument which is traded on a stock exchange of another country but represents security issued by foreign listed company is called:

- a. buyers credit
- b. depository receipt
- c. cross listed stock
- d. participatory note

Ans – b

Market research is useful for (i) Deciding proper marketing strategies, (ii) Deciding the selling price, (iii) Choosing the right products

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The motive that drive a consumer towards selection of particular outlet, retailers or supply of service is known as

- a. Public relation
- b. Futile exercise
- c. Patronage motives
- d. Prestige

Ans - c

.....

What are the features of selective credit control? (i) They effect only the lenders but not the borrowers, (ii) They distinguish between essential and non-essential uses of Bank credit, (iii) Only non-essential uses are brought under the scope of Credit Bank controls

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

A sequence of bits which is created by running an electronic message through a oneway hash function (a program) is called

- a. pass word
- b. electronic signature
- c. encrypted signature
- d. decrypted signature

Ans - b

.....

If the documents submitted by the beneficiary of an LC are not as per terms of LC, as per UCPDC, these

- a. cannot be accepted by the negotiating bank
 - b. can be accepted by negotiating bank subject to consent of the opening bank
 - c. can be accepted by the negotiating bank
-

d. can be accepted by the negotiating bank for confirmation of the applicant

Ans - a

.....

What do you mean by "Two parallel transverse lines on the face of the cheque"?

- a. Open cheque
- b. Bearer cheque
- c. Order cheque
- d. Crossed cheque

Ans - d

.....

In periods of boom, which leads to economic instability Reserve Bank does not resort to (i) Selling of first class securities in its precession in the market, to reduce the supply of money as a measure of open market operations, (ii) Bying of approved securities in the market as a measure of open market operations, (iii) Increasing the bank rate as a measure of open market operations

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following has the authority to suspend trading of the securities of a particular company at a stock exchange?

- a. SEBI
- b. Central Govt.
- c. RBI
- d. All the above

Ans - a

.....

Karta in a HUF does not have which of the following authority?

- a. To manage the business or property
- b. To raise loan to run the family business and create charge on HUF assets to a secure such loan
- c. To appoint agent that may be one of the coparceners or even outside
- d. None of the above

Ans - d

Which among the following statements is true in connection with customer account?

- a. On receipt of information of customer's death verbally, the bank cannot stop payment in the account
- b. When an account is to be closed by the bank, it is not under obligation to tell the reasons to the customer
- c. When a customer wants to close his account with the bank, he is not under obligation to disclose the reasons to the bank
- d. Pass-book is the copy of the bank records, available with the customer

Ans - c

Mr. K had deposited a sum of Rs.2 lac in his saving bank account. A letter is received from the local Police that Mr. K has been arrested for committing a fraud. A cheque of Rs.15000 has been received through clearing account for payment, after receipt of notice from the police.

- a. Cheque will be paid
- b. Cheque will be paid after having permission from the Police
- c. Cheque will be paid after getting permission from the customer and the police
- d. Cheque will not be paid

Ans - a

A bank authorized by the issuing company to issue GDR against issue of foreign currency convertible bonds or ordinary shares for the issuing company, is called

- a. Custodian bank
-

- b. Depository
- c. Overseas depository bank
- d. Mandated bank

Ans - c

.....

Charge card and Credit card is differentiated by

- a. Repayment mode as Credit card usage value can be paid in full or in part where as in charge card it is full
- b. There is no difference
- c. Only difference is Credit card is having more security feature than Charge card
- d. Charge cards are debit cards with an option for over-drawings

Ans - a

.....

Which of the following is a characteristic of EMV transaction? (i) Card to be inserted and remain in the terminal for the duration of transaction, (ii) Card generates unique cryptogram, (iii) Information is exchanged between the card and the terminal at the end of, the transaction

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following payment system location does not match?

- a. Clearing House Inter-bank Payment System (CHIPS)-Us
- b. Clearing House Automated Payment System (CHAPS)-Singapore
- c. Clearing House Automated transfer System (CHATS)-Hong Kong
- d. INFINET- India

Ans - b

.....

The cards which store credential data in an integrated circuit is

- a. Chip/ smart card
- c. Non EIVIV card
- b. Magnetic strip card
- d. All the above

Ans - a

.....

Hot listing of Credit card means

- a. enhancement of amount of limit in the card
- b. blocking the operations of the card
- c. reducing the amount of limit in the card
- d. listing the card on more than one network

Ans - b

.....

Under mobile payments, maximum amount which can be allowed by a bank is restricted to ...

- a. Rs.10000
- b. Rs.25000
- c. Rs.50000
- d. at discretion of the bank

Ans - d

.....

Credit received by the RIGS member has to be credited the account of the beneficiary on the basis of the account number in the payment message within of receipt of the message at the Member Interface

- a. 15 minutes
- b. 30 minutes
- c. 45 minutes
- d. 60 minutes

Ans - b

.....

Devices are connected to a single continuous cable, on a computer net work, in case of

- a. Star topology, bus topology and ring topology
- b. Star topology
- c. bus topology
- d. ring topology

Ans - c

.....

Which of the following is not an important features of local area network?

- a. an independent system is called node which is interconnected to LAN
- b. there is generally one central node called 'server'
- c. the way, the different types of services are handled by server depends upon topology and protocols
- d. it can be used within limited wide area of say 10 Kms

Ans - d

.....

The process that replaces the physical flow of cheques with electronic information or scanned image

- a. electronic clearing system
- b. real time gross settlement
- c. cheque truncation
- d. electronic funds transfer

Ans - c

.....

Which of the following is not a feature of a core banking system?

- a. Transaction are made on a central server
- b. Transaction are made on-line as well as off-line
- c. Branch automation module is incorporated
- d. Branch is connected to a central host

Ans - b

.....

Cardholder's data can be well protected through (i) Firewall Configuration, (ii) Effective Encryption, (iii) Digital Encryption

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

An account in the name of minor M is opened by his father as 'M u/g of F'. Which of the following statements in this regard is not correct?

- a. During minority account will be operated by guardian
- b. On attaining majority, the account will be operated jointly by the guardian and the account holder, who has become major
- c. If death of guardian during minority takes place, next guardian will operate the account
- d. Guardian can make nomination in this account

Ans - b

A bank offers a facility to its credit card holders to use the unveiled balance in the credit card line as a personal loan at a lower rate of interest, where the customer feel that bank is offering something extra. This strategy of the bank is called

- a. Going rate pricing
- b. Marginal cost pricing
- c. Value pricing
- d. Mark up pricing

Ans - c

A eCommerce transaction refers to exchange of information by way of For selling and buying between the customer and the seller

- a. Credit cards
 - b. Debit cards
-

- c. Paperless instructions
- d. All the above

Ans - c

Computeration in banks can bring improvement in the area of (a) customer service (b) house-keeping (c) decision making (d) productivity. Which of these is correct:

- a. a, b and c only
- b. b, c and d only
- c. a, c and d only
- d. a to d all

Ans - d

The Sequence of a sales process is

- a. Lead generation, call, presentation & sale
- b. Sales, presentation, lead generation, call
- c. Lead generation, call, sale & presentation
- d. There is no sequence required

Ans - a

Out the following is not the three level of the product

- a. Core
- b. Symbolic
- c. Augmented
- d. fragmented

Ans - d

Of the following pricing methods is not for new product

- a. Market skimming
-

- b. Penetration
- c. Discriminatory pricing
- d. None of these

Ans - a

.....

Bank of Mathura is offering higher interest-ratio on fixed deposit to senior citizens of 60 years and above. It is practicing

- a. Promotional pricing
- b. Psychological pricing
- c. Segmental pricing
- d. Product mix pricing

Ans - c

.....

With pricing, the products are priced below list price (or even cost) for a temporary period to create buying urgency

- a. Reference
- b. By-product
- c. Promotional
- d. Market penetration

Ans - c

.....

The process that turns marketing strategies and plans in to marketing action in order to accomplish strategic marketing objective is called

- a. Marketing strategy
- b. Marketing Control
- c. Marketing analysis
- d. Marketing implementation

Ans - d

.....

In market skimming pricing strategy

- a. Initially price is lower than it is reduced
- b. Initially price is higher than it is reduced
- c. Initial price is high and is maintained high
- d. All of these

Ans - b

.....

Value-added services means

- a. costlier products
- b. large number of products
- c. additional services
- d. at par services

Ans - c

.....

Aggressive Marketing is necessitated due to

- a. globalization
- b. increased competition
- c. increased production
- d. increased job opportunities

Ans - b

.....

Efficient Marketing styles require, (i) proper planning, (ii) good communication skills, (iii) team work

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

In terms of section 19 of the RBI Act, 1934, the RBI has prohibited from

- a. Making loans or advances
- b. Drawing or accepting bills payable otherwise than on demand
- c. Allowing interest on deposits or current accounts
- d. None of the above

Ans - c

Introduction of rating methodology for banks was introduced by RBI on the lines of

- a. IRAC
- b. ALM
- c. CAMEL
- d. CMA

Ans - b

The public debts offices function under the control of (i) Reserve Bank of India, (ii) Public Debt Ministry

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

Which was the following commission recommended for establishment of Reserve Bank of India?

- a. Central Banking Commission
- b. Hilton young commission
- c. Presidency Banking Commission
- d. None of the above

Ans – b

The term SWIFT do not stand for which of the following? (i) Society for world-over international financial transfers, (ii) Society for world-wide interbank financial telecommunication, (iii) Society for world-wide interbank financial transfers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Travellers cheques are required to be dated at the time of (i) Issue, (ii) Encashment

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

RBI introduced CP in

- a. 1970
- b. 1980
- c. 1990
- d. 2000

Ans - c

Power of Attorney can be (i) Universal, (ii) Limited

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans – c

The merger of two business units, that manufacture different products of like nature, is called as

- a. Horizontal merger
- b. Vertical merger
- c. Lateral merger
- d. Diagonal merger

Ans - a

.....

What do you mean by golden parachute?

- a. Attractive benefits that are given to top executives of targets company at the time of acquisition
- b. Attractive benefits that are given to clerical staff and subordinate staff of target company at the time of acquisition
- c. Attractive benefits that are given to top executives of acquirer company at the time of acquisition
- d. Attractive benefits that are given to clerical staff and subordinate staff of acquirer company at the time of acquisition

Ans - a

.....

Which of the following committees was set up during the year, 1993 with a view to recommend insurance sector reforms?

- a. M.N. Goiporia committee
- b. L.C. Gupta committee
- c. R.N. Malhotra committee
- d. Narasimhan committee

Ans - c

.....

What do you mean by bankassurance?

- a. Selling insurance policies by the banks
- b. Insurance of the properties belonging to the banks

- c. Insurance of the properties by the banks
- d. Life insurance business undertaken by the banks

Ans - a

.....

Which of the following is included in bancassurance?

- a. Insurance policies issued by the banks in their names
- b. Selling by a bank the insurance policies of its ancillary insurance company
- c. Selling by a bank the insurance policies of any insurance company
- d. All the above

Ans - d

.....

A bank wishes to undertake insurance business. Whose permission is necessary before commencement of insurance business?

- a. Life Insurance Corporation of India
- b. General Insurance Corporation of India
- c. Insurance regulatory and development authority
- d. Reserve Bank of India

Ans - c

.....

Selling of banking products by an insurance company is called as

- a. Assurfinance
- b. Bankassurance
- c. Innovative banking
- d. All the above

Ans - a

.....

What is a contract of insurance?

- a. It is a contract of guarantee
-

- b. It is a contract of pledge
- c. It is a contract of hypothecation
- d. It is a contract of indemnity

Ans - d

.....

Which of the following is not an essential condition for an urban cooperative bank to undertake bankassurance business?

- a. The bank should obtain prior permission from Insurance Regulatory and Development Authority
- b. The bank should have a net worth of not less than Rs. 50 crore
- c. The bankassurance business can be through their branches
- d. The bank will have to enter into an agreement with the insurance agency concerned

Ans - a

.....

Which among the following is called as non performing assets?

- a. Assets that can exchange income
- b. Assets that eases to earn interest income
- c. Assets that have not been commented upon by the auditors
- d. All the above

Ans - b

.....

Which of the following does not pertain to non performance assets?

- a. Sub standard assets
- b. Doubtful assets
- c. Loss assets
- d. Standard assets

Ans - d

.....

Which of the following cannot be included in the definition of a financial intermediary?

- a. banks and non-bank finance companies
- b. financial institutions
- c. mutual funds
- d. companies engaged in manufacturing of good

Ans - d

.....

Which of the following cannot be included in the money market?

- a. call or notice money
- b. corporate securities
- c. certificate of deposit
- d. treasury bills

Ans - b

.....

..... directors or trustees of a MF should be independent. (i) 1/2 (ii) 2/3 (iii) 66%

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

Many computers connected to single computer falls in the category of

- a. Internet
- b. LAN
- c. Branch Automation
- d. All of the above

Ans - b

.....

WAN (Wide Area Network) means (i) It is a set up which is spread across geographical locations rather than a small complex or building, (ii) It connects various branches/offices of the bank situated at different places/cities, (iii) The computer terminals are connected to main computer called server.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

ATM card is a plastic card which embedded with mini chip. The following details of account holder are available in ATM card (i) Name of account holder, (ii) Account number, (iii) Validity of card

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The small companies/organisations that have been created exclusively to deal in govt. securities are called (i) Mutual funds, (ii) NBFCs

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - d

Evaluation of profitability of each segment is not called as (i) Targeting, (ii) Market segmentation, (iii) Positioning

- a. Only (i) and (ii)
-

-
- b. Only (i) and (iii)
 - c. Only (ii) and (iii)
 - d. (i), (ii) and (iii)

Ans - c

.....

Procedure of arranging a product to occupy distinct place in target customers mind is called

- a. Market segmentation
- b. Targeting
- c. Differentiation
- d. Positioning

Ans - d

.....

In PLC stages, stage in which company's investment costs mount is classified as

- a. testing stage
- b. development stage
- c. buying stage
- d. merger stage

Ans - b

.....

Urban Cooperative Banks are controlled by (i) NABARD, (ii) State Governments, (iii) RBI

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

Depositories hold securities in form. (i) Demat, (ii) Physical

- a. Only (i)
-

- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

In new product development process, after analysis of business next step to be taken is not

(i) test marketing, (ii) one channel marketing, (iii) penetration marketing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – c

.....

Example of semi-duplex mode of communication is

- a. Radio broadcast
- b. walkie talkie
- c. Four-wire modems
- d. All of the above

Ans - b

.....

A & B are maintaining an 'E or S' account. D has been named as nominee. Balance in the account will be payable to on the death of A

- a. Jointly to B and Nominee D
- b. Jointly to B and legal heirs of A
- c. B alone
- d. D alone

Ans - c

.....

Which of the following committees were set up by Government of India with a view to attract domestic and foreign investments in the country?

- a. Investment commission
- b. Foreign Investment commission
- c. Inland and Foreign investment commission
- d. National savings commission

Ans - a

.....

External commercial borrowings is a part of

- a. Balance of payment
- b. Balance of trade
- c. Current account
- d. Capital account

Ans - d

.....

External commercial borrowings are governed under

- a. Foreign Exchange Regulation act
- b. Securitisation and Reconstruction of Financial assets and enforcement of security interest act
- c. Debt Recovery Tribunal act
- d. Foreign exchange management act

Ans - d

.....

Foreign trade policy is framed and implemented by

- a. Chief controller of Import and Exports
- b. Director General of Foreign Trade
- c. Governor of Reserve Bank of India
- d. Chairman of Finance commission

Ans – b

.....

Under which ministry Director General of Foreign Trade functions?

- a. Commerce ministry
- b. Finance ministry
- c. Foreign ministry
- d. Home ministry

Ans - a

.....

An offshore banking unit (OBU) is a unit

- a. That is located in a foreign country
- b. That is located in special economic zone and deals in foreign currency
- c. That is engaged in business of lending foreign currency and establishing joint ventures
- d. All the above

Ans - a

.....

When it comes to scheduled commercial banks, which out of the following is not true?

- a. Nationalised banks
- b. Regional Rural banks
- c. Foreign banks
- d. Local area banks

Ans - d

.....

When it comes to nationalization of fourteen banks on 19.07.1969, which among the following is not true?

- a. Punjab National Bank
- b. Central Bank of India
- c. Canara Bank
- d. Andhra Bank

Ans - d

.....

.....
A loan or advance payable on demand against the security of immovable property by way of mortgage, the limitation period is

- a. twelve years from the date of mortgage deed
- b. three years from the date of mortgage deed
- c. five years from the date of mortgage deed
- d. None of the above

Ans - a

.....

Pledge does not mean (i) advance against goods, (ii) hypothecation of goods, (iii) bailment of goods as security for payment of a debt or performance of a promise

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Which of the following are disclosed in the red-herring prospectus? (i) the price of the share, (ii) the no. of shares, (iii) the lower and upper price band

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

A and his wife B have a locker in joint names and A is residing abroad. B informs about loss of key of the locker and asks for breaking open the locker. Which is not the correct option? (i) Bank will not accept the request, (ii) Bank can accept on basis of indemnity, (iii) Bank can accept the request accompanied by power of attorney in her favour from A

- a. Only (i) and (ii)
- b. Only (i) and (iii)

.....

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Additional interest subvention is available under National Rural Livelihood Mission (NRLM) for prompt repayment of the loan by the women self-help group at %, which brings the effective rate of interest to %

- a. 2%, 5%
- b. 2%, 4%
- c. 3%, 4%
- d. 3%, 5%

Ans - c

In case of recovery after receipt of claim from CGT-MSE, the recovered amount is to be used for

- a. repayment of balance amount of bank loan
- b. meeting the recovery expenses and then sharing on a prorata basis
- c. on a prorata basis i.e. 75:25
- d. as per agreement between the bank and CGT-MSE

Ans - b

Which of the following own 10 per cent equity stake in the capital of CIBIL? (i) HDFC, (ii) SBI, (iii) ICICI Bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The period of transaction that is covered by a deferred payment guarantee is generally between

- a. 1 year to 5 years
- b. 3 years to 7 years
- c. 6 months to 3 years
- d. 6 months to 7 years

Ans - b

The application software is the software that is

- a. developed by the user for specific functions
- b. developed by the manufacturer for manufacturing purpose
- c. supplied by the computer manufacture
- d. used by the computer manufacture

Ans - a

Under RB1 NEFT system, what is the maximum limit of individual transaction presently?

- a. Rs. 2 lac
- b. Rs. 10 lac
- c. Rs. 20 lac
- d. no ceiling

Ans - d

Security features available with smart cards are (i) multiple pins, (ii) retinal pattern verification, (iii) dynamic signature verification

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A Forward Rate Agreement is (i) a financial contract between two parties, (ii) to exchange interest payments for a 'notional principal' amount on settlement date, (iii) for a specified period from start date to maturity date

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

VSAT network is a network for banks and financial institutions.

- a. Open User Group
- b. Closed User Group
- c. Distributed User Group
- d. Computer User group

Ans - b

The advantages of the processor smart cards are (i) security, (ii) reliability, (iii) longer life

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is the gateway in India for EDI services worldwide?

- a. Satyam online
- b. BSNL
- c. MTNL
- d. VSNL

Ans - d

Data Communication helps in drastically cutting involved in transferring data from one point to another.

- a. number of employees
- b. number of managers
- c. number of clerks
- d. cost of time

Ans - d

Full form of FDMA is

- a. Frequency Division Multiple Access
- b. Financial Data Multiple Access
- c. Financial Data Multiple Act
- d. Fund Division Multiple Access

Ans - a

Data mining techniques can be applied in (i) Predicting future trends based on information available, (ii) Credit risk analysis, (iii) Analysing demographic information about customers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The GIRO system is related to which of the following?

- a. data transmission
- b. information highway
- c. money transfer system
- d. internet highway

Ans - c

Interest is calculated on actual/365 days basis in respect of the following products, except one :

- a. Call Money
- b. Notice Money
- c. Term Money
- d. GOI dated securities

Ans – d

.....

A Co-Operative Bank operating in different States are regulated by:

- a. State Co-Operative Societies Act
- b. Banking Regulation Act
- c. Multi Unit Co-Operative Societies Act
- d. Banking Laws (applicable to Co-Operative Societies)

Ans - c

.....

Introducing RTGS and NEFT in remittance product category are example for

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - c

.....

According to Companies Act, maximum duration of financial year is

- a. 12 months
- b. 12 months which can be extended upto 15 months
- c. 18 months
- d. 15 months which can be extended upto 18 months

Ans - d

.....

Which of the following is true in respect of opening of account in the name of Pardanashin woman?

- a. Can be opened for literate and illiterate Pardanashin woman
- b. Can't be opened for either literate or illiterate Pardanashin woman
- c. Can be opened for literate Pardanashin woman only
- d. Can be opened illiterate Pardanashin woman only

Ans - c

The seven P's of service marketing in the context of banking services represent

- a. Production, procurement, price, promotion, place, process and people
- b. Product, price, promotion, place, process, physical evidence and people
- c. Purchase, presentation, price, promotion, people, payment and persistent
- d. None of these

Ans - b

Cross-selling is a basic function of

- a. All employers
- b. All employees
- c. All salespersons
- d. Planning Department

Ans - c

Funds and securities pay-in and pay-out are carried out on

- a. On trading day
- b. T+1 day
- c. T+2 day
- d. T+3 day

Ans - c

The businesses became driven due to increased competition. (i) Customer, (ii) Market (iii) Money

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Idea Screening is the first stage of

- a. New product development
- b. Diversification
- c. Product modification
- d. None of the above

Ans - a

Customer value hierarchy has levels.

- a. 4
- b. 5
- c. 6
- d. 7

Ans - b

The Capital Adequacy Ratio is :

- a) 6%
- b) 8%
- c) 9%
- d) 10%

Ans - c

Which Consultancy Company is working on Restructuring the Financial and other Operations of NABARD?

- a. McKinsey
- b. Standard & Poors
- c. Ernst & Young
- d. Boston Consultancy Company

Ans - d

The term 'hot listed card' refers to (i) lost card, (ii) stolen card (iii) misplaced card

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following Act give/s legal recognition to a digital signature? (i) Information Technology Act, (ii) Indian Evidence Act

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans – a

Lien is not a/an of the creditor to retain possession. (i) right, (ii) obligation, (iii) instrument

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

The term VSAT stands for (i) Variable small aperture terminal, (ii) Very small aperture terminal

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

The frauds and other kind of crimes that happen on the internet network are called (i) Internet crimes, (ii) Cyber crimes

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

The firewall technology is not used in connection with (i) Physical safety, (ii) authorised access, (iii) Protection of computer network from intrusion by hackers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

If a complainant does not get satisfactory response from the bank within ___ days from the date of his lodging the complaint, he will have the option to approach the Office of the concerned Banking Ombudsman for redressal of his grievance.

- a. 15 Days
- b. 30 Days
- c. 45 Days

d. 60 Days

Ans - b

Use of computer can be traced through a process which is called as (i) Computer audit, (ii) Audit trail

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

The payment system in which there is a single debit and multiple credit (i) Electronic clearing service, (ii) SWIFT (iii) Payroll Processing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - B

Which of the following incident can be treated as part of the cyber crime activity? (i) Misusing a credit card, (ii) Transmitting unlawful data from one part of the globe to another (iii) Using the network for drug trafficking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Impact of IT on banks can be

- a. change in organisational structure
- b. change in organisational orientation
- c. change in service delivery channel
- d. All of the above

Ans - d

.....

The fear psychosis rings the air with the spread of IT and the impact is felt cutting across all levels of management of functional areas. These fears may be described as (i) Job Content-losing of one's skills and expertise, (ii) Job Security, (iii) Authority Dilution

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Non-fund based credit facilities include (i) Letter of credit, (ii) Letter of guarantee, (iii) Acceptance of bills on behalf of customer

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

When specific goods are charged to the banker by a firm by means of a letter of Hypothecation but are in actual or constructive possession of the borrower then in the event of the insolvency of the borrower the goods

- a. can be claimed by the Official Receiver
- b. can be claimed by the Official Receiver for the general benefits of the creditors
- c. cannot be claimed by the Official Receiver

d. None of the above

Ans - c

In case of perfectly elastic, demand curve is

- a. Vertical
- b. Horizontal
- c. Downward sloping
- d. None of these

Ans - b

..... is the straight reduction in price on purchase during a stated period of time.

- a. Discount
- b. Allowance
- c. Sale
- d. All of the above

Ans – a

A measure of sensitivity of demand to change in price is known as

- a. Inelastic
- b. Price elasticity
- c. Break-even price
- d. Cost-plus price

Ans - b

A cheque is received for payment with amount mentioned only in words. The banker would

- a. as per NI Act, honour the cheque for the amount in words
 - b. dishonour the cheque because no amount is mentioned in figures
 - c. to safe guard the bank's interest return the cheque with reason: words and figure differs
-

d. none of the above

Ans - c

The Consumer Credit Bureau covers credit availed by

- a. individuals
- b. proprietary concerns
- c. private and public limited companies
- d. banks

Ans - a

An account holder draws a cheque on a

- a. Banker of the Payee
- b. Banker of the Drawee
- c. Banker of the Drawer
- d. Banker of the Endorsee

Ans - c

Match the following:

- i) IRDA a. Insurance
- ii) Garnishee Order b. Judgement debtor
- iii) ATMs c. Assignment
- iv) Book debt d. E- Banking

- a. i-D,ii-C,iii-A,iv-B
- b. i-A,ii-B,iii-D iv-C
- c. i-B,ii-A,iii-D,iv-C
- d)i-D,ii-C,iii-B,iv-A

Ans - b

Adding new product lines, Lengthen existing product lines, Add more versions of each product, pursue more product line consistency comes under which type of product mix decision.

- a. Product mix dimensions
- b. Increasing business
- c. Trends
- d. All of the above

Ans - b

In case of perfect substitutes, the elasticity of demand is

- a. Zero
- b. Infinite
- c. Greater than one
- d. Less than one

Ans - b

The demand for necessities is

- a. Elastic
- b. Inelastic
- c. Unitary elastic
- d. Perfectly elastic

Ans - b

Minimum number of directors in case of Private & Public Ltd Co. respectively?

- a. 2, 7
- b. 1, 5
- c. 2, 3
- d. No such stipulation

Ans - c

Garnishee Order is issued by the (i) Court, (ii) IT Dept

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

As per Sec. 372 A of Companies Act, 1956 a Limited Company can make a loan to any other body corporate and give a guarantee upto

- a. 60% of its paid-up share capital and free reserves
- b. 100% of its free reserves
- c. Higher of a and b
- d. Lower of a and b

Ans - c

.....

According to Companies Act, maximum duration of financial year?

- a. 12 months
- b. 12 months which can be extended upto 15 months
- c. 18 months
- d. 15 months which can be extended upto 18 months

Ans - d

.....

Which of the following is not the pricing strategy?

- a. Geographical pricing
- b. Psychological pricing
- c. Product mix pricing
- d. None of these

Ans - d

.....

RBI notifies CRR under _____ Act

- a. Section 24 of the Banking Regulation Act
- b. Section 42 of the Banking Regulation Act
- c. Section 24 of the RBI Act
- d. Section 42 of the RBI Act

Ans - d

.....

Which of the following is not true in respect of Minor?

- a. A minor cannot be sued for recovery of any monies lent except for meeting the necessities of his/her life
- b. A minor can draw, endorse and negotiate a cheque binding all other parties except himself
- c. If a minor misrepresents his age, he is liable for his contracts
- d. A minor cannot ratify the contracts on his attaining majority

Ans - c

.....

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that Principal has died. Which of the following action you will take?

- a. Return the cheque
- b. Pay the cheque
- c. None of these

Ans - a

.....

Can nomination be made by an illiterate depositor?

- a. Yes, by affixing his Thumb Impression on form DA1 without witness
- b. Yes, by affixing his Thumb Impression on form DA1 with one witness
- c. Yes, by affixing his Thumb Impression on form DA1 with two witnesses
- d. No, such nomination may be under influence may not hold legal validity

Ans - b

.....

Nomination is not allowed in which of the following cases?

- a. Individual Resident A/c
- b. NRIs A/c
- c. Sole Proprietorship A/c
- d. Accounts held in Representative Capacity

Ans - d

.....

Facility of Nomination has been introduced in Banks on recommendations of which committee?

- a. Talwar Committee
- b. Ghosh Committee
- c. Jilani Committee
- d. Sawaikar Committee

Ans - a

.....

The Indian Banking System is regulated in terms of the provisions of (i) Reserve Bank of India Act, 1934, (ii) Banking Regulation Act, 1949.

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

.....

Pledged goods in the possession with the bank can be sold by the bank (i) with court intervention (ii) after notice to borrower for recovery of its dues.

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

Registered office of M/s XYZ Ltd Co. is at New Delhi. This company wants to enter into an MOU with French Company having its registered office at Paris. Managing Director of M/s XYZ Co Ltd will be visiting Paris next month in this respect. What will you suggest him regarding Common Seal?

- a. To carry original common seal to Paris
- b. To carry facsimile of the Common Seal to Paris
- c. Either a or b
- d. No Common seal can be taken to a foreign country

Ans - a

What is the amount of subsidy admissible to Self Help Group under SGSY scheme? (i) 50% of the project cost, (ii) Maximum Rs 10000 per beneficiary (iii) Maximum of Rs 2,00,000 for Self Help Group.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following is true in respect of opening of account in the name of Pardanashin woman?

- a. Can be opened for literate and illiterate Pardanashin woman
- b. Can't be opened for either literate or illiterate Pardanashin woman
- c. Can be opened for literate Pardanashin woman only
- d. Can be opened illiterate Pardanashin woman only

Ans - c

Limitation period for filling of the review application against the award given by the Banking Ombudsman is

- a. 30 Days

- b. 45 days
- c. 60 Days
- d. 90 Days

Ans - b

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that PA holder has been declared insolvent. Which of the following action you will take?

- a. Return the cheque as agency is terminated
- b. Pay the cheque as insolvency of agent does not terminate the agency
- c. Pay the cheque after obtaining Principal's confirmation
- d. None of these

Ans - b

Which of the following is not true in respect of Administrators?

- a. Appointed by a testator through a will
- b. Appointed by Court in absence of a will to act through Letter of Administration
- c. Performs the duty of realizing and distributing the assets of a deceased
- d. On death of one of the Administrators his powers are vested in surviving executors

Ans - a

In terms of Section 293 (1) d. of the Companies Act, 1956, can Board of Directors of a Public Limited Company borrow in excess of the aggregate of the paid-up capital and its free reserves?

- a. Yes, after passing a resolution at a duly convened meeting of the Board
- b. Yes, after obtaining consent of the shareholders in its General Meeting
- c. No, it is prohibited under Section 293 of Companies Act
- d. Yes, Borrowing upto 200% of Paid Up capital & free reserves is permitted under Sec 293

Ans - b

The Master Earth Station of NICNET is installed in

- a. Mumbai
- b. New Delhi
- c. Hyderabad
- d. Chennai

Ans - b

.....

Banknet link cities

- a. 5
- b. 6
- c. 7
- d. 8

Ans - c

.....

A bank customer ABC, enjoys a CC limit of Rs.300000. The CC account shows a credit balance of Rs.25000. The relationship between the bank and the customer is.

- a. Debtor/Creditor
- b. Creditor/Debtor
- c. Bailor/Bailee
- d. Bailee/Bailor

Ans - a

.....

The right of set-off is.....

- a. Customer's Right
- b. Customer's Obligation
- c. Banker's Right
- d. Banker's Discretion

Ans - d

.....

RBI acts as bankers to State Govt. on basis. (i) Mandatory, (ii) Agreement

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - b

.....

The clearing house facilities for payment and delivery of securities is provided by:

- a. SEBI
- b. Stock Exchange
- c. Clearing Corporation of India
- d. All the above

Ans -b

.....

The Central Board of RBI comprises, a Governor, 4 deputy governors and ----- directors:

- a.5
- b.7
- c.10
- d.15

Ans - d

.....

RBI acts as bankers to Central govt. on ----- basis and state governments on -----basis:

- a. by agreement, by agreement
- b. mandatory, on agreement
- c. by agreement, mandatory
- d. mandatory, mandatory

Ans - b

.....

Normally what type of movement is seen in interest rate with change in bank rate by RBI:

- a. if bank rate is reduced, interest rate of Banks increase
- b. if bank rate is increased, interest rate of Banks decrease
- c. if bank rate is reduced, interest rate of Banks decrease
- d. if bank rate is reduced or increased, there is no change in the interest rate of Banks

Ans - c

The small companies/organisations that have been created exclusively to deal in govt. securities are called (i) Mutual funds, (ii) NBFCs

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - d

Minimum amount of a CP should be lakh/s.

- a. 1
- b. 2
- c. 3
- d. 5

Ans - d

Banking ombudsman is

- a. legal machinery established by subordinate legislation to provide an additional but optional legal remedy
- b. a judicial machinery
- c. NGO
- d. an administrative machinery

Ans – a

The minimum tenor of issue of CDs can be days.

- a. 7
- b. 14
- c. 30
- d. 91

Ans - a

.....

An award by banking ombudsman will contain;

- a. specific performance of operations.
- b. loss / cost to be borne by the bank.
- c. reasons for making the award.
- d. all the above.

Ans - d

.....

Internet is

- a. Network of LAN
- b. Network of ATMs
- c. Network of ALPMs
- d. Network of Networks

Ans - d

.....

A passive threat to computer security is

- a. Malicious Intent
- b. Sabotage
- c. Accidental Errors
- d. Espionage Agents

Ans - c

.....

Which is not a function of a bank?

- a. Remittances
- b. Discounting of bills
- c. Conducting foreign exchange/Govt transactions
- d. None of these

Ans - d

.....

In Garnishee Order, the personal account of a partner for the debts of the firm.

- a. can be attached
- b. can't be attached
- c. can be attached if ordered so by the court
- d. None of these

Ans - a

.....

Mandate is a agreement

- a. stamped
- b. unstamped
- c. memorandum
- d. letter

Ans - b

.....

The benefits of test marketing are

- a. An opportunity to decide about launching or dropping the product
- b. Determining the suitable consumers
- c. More reliable forecast of future sales
- d. Determining the better promotional strategies

Ans - b

.....

Mode of communication capable of only transmitting data but not receiving is

- a. Simplex
- b. Semi duplex or half duplex
- c. Duplex
- d. None of the above

Ans – a

Mr. Jugraj Lal comes to open a saving bank account with your branch. He also has a cheque of Rs.500, which he would deposit in the account when account is opened. Which among the following can be accepted as first deposit in the account?

- a. cash only
- b. cheque
- c. DD/BC
- d. any of the above

Ans - d

A partnership firm is dissolved compulsorily in which of the following circumstances?

- a. When all the partners are declared insolvent
- b. When the business of the firm becomes unlawful
- c. When a competent court passes an order for the dissolution of the firm
- d. All these cases

Ans - d

Min Share capital required in case of Private & Public Ltd Co. respectively?

- a. Rs 1 lakh, Rs 7 lakhs
- b. Rs 5 lakhs, Rs 50 lakhs
- c. Rs 5 lakhs, Rs 7 lakhs
- d. Rs 1 lakh, Rs 5 lakhs

Ans – d

Minimum and maximum number of share holders in a Private Limited Co?

- a. 2, 50
- b. 5, 50
- c. 2, 20
- d. 5, 20

Ans - a

.....

Vehicle loans available to transport operators are made available with modifications to retail and agri-customers are example for

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - b

.....

Which of the following is not the characteristics of the services?

- a. Intangibility
- b. Perishability
- c. Seperability
- d. Heterogeniety

Ans - c

.....

A Power of Attorney PA executed abroad, should be stamped within how many months of its receipt in India?

- a. One Month
- b. Two Months
- c. Three Months
- d. Six Months

Ans - c

.....

Which can be taken as Identity Proff under KYC?

- a. Ration Card
- b. PAN Card
- c. Telephone Bill
- d. Electricity Bill

Ans - b

.....

Which of the following is true when Death/ insolvency/ Retirement or Expulsion of any partner takes place in a Partnership firm?

- a. Firm is compulsorily dissolved
- b. Firm is reconstituted
- c. Continuation of the Firm depends upon the provisions made in the Partnership Deed
- d. Both b or c

Ans – d

.....

Banker customer relationship comes to an end on...

- a. Death of customer
- b. Insolvency of customer
- c. Insanity of customer
- d. All the above

Ans - d

.....

Which of the following is not the level of the product?

- a. Potential product
- b. Augmented product
- c. Product line
- d. Expected product

Ans - c

.....

Nomination is defined under which Act?

- a. Sec 24 of BR act
- b. Sec 42 of RBI act
- c. Sec 45 Z of BR act
- d. None of these

Ans - c

.....

What are the disadvantages of not registering a partnership firm?

- a. Creditors of firm cannot sue an unregistered firm
- b. An unregistered firm cannot sue its debtors & partners
- c. Both a & b
- d. None of these

Ans - b

.....

In which of the following locker accounts nomination is allowed?

- a. E or S
- b. B or S
- c. Any one or Survivor
- d. Both without survivorship

Ans - d

.....

To authenticate a Digital signature, which of the following keys are used: (i) Private key, (ii) Public key, (iii) Master key

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Minimum and maximum number of share holders in a public limited company?

- a. 2, 50
- b. 10, 50
- c. 7, no limit
- d. 7, 50

Ans - c

Which of the following are the norms of awarding compensation by the banking ombudsman ?

- a. banking ombudsman does not have unlimited powers to allow compensation.
- b. the maximum limit of compensation is Rs. 10 lac
- c. no compensation will be awarded in excess of that which is necessary.
- d. all the above

Ans - d

Which of the following is the biological aspect of a computer? (i) Finger, (ii) Hand, (iii) Retina

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – b

The first committee that gave its recommendations relating to mechanization of banking system:

- a. Rangarajan Committee
- b. Saraf Committee
- c. Shere Committee
- d. Narasimham Committee

Ans - a

CBLO is operated by

- a. RBI
- b. NABARD
- c. CCIL
- d. GOI

Ans - c

.....

Government Securities are issued at par value of Rs.

- a. 10
- b. 50
- c. 100
- d. 1000

Ans - c

.....

Government Securities pa interest at coupon rate on a basis.

- a. Daily
- b. Monthly
- c. Half Yearly
- d. Yearly

Ans - c

.....

Can nomination be made in a singly operated SB Account of a Minor above age of 10 years?

- a. No, Contract with a Minor is void ab initio
- b. Yes, DA1 form to be signed by the Minor himself
- c. Yes, DA1 form to be signed by the person who is lawfully entitled to act on behalf of the minor
- d. Either b or c

Ans - c

.....

.....

In case of non-compliance of the award by the bank the banking ombudsman will report to;

- a. reserve bank of India.
- b. supreme court
- c. finance ministry
- d. consumer protection forum

Ans - a

.....

What is the maximum limit of compensation the banking ombudsman may award?

- a. Rs. 1 lac
- b. Rs. 5 lac
- c. Rs. 10 lac
- d. Rs. No such limit

Ans - c

.....

A & B are maintaining an 'E or S' account. D has been named as nominee. Balance in the account will be payable to _____ on the death of A.

- a. Jointly to B and Nominee D
- b. Jointly to B and legal heirs of A
- c. B alone
- d. D alone

Ans - c

.....

Can nomination be made in favour of a Minor?

- a. No, Minor cannot give a valid discharge to bank on death of the depositor
- b. Yes, freely permitted
- c. Yes, however, an appointee is required to be named for Minor
- d. Either b or c

Ans - c

.....

Mr. X is maintaining few accounts with Popular bank with its Trichur branch. The bank branch receives an attachment order. Which of the following accounts, will be attached by the order?

- a. Overdraft limit of Rs.0.30 lac, in which there is nominal debit balance
- b. Overdraft limit against shares of a company, where there is some unavailed balance available
- c. Amount of term deposit of Rs.1 lac minus the balance including interest in the overdraft limit of Rs.0.50 lac against this Term Deposit
- d. Overdraft limit of Rs.0.40 lac against Gold ornaments

Ans - c

A is holder of a cheque who endorses sans recourse to B and B to C and C to D who endorses it to E. cheque is dishonoured

- a. E can claim from B,C and D
- b. E cannot claim from any one
- c. E can claim from all
- d. E can claim from A

Ans - a

When the seller of machinery or other capital equipment is agreeable to extend long term credit to the buyer of the machinery, on the guarantee of a bank, such guarantee is called

- a. Specific guarantee
- b. Deferred payment guarantee
- c. Particular guarantee
- d. Performance guarantee

Ans - b

A partnership firm of XY&Z has been adjudged insolvent and its loan account is showing a debit balance of Rs.3 lac. Its partner Y is having a saving bank account in which there is balance of Rs.1.50 lac?

- a. The balance in partner's account cannot be utilised for payment of dues of an insolvent firm
-

- b. The balance in partner's personal account cannot be utilised as that balance belongs to official assignee
- c. The balance in partner's account can be utilised by exercising the right of set off sue to his joint and several liability
- d. The balance can be utilised before it is objected to by the partner

Ans - c

.....

In which of the following circumstance, the banker customer relationship does not come to an end?

- a. Death of the customer
- b. Insolvency of the customer
- c. Insanity of the customer
- d. Receipt of garnishee order which has been satisfied by payment

Ans - d

.....

Who controls appointments, reappointments, termination of Chairmen and CEOs of private banks?

- a. Finance Minister
- b. RBI
- c. Governor of RBI directly
- d. Ministry of Finance

Ans - d

.....

Innovation means (i) Product Designing, (ii) New ideas, (iii) Impulse

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Where a minor is admitted for benefit, in an existing firm (a) he has the authority to become partner on attaining majority (b) he has the right not to become partner on attaining majority (c) if he remains silent regarding whether to be partner or not to be, he is deemed to have not become partner (d) if he chooses to be a partner his liability begins from date of his becoming full-fledged partners

- a. a, c and d are correct
- b. a, b and d are correct
- c. Only a and b are correct
- d. Only a and c are correct

Ans - c

If done through the rural marketing would be more effective

- a. fairs
- b. village fairs
- c. door to door campaign
- d. All of these

Ans - b

A good definition of would be that it consists of direct connections with carefully targeted individual consumers to both obtain an immediate response and cultivate lasting customer relationships

- a. advertising
- b. direct marketing
- c. sales promotion
- d. public relations

Ans - b

Customization means

- a. acquiring more customers
 - b. regulating customers
-

- c. special products to suit each customer
- d. more products per customer

Ans - c

Modern style of marketing include (i) digital marketing, (ii) tele-marketing, (iii) e-commerce

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Social marketing is

- a. share market prices
- b. marketing by the entire society
- c. internet marketing
- d. marketing for the social cause

Ans - d

The target group of the SME loans is

- a. All businessmen
- b. All professionals
- c. All SSIs
- d. All of the above

Ans - c

The system of marketing information is that pertains to marketing

- a. The structure of people, equipment and procedures for generation and processing of Information
-

- b. The software used for collection of information
- c. The computer hardware which is used for handling database
- d. The set of inputs to collate the information

Ans - a

.....

Planned-cost service means

- a. Costly products
- b. Extra profit on the same cost
- c. Extra work by seller
- d. All of these

Ans - b

.....

Single credit and multiple debits, is the process, in respect of which of the following?

- a. RTGS
- b. NEFT
- c. ECS-Debit
- d. ECS-Credit

Ans - c

.....

Federal reserve Board is the regulator of banking system in

- a. India
- b. Europe
- c. United States
- d. Britain

Ans - c

.....

The net asset value of a mutual fund investment is calculated as under

- a. (market value of the securities / no. of units on a particular day) – the scheme expenses
-

- b. Market value of the securities less the scheme expenses / no. of units on a particular day
- c. Market value of the securities / no. of units on a particular day
- d. Market value of the securities plus the scheme expenses / no. of units on a particular day

Ans - b

.....

To install White Label ATMs, the Non-bank entities must have net worth of at least Rs. crore as per the last audited balance sheet

- a. Rs. 50 cr
- b. Rs. 100 cr
- c. Rs. 300 cr
- d. Rs. 500 cr

Ans - b

.....

A cheque drawn by a customer is presented for payment after a Garnishee order has been served on the account, the cheque will be returned with the reason

- a. Account garnished
- b. Account attached by the court
- c. Operations on the account stopped by the court
- d. Garnishee order received

Ans - d

.....

In case of dishonor of cheques, if the action is initiated against the drawer u/s 138 NI Act, the service of summons can be by way of (a) normal postal procedure (b) courier approved by the court (c) speed post (d) e-Mail.

- a. a and b only
- b. b and c only
- c. a, b and c only
- d. a to d all

Ans - c

.....

Which among the following relationship of bank and customer is not properly matched?

- a. Lockers - lesser & lessee
- b. Standing Instruction - agent & principal
- c. Assignment – Assignor and assignee
- d. Loan account - creditor and debtor

Ans - c

A bank has possession of certain securities of the customer. Which of the following relationships in the context is not correct?

- a. To secure a loan- creditor and debtor
- b. To collect interest on securities- agent and principal
- c. Left by mistake- bailee and bailer
- d. Given for safe custody – bailee and bailor

Ans - c

What is the time period during which the record of transactions is to be kept by banks under KYC directives?

- a. 15 years
- b. 12 years
- c. 5 years
- d. 10 years

Ans - c

The main function of an Asset Management Company is to

- a. hold the securities of various schemes
- b. manage the funds by making investments in various types of securities
- c. hold its property for the benefit of the unit holders
- d. all the above

Ans - b

Whenever RBI wants to reduce the liquidity in the banking system it can resort to which of the following?

- a. Repo
- b. Reverse repo
- c. Reduction in the CRR
- d. Reduction in the SLR

Ans - b

The Banking Codes and Standards Board of India was constituted on the recommendations of a Committee under Chairmanship of Sh.

- a. SS Tarapore
- b. Talwar
- c. Goiporia
- d. Narasimham

Ans - a

A holder of a cheque can recover the amount from the drawer u/s 138 of NI Act where (a) the cheque is issued for discharge of liability (b) the cheque is dishonoured for insufficiency of funds (c) the cheque is presented within its validity period irrespective of maximum period. Which of these conditions is correct?

- a. A, b and c all
- b. A and b
- c. B and c
- d. A and c

Ans - b

The issue of new securities to existing share holders at a ratio to those already held is known as

- a. Rights Issue/Rights Shares
 - b. Bonus Issue
-

-
- c. Preference Issue
 - d. None

Ans - a

.....

Where a bank is prohibited to accept the deposit despite prohibition for not accepting the depositing the deposits, what is the punishment?

- a. Fine to extent of 20% of the amount of deposit, so accepted
- b. Fine to extent of 50% of the amount of deposit, so accepted
- c. Fine to extent of 100% of the amount of deposit, so accepted
- d. Fine to extent of 200% of the amount of deposit, so accepted

Ans - d

.....

SEBI in respect of certain matters, has the same powers

- a. as are vested in a civil court under the Code of Civil Procedure, 1908 (5 of 1908), while trying a suit
- b. as are vested in a criminal court under the Criminal Procedure Code while trying a suit
- c. as the Company Law Board
- d. none

Ans - a

.....

Bank-B is maintaining account of a sports club which is operated by its Secretary and President jointly. Bank receives a notice (on Feb 10, 2018) of death of the President on Jan 31,2018. Two cheques of Rs.5000 each dated Jan 12, 2018 and dated Feb 02, 2018 are presented for payment on Feb 24,2018. The bank shall

- a. Pass both the cheques as these are signed by them in the capacity of an agent
- b. Return both the cheques as the death of one of the drawers has taken place
- c. Pass the 1st cheque and return the 2nd cheque
- d. Pass the 2nd cheque and return the 1st cheque

Ans - c

.....

.....

Access to the account by a customer in case of ATM is through PIN, which stands for

- a. Personal interaction number
- b. Private identification number
- c. Personal identification number
- d. Personal information number

Ans - c

An MSE unit with projected turnover of Rs.30 lac approaches your branch for sanction of working capital limits. What will be the minimum amount of working capital & margin to be assessed for this firm?

- a. Rs.6 lac, 0.5 lac
- b. Rs.1.50 lac, 6 lac
- c. Rs.15 lac, 2.0 lac
- d. Rs.7.50 lac, 1.50 lac

Ans - d

A charitable trust has a current account with your bank and now it wants to raise a loan for furtherance of its activities. The loan can be allowed

- a. If the trustee decide and pass a resolution to that effect
- b. If the current account operating trustee make a request and offer his guarantee also
- c. If the Trust Deed provides for that the loan
- d. The loan will not be allowed to a trust

Ans - c

A micro enterprises having sales of Rs.36 lac and Rs.50 lac for the last two years respectively has projected sales of Rs.60 lac and wants to have a bank limit enhanced from existing Rs.8 lac to Rs.11 lac. What amount of limit it can be sanctioned and what is the margin requirement?

- a. Limit Rs.10 lac, margin Rs.2.50 lac
 - b. Limit Rs.12 lac, margin Rs.3.00 lac
 - c. Limit Rs.12 lac, margin Rs.5.00 lac
-

.....
d. Limit Rs.15 lac, margin Rs.2.50 lac

Ans - b
.....

A document is executed outside India and it requires payment of stamp duty in India. The duty can be paid on these documents within

- a. Before it is used in India
- b. Immediately when the document enters India
- c. Within 4 months from date of its execution abroad
- d. Within 3 months of its entry into India

Ans - d
.....

Popular bank offers various services such as (a) saving bank accounts (b) recurring deposit account (c) credit card (d) demand draft. Which of these services to one product line?

- a. a and b only
- b. a to c only
- c. b to d only
- d. a, b and d only

Ans - d
.....

In which of the following circumstances operation in a current account in the name a firm can be allowed?

- a. If one of the partners has become insolvent
- b. If one of the partners has given instructions to stop payment while others agree for operations
- c. If one of the partners has died and the remaining partners want the operations for winding up the business
- d. if no. of partners has reached 21 due to two minors having decided to become partners after attaining majority

Ans - c
.....
.....

Section 19 (2) of Indian Partnership Act deals with which of the following aspects?

- a. Relationship of partners
- b. Liability of partners
- c. Restrictions on use of implied authority by partners
- d. Registration of a partnership firm

Ans - c

.....

Which of the following is the regulator and supervisor of depositories?

- a. IRDA
- b. RBI
- c. SEBI
- d. PPFDA

Ans - c

.....

Home loans can be best canvassed among

- a. Builders
- b. Flat owners
- c. Land developers
- d. Individual wanting to buy a flat or house

Ans - d

.....

A manufacturer of a consumer product keeps the price of a new product at a substantially high and over a time period to reduce it when the demand reduces. Such pricing is called

- a. Geographical pricing
- b. Promotional pricing
- c. Market skimming pricing
- d. Psychological pricing

Ans - c

.....

Service marketing is the same as

- a. internet marketing
- b. telemarketing
- c. internal marketing
- d. relationship marketing

Ans - d

.....

Expand SWOT

- a. Strengths, Width, Opportunities, Threats
- b. Security, Weaknesses, Opportunities, Threats.
- c. Strengths, Weaknesses, Opportunities, Threats
- d. Society, Weaknesses, Opportunities, Travel

Ans - c

.....

Forfaiting provides finance against the export receivables to an exporter (i) with recourse to the exporter, (ii) without recourse to the exporter

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

Forfaiter is

- a. an intermediary between an exporter and importer
- b. an exporter
- c. an importer
- d. a bank

Ans - a

.....

An attachment order of Rs.40000 on a partnership firm is received; whose current account shows a balance of Rs.4000. The individual accounts of the partners A,B and C are showing credit balance of Rs.20000, Rs.17000 and Rs.1250 respectively. To meet the payment stated in the order, how much amount will be payable from A's account?

- a. Rs.16250
- b. Rs.17750
- c. Rs.18750
- d. Rs.40000

Ans - b

Customer's Relationship with the Bank is influenced by (i) Customer's attitudes, (ii) Attitude of bank staff, (iii) Attitudes of salesperson

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Personal selling tries to achieve three general goals finding prospects, convincing prospects to buy and

- a. Monitoring new products being developed
- b. Being aware of competitors sales activities
- c. Avoiding repeat sales
- d. Keeping customer satisfied

Ans - d

Forfaiting provides to the exporter against receivables

- a. 100 per cent financing
 - b. 80 per cent financing
 - c. depending on the contract with the forfaiter
-

.....
d. none

Ans - a
.....

Security receipt is issued by the to a qualified institutional buyer in pursuance to a securitization program:

- a. Central Govt.
- b. Securitization Companies
- c. Rated companies
- d. All the above

Ans - b
.....

In a gilt fund, the mutual funds make investment in

- a. Govt. securities
- b. Corporate securities
- c. Corporate debt
- d. Govt. and corporate debt

Ans - a
.....

A Depository Receipt (DR) is a type of

- a. negotiable (transferable) financial instrument that is traded on a local stock exchange of a country but represents a security, usually in the form of equity that is issued by a foreign publicly listed company
- b. negotiable (transferable) financial instrument that is traded on a stock exchange of a foreign country but represents a security, usually in the form of equity that is issued by a foreign publicly listed company
- c. negotiable (transferable) financial instrument that is traded on a local stock exchange of a country but represents a security, usually in the form of equity that is issued by a local publicly listed company
- d. Receipt given by a depository participant of a depository

Ans - a
.....

The loan values (amount of loan) under retail lending normally range between

- a. Rs. 20,000 to Rs. 100 lakh
- b. Rs. 100 lakh to Rs. 10 crore
- c. More than Rs. 10 crore
- d. None

Ans - a

.....

Participatory notes are like contract notes issued by

- a. Foreign Institutional Investors (FIIs) to entities that want to invest in the Indian stock market but do not want to register themselves with the SEBI
- b. Commercial banks to their investors
- c. Government of India to banks
- d. None

Ans - a

.....

The ownership, management and trading functions of a stock exchange are clearly segregated in respect of

- a. Demutualised exchange
- b. Corporatised exchange
- c. Any stock exchange
- d. None

Ans - a

.....

Before passing an award the banking ombudsman will be guided by;

- a. evidences produced by the parties.
- b. banking law and practice.
- c. instructions and guidelines issued by RBI
- d. all the above

Ans - d

.....

.....
The tenor of issue of CPs can be upto months.

- a. 3
 - b. 6
 - c. 9
 - d. 12
- Ans - d

.....
Minimum amount of a CD should be lakh/s.

- a. 1
- b. 2
- c. 3
- d. 5

Ans - a

.....
RBI conducts on site inspection and off-site supervision of Indian banks and based on its finding. RBI rates the banks on important parameters called The word A of these parameters stands for

- a. CACS, advances
- b. CAMELS, assets
- c. CACS, asset quality
- d. CAMELS, asset quality

Ans - d

.....
Primary dealers also known as PDs, deal

- a. Mutual funds
- b. Shares
- c. Government securities
- d. All the above

Ans - c

Which of the followings cannot become a Partner in a Firm?

- a. Company as a single entity
- b. Trust if provided in Trust Deed
- c. HUF as a single entity
- d. Another Firm, each partner as individual member

Ans - c

The committee that gave its recommendation for drawing a perspective plan of computerization for the period 1990-94:

- a. Shere Committee
- b. Narasimham Committee
- c. Rangarajan Committee
- d. Saraf Committee

Ans - c

What is ASBA in e-Invest?

- a. All Scheduled Bank Association
- b. Applications Supported by Blocked Amount
- c. All India State Bank Association
- d. All Savings Bank Account Holders

Ans - b

The banking ombudsman scheme was implemented in India on

- a. 14.6.1995
- b. 1.1.7.1995
- c. 2.10.1995
- d. 15.12.1995

Ans - a

An electronic substitute for a manual signature that serves the similar function as a manual signature is called as (i) encrypted signature, (ii) digital signature

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that PA holder has died. Which of the following action you will take?

- a. Return the cheque as agency is terminated
- b. Pay the cheque as Principal is alive
- c. Pay the cheque after obtaining Principal's confirmation
- d. None of these

Ans - b

The Officer who Issues a Notice under SARFAESI Act should be at least

- a. Branch Manager
- b. Chief Manager
- c. Assistant General Manager
- d. Deputy General Manager

Ans - b

The minimum tenor for borrowing of ICDs by PDs is days.

- a. 1
- b. 7
- c. 14
- d. 90

Ans – b

CDs can't be issued to

- a. Trusts
- b. Minors
- c. NRIs
- d. Funds

Ans - b

A Corporate would be eligible to issue CP, if its TNW is not less than crore/s.

- a. 1
- b. 2
- c. 3
- d. 4

Ans - d

Fortnightly average outstanding lending of SCBs should not exceed more than % of their capital funds.

- a. 25
- b. 50
- c. 75
- d. 100

Ans - a

Co-operative Banks are permitted to borrow to the extent of % of their aggregate deposits as at the end of March of the previous financial year in the call/notice money market.

- a. 1
- b. 2
- c. 3
- d. 5

Ans – b

What are the formalities the banking ombudsman will comply before passing an award ?

- a. if the complaint is not settled within 2months from the date of receipt of the complaint, the banking ombudsman will inform parties about his intention to pass an award.
- b. both the parties may submit further representation or evidences in support their case within 15 days.
- c. the banking ombudsman will pass an award.
- d. all the above

Ans - d

The maximum tenor of Government Securities can be upto years.

- a. 1
- b. 10
- c. 20
- d. 30

Ans - d

The secretariat staff in the banking ombudsman office will be

- a. drawn from banks.
- b. drawn from reserve bank
- c. directly appointed
- d. (a) and (b)

Ans - d

Normally the day of auction for 364-day T-bill is

- a. Wednesday
- b. Wednesday of reporting week
- c. Wednesday of non-reporting week
- d. None of the above

Ans – b

The tenor of issue of ICDs can be upto months.

- a. 3
- b. 6
- c. 9
- d. 12

Ans - d

Which of the following is a/an input device in a computer system? (i) Key board, (ii) Bar code reader, (iii) Touch pad

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Advertising and sales promotion, public relations are three of the five tools of the promotion mix. The other two are

- a. Personal selling, direct marketing
- b. Home banking, internet banking
- c. Physical evidence and people
- d. Neither of the above

Ans - a

LC which can be amended or cancelled by the opening bank is called.....

- a. Transferable LC
- b. Irrevocable LC
- c. Revocable LC
- d. Revolving LC

Ans – c

Product strategies are of types.

- a. 1
- b. 2
- c. 3
- d. 4

Ans - b

.....

The apex institution which handles refinance for agriculture and rural development is called:

- a. RBI
- b. SIDBI
- c. NABARD
- d. SEBI

Ans - c

.....

Which of the following charge over assets of the company is not required to be registered with Registrar of Companies?

- a. Equitable Mortgage
- b. Hypothecation
- c. Pledge
- d. Charge on Book Debts

Ans - c

.....

Rules relating to Common Seal are contained in which of the following?

- a. Certification of Incorporation
- b. Memorandum of Association
- c. Certificate of Commencement of Business
- d. Articles of Association

Ans - d

.....

The acceptance of recommendations of the banking ombudsman should be conveyed by the bank within?

- a. 7 days
- b. 15 days
- c. 15days
- d. 30days

Ans - d

How many offices the banking ombudsman have at present ?

- a. 5
- b. 10
- c. 21
- d. 29

Ans - b

Normally the amount of auction for 91-day T-bill is crores

- a. 4000
- b. 5000
- c. 6000
- d. 7000

Ans - c

Issue of probate of a will is governed by which act?

- a. Indian Contract Act
- b. NI Act
- c. Indian Succession Act
- d. Transfer of Property Act

Ans - c

A probate issued by a High Court is valid _____ and is applicable to _____

- a. Within the state, Movable assets
- b. Within the state, Movable & Immovable assets
- c. Throughout India, Movable assets
- d. Throughout India, Movable & Immovable assets

Ans - d

.....

A probate issued by the District court is valid _____

- a. Within the district for any amount
- b. Within the State for any amount & property not exceeding Rs 50000/- outside the State
- c. Throughout India for any amount
- d. Within the State for any amount & property not exceeding Rs 10000/- outside the State

Ans - d

.....

Any addition/alteration made in the 'Will' by maker by an instrument is referred to as

- a. Allonge
- b. Codicil
- c. Assignment
- d. None

Ans - b

.....

Succession certificate is not applicable to which of the followings except in the states of UP & MP?

- a. Debts
- b. Securities
- c. Goods & Articles
- d. Applicable to All

Ans - c

.....

How many common seals a company may have?

- a. Any Number
- b. Only One
- c. As Provided in AoA
- d. As Provided in MoA

Ans - b

.....

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. Balance in the account will be payable to

- a. Jointly to legal heirs of A & B
- b. legal heirs of A alone
- c. Legal heirs of B alone
- d. D alone

Ans - d

.....

Which of the following is not true in respect of Garnishee order?

- a. Issued under S 60 of the Civil Procedure Code
- b. Attaches TDRs payable at a Future Date
- c. Collection items / Clearing Credits realized after the receipt of the order are not attached
- d. Order in Joint names then deposit in single name not attached

Ans - d

.....

Which of the following is not true in case of Revenue attachment order?

- a. Issued by I Tax, Sales Tax, Wealth Tax authorities
- b. Specific amount will be mentioned
- c. Accounts of deceased/insolvent not attached
- d. Future Credits attached

Ans - c

.....

What is the time limit to accept the recommendations of banking ombudsman by a bank?

- a. one week
- b. 2 weeks
- c. 3 weeks
- d. 4 weeks

Ans - b

.....

NREGA (National Rural Employment Guarantee Act) is renamed after

- a. Jawahar Lal Nehru
- b. Mahatma Gandhi
- c. Indira Gandhi
- d. Rajeev Gandhi

Ans - b

.....

Optical fibre can carry signals at

- a. 100 mega bits/sec
- b. 500 mega bits/sec
- c. 2 giga bits/sec
- d. 5 giga bits/sec

Ans - c

.....

Which is not one of the aspects which need careful scrutiny for launching a product?

- a. Geographical reach
- b. Timing of launch
- c. Place of launch
- d. Prospect consumer groups

Ans - c

.....

When a firm faces a situation that the expected sales and profit do not reach the desired levels, it can adopt ... possible approaches.

- a. 2
- b. 3
- c. 4
- d. 5

Ans - b

Example of Simplex mode of communication is

- a. Radio broadcast
- b. Walkie talkie
- c. Four-wire modems
- d. All of the above

Ans - a

Under PMRY, the eligible subsidy is % of the project cost.

- a. 10
- b. 15
- c. 20
- d. 25

Ans - b

The tenor of issue of CBLO can be upto months.

- a. 3
- b. 6
- c. 9
- d. 12

Ans - d

The Retail loans given by commercial banks are generally for duration of

- a. 5 to 7 with housing loans granted for a longer duration
- b. Less than 1 year
- c. Less than 5 years
- d. None of the above

Ans - a

.....

Kissan Credit Card is normally valid for a period of years.

- a. 2
- b. 3
- c. 4
- d. 5

Ans - d

.....

Maximum No of Partners in a non-banking partnership firm is _____ in terms of _____ Act

- a. 10, Indian Partnership Act 1932
- b. 20, Indian Partnership Act 1932
- c. 10, Companies Act 1956
- d. 20, Companies Act 1956

Ans - d

.....

What is the true limit for a bank to dispose customers complaints?

- a. 1 month
- b. 2 month
- c. 3 month
- d. 6 month

Ans - b

.....

What kind of complaint can be lodged with the banking ombudsman?

- a. delay in collection of cheques
- b. deficiency in cash transaction.
- c. non- issue of demand drafts
- d. all the above

Ans - d

.....

A partnership firm is dissolved compulsorily in which of the following circumstances?

- a. When all the partners are declared insolvent
- b. When the business of the firm becomes unlawful
- c. When a competent court passes an order for the dissolution of the firm
- d. All these cases

Ans - d

.....

Min Share capital required in case of Private & Public Ltd Co. respectively?

- a. Rs 1 lakh, Rs 7 lakhs
- b. Rs 5 lakhs, Rs 50 lakhs
- c. Rs 5 lakhs, Rs 7 lakhs
- d. Rs 1 lakh, Rs 5 lakhs

Ans - d

.....

Which among the following is not mentioned in the Memorandum of Association of a company?

- a. Objects of the company
- b. Authorized capital
- c. Powers of directors in conducting general affairs of the company
- d. Registered office

Ans - c

.....

Which is not a retail deposit product?

- a. credit card
- b. term deposits
- c. senior citizen deposits
- d. No frills acct

Ans - a

Which of the following statement is not true?

- a. Minor cannot become a partner in a Firm but he can be admitted to the benefits of the partnership with the consent of all partners
- b. Minor is not liable personally for any debts of the Firm nor his private property can be made liable
- c. Minor's share in the Firm is liable for all acts of the Firm
- d. Within one month of attaining majority, Minor should by way of public notice, elect to become or not to become a partner in the Firm

Ans - d

MCX-SX Third on line national stock exchange started operating?

- a. Dec 2012
- b. Jan 2013
- c. Feb 2013
- d. April 2013

Ans - c

A customer has a saving bank account and her husband had withdrawn the money from the bank on the basis of forged cheques at various occasions but the customer did not object to it. After his death, she comes to bank and demands the money:

- a. Bank would refer the matter to the court
 - b. Bank is liable on forged cheques
-

- c. The bank is negligent but not liable, as the customer is party to the forgery and did not inform the bank in time
- d. loss shall be borne in the ratio of 50:50 by the bank and the customer

Ans - b

.....

MCX-STOCK EX LTD consists of how many shares?

- a. 30
- b. 40
- c. 50
- d. 60

Ans - b

.....

If a borrower wants to file an appeal with DRAT against the decision of DRT under Debt Recovery Act, how much amount it will be required to deposit:

- a. 75% of the amount
- b. 50% of the amount
- c. 25% of the amount
- d. 10% of the amount

Ans – b

.....

A customer of Delhi branch of the bank having Multi-city cheque book under the CBS, demands payment of a cheque at Lucknow branch of the bank and there is connectivity between these two branches

- a. it is not a proper demand
- b. demand is in order. Lucknow branch should pay. Bank would get proper discharge.
- c. to demand money all bank branches are considered one unit whether the cheque is normal or multi-city.
- d. demand is in order, but Lucknow branch cannot get valid discharge as contract is with Delhi branch

Ans – b

.....

In a partnership firm, the provision regarding maximum no. of partners is mentioned in

- a. Indian Partnership Act
- b. Indian Contract Act
- c. Indian Companies Act
- d. Banking Regulation Act

Ans - c

.....

The person who apply for an LC

- a. seller
- b. creditor
- c. debtor
- d. buyer

Ans – d

.....

A firm discounts its export receivables of up to 5 years without recourse to the exporter under which of the following arrangement:

- a. forfaiting
- b. factoring
- c. securitisation
- d. bills discounting

Ans - a

.....

A gives a mandate in favour of B to operate his account and later on, a power of attorney is executed by A in favour his wife. In this case.....

- a. Mandate would remain effective along with power of attorney
- b. Mandate would become ineffective, if revoked specifically
- c. only one will be operative (either mandate or power of attorney)
- d. a and b

Ans – d

.....

Not negotiable crossing means

- a. The collecting banker should confirm about the genuineness of holder before collection of his cheque
- b. The not negotiable cheque cannot be further negotiated.
- c. Collection of not negotiable cheque will not get protection under NI Act
- d. A transferee cannot get better title than a transferor and he also cannot transfer a better title than he possesses.

Ans - d

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. C, son of A, produces a court order restraining the Bank from making payment from the account. What action you will take?

- a. Payment will be made jointly to legal heirs of A & B
- b. Payment will be made to C
- c. Payment to D will be a valid discharge to Bank's Liability
- d. Payment to D will be stopped

Ans - d

You receive a garnishee order for a current account maintained in your branch. A cheque is received for payment. What memo should be appended while returning the cheque:

- a. Garnishee order received
- b. Refer to drawer
- c. Insufficiency of funds due to garnishee order
- d. a and b

Ans - b

The stage where the product is introduced to the market and the real-life reactions are known is called as.....

- a. Idea screening
 - b. Commercial launch
-

- c. Test Marketing
- d. Concept testing

Ans - c

Who among the following will sign the account opening form for opening a current account in case of a partnership firm where the firm has three partners and a minor, aged 17, has been admitted to the firm for benefits?

- a. all the three and the father of the minor
- b. all the three and natural guardian of the minor
- c. all the three and the minor himself
- d. all the three partners only excluding the minor.

Ans - d

..... requires staffing, allocation of tasks and responsibilities, budgeting, and securing financial and other resources needed.

- a. Analysis
- b. Planning
- c. Implementation
- d. Control

Ans - c

Which of the following documents in case of a company is called Charter of the company?

- a. Resolution from Board of Directors or Shareholders
- b. Memorandum of Association
- c. Articles of Association
- d. Certificate of Incorporation

Ans - b

Ravi Kumar and Sons, an HUF, maintain a current account. The Karta of the HUF dies and leaves behind three family members i.e. his wife and two minor sons. How will you deal with the account?

- a. Bank will stop operations in the account
- b. Account can be operated by minor son being male member
- c. Account would be operated by widow being guardian of eldest male member to be called Karta
- d. Account can be operated by any of the two sons

Ans - c

What percentage of total output of the Export Oriented Units (EOUs) producing farm products could be sold in the Domestic Tariff Area (DTA) in India without losing the benefits of duty free imports?

- a. Nil
- b. 66
- c. 25
- d. 50

Ans - d

Providing banking facilities to the poor people of the society for mutual benefit of poor persons as well as banks, is called ;

- a. Financial literacy
- b. Financial inclusion
- c. Narrow banking
- d. Universal banking

Ans - b

Reserve Bank of India's functions are classified into:

- a. Supervisory & Regulatory
 - b. Promotional & Developmental
-

- c. Refinance Activities
- d. All of the above

Ans - d

A bill presented by your branch is dishonoured and you want to get its noting. The provision regarding noting is described under section...of NI Act:

- a. 100
- b. 99
- c. 85A
- d. 131

Ans - b

If a borrower wants to file an appeal with DRAT against the decision of DRT under SARFAESI Act, how much amount it will be required to deposit:

- a. 75% of the amount
- b. 50% of the amount
- c. 25% of the amount
- d. 10% of the amount

Ans - b

A bank receives a cheque for collection from its customer. Bank gives credit before collection of the cheque. It also allows the customer to withdraw the amount. In such case, the

- a. Bank is holder
- b. Bank is holder for value
- c. Bank becomes holder in due course
- d. Representative of the drawer

Ans - b

Hindustan lever launched Surf Excel and Surf Excelmatic. This is a type of branding strategy

- a. Line Extension
- b. Brand Extension
- c. New Brand
- d. Multi-Brand

Ans – a

.....

Supervision over Capital Market and Stock Exchanges is the role of...

- a. RBI
- b. SEBI
- c. IRDA
- d. AMFI

Ans - b

.....

As per PML Act, Banks has to submit CTR to FIU-India for transactions of above Rs. 10 Lakhs within of close of the month.

- a. 3 Days
- b. 7 Days
- c. 15 Days
- d. 30 Days

Ans - c

.....

Which one doesn't come under the classification of scheduled banks?

- a. Public Sector Banks
- b. Private Sector Banks
- c. Foreign Banks
- d. None of these

Ans – c

.....

Which of the following is correct regarding loans to professional and self employed under the priority sector? (i) Total borrowings should not exceed Rs. 10 lac of which working capital not to exceed Rs. 2 lac, (ii) For qualified medical practitioners, total borrowings should not exceed Rs. 15 lac where working capital of Rs. 3 lac

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Which of the following statements is not correct in connection with interest on loans & advances?

- a. The bank may waive the part or full of interest charged to a borrower
- b. The bank has liberty to provide interest free loan to a borrower
- c. In case the interest charged by the bank is not in conformity with the rate prescribed by the RBI, the court may disallow such excess interest
- d. The bank can charge the interest below the prime lending rate

Ans - b

The universal set of standards for EDI is known as

- a. EDIFACT
- b. EDI
- c. ISO
- d. BIS

Ans - a

In case of perfectly elastic demand, demand curve becomes

- a. Horizontal
- b. Vertical
- c. Downward sloping

d. None of these

Ans - a

..... is the price that a buyer carries in their mind and refers to it when they look at the given product

- a. Psychological pricing
- b. Segmented pricing
- c. Product-line pricing
- d. Reference pricing

Ans - d

With the increased use of IT there is an ever increased demand of the specialized personal in the fields of (i) IT Management & EDP Auding, (ii) Telecommunications, (iii) Data Base Management & Programming

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Small and relatively new banks with limited network of branch become better placed to compete with established banks, by integrating in their operations.

- a. Customer advice
- b. Customer share
- c. Advertising agencies
- d. Information technology

Ans - d

Personal loans can be canvassed among

- a. salaried person
- b. pensioners
- c. foreign nationals
- d. NRI Customers

Ans - a

.....

Data mining means analyzing the data stored with

- a. The DSA
- b. The front-office staff
- c. The back-office staff
- d. The customers

Ans - c

.....

E-Marketing is the same as (i) Real time Marketing, (ii) Virtual marketing, (iii) Digital marketing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following were not created to provide long term funds for industry or agriculture.
(i) Mutual funds, (ii) FIs, (iii) NBFCs

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Banks can not grant loans to any of its directors against which of the following securities?

- a. Government Securities
- b. Life Insurance policies
- c. Bank's own deposit
- d. Shares

Ans - d

.....

Credit Exposure ceiling for borrowers is linked to:

- a. Paid up capital of bank
- b. Net worth of bank
- c. Capital fund of the bank
- d. None of these

Ans - c

.....

Banks have to limit their commitment by way of unsecured guarantees in such a manner that % of the Bank's outstanding unsecured guarantees plus the total of outstanding unsecured advances do not exceed % of total outstanding advances.

- a. 10%, 15%
- b. 15%, 20%
- c. 15%, 40%
- d. None of these as there is no such stipulation.

Ans - d

.....

Banks can not grant advance against their own shares as per provisions of:

- a. Section 20 (1) of RBI Act
- b. Section 19(2) of Banking Regulation Act
- c. RBI guidelines
- d. Section 20 (1) of Banking Regulation Act

Ans - d

.....

Which of the following is not sensitive commodity for purpose of Selective Credit Control?

- a. food grains i.e. cereals and pulses
- b. major oil seeds and oils thereof
- c. raw cotton and kapas
- d. Tea and Coffee

Ans - d

.....

As per RBI, for borrowers availing working capital credit facilities of Rs 10 crore and above from the banking system, the loan component should normally be % and cash credit component should be %.

- a. 80%, 20%
- b. 20%, 80%
- c. 75%, 25%
- d. 60%, 40%

Ans - a

.....

As per Section 20A of the Banking Regulation Act, 1949, whose permission is required for remitting in whole or in part any debt due to a bank by any of the directors, or any firm or company in which any of its directors is interested as director, partner, managing agent or guarantor, or any individual, if any of its directors is his partner or guarantor.

- a. Reserve Bank
- b. Board of Directors of the Bank
- c. SEBI
- d. None of these as loan given to a director can not be remitted at all.

Ans - a

.....

CRM (Customer Relationship Management) is (i) A tool for lead generation, (ii) An ongoing daily activity, (iii) The task of a DSA

- a. Only (i) and (ii)
- b. Only (i) and (iii)

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Factors influencing the promotion mix is/are

- a. Type of product/market
- b. Buyers' Readiness stage
- c. Product life cycle stage
- d. All of the above

Ans - d

Under PML Act, Banks has to maintain record of foreign currency transactions even below Rs. 10 Lakhs if the aggregate of such transactions is Rs..... during Days/Weeks/Months.

- a. Rs. 10 Lakhs, 1 Day
- b. Rs. 10 Lakhs, 1 Month
- c. Above Rs. 10 Lakhs, 1 Day
- d. Above Rs. 10 Lakhs, 1 Month

Ans - d

A partnership firm has three partners and a minor, aged 17, admitted to the firm for benefits. Who among the following will sign the account opening form for opening a current account in this case ?

- a. all the three and the father of the minor
- b. all the three and natural guardian of the minor
- c. all the three and the minor himself
- d. all the three partners only

Ans - d

The benefits of test marketing is/are

- a. More reliable forecast of future sales
- b. An opportunity to decide about launching or dropping the product
- c. Determining the better promotional strategies
- d. All of the above

Ans - d

.....

Which of the following is not the growth strategies?

- a. Intensive growth
- b. Innovative growth
- c. Integrative growth
- d. Diversification growth

Ans - d

.....

You received a garnishee order for a current account maintained in your branch. A cheque is received for payment. What memo should be appended while returning the cheque?

- a. Garnishee order received
- b. Refer to drawer
- c. Insufficiency of funds due to garnishee order
- d. None of the above

Ans - b

.....

Max fine for offences under PML Act can be

- a. Rs. 2 Lakhs
- b. Rs. 3 Lakhs
- c. Rs. 5 Lakhs
- d. Rs. 10 Lakhs

Ans - c

.....

Mr. Kumar as director of a Ltd company expired. Bank received a cheque signed by Mr. Kumar as director of the Ltd company. The bank

- a. Can honour the cheque only after obtaining confirmation from other directors
- b. Can honour the cheque
- c. Cannot honour the cheque
- d. The company should issue a stop payment instructions to the bank

Ans - b

Account Payee crossing is an order of the drawer ...

- a. To all endorsees
- b. To Payee
- c. To Drawee Banker
- d. To collecting Banker

Ans - a

A distribution channel has several points

- a. Exchange
- b. Distribution
- c. Selling
- d. Buying

Ans - a

Marketing situation can't be ...

- a. Few Sellers & Many Buyers
- b. Many Sellers & Many Buyers
- c. One Seller & Many Buyers
- d. None of the above

Ans - d

.....
A savings account transferred to inoperative accounts if there is not operation in the account for the last

- a. 2 years
- b. 3 years
- c. 4 years
- d. 5 years

Ans - a
.....

Cash credit facility against merchandise (i.e., goods) are allowed by way of (i) Lien, (ii) Hypothecation, (iii) Pledge

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c
.....

In the case of an hypothecation advance to a company

- a. the charge has to be compulsorily filed for registration under Section 125 of the Companies Act, 1956, within a period of 30 days of the creation of the charge
- b. the charge has to be compulsorily filed for registration within a period of 90 days of the creation of the charge
- c. the charge is not required to be registered
- d. None of the above

Ans - a
.....

U/s 171 of Indian Contract Act, the general lien is available to (a) banker (b) wharfingers (c) factors (d) attorneys of High Court provided there is no agreement to the contrary

- a. A, b and d only
- b. B, c and d only
- c. A, b and c only

d. A to d all

Ans - d

There are various restrictions on banks on the issues relating to (a) shareholding (b) directorship (c) Voting powers (which of these are correct) under provisions of Act?

- a. a to c all, banking regulation Act
- b. a and b only, Banking regulation Act
- c. b and c only, Banking regulation Act
- d. a and c only, RBI Act

Ans - a

Marketing channels means

- a. delivery objects
- b. sales target
- c. delivery outlets
- d. delivery boys

Ans - c

Mobile Banking offers the following (i) Withdrawal of cash anywhere in India, (ii) Statement of account for a specific period, (iii) Transfer of funds from one account to another account

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Electronic purse may have following number of storage space

- a. only one
-

- b. two
- c. several
- d. no storage space

Ans - c

.....

Transactions relating to Government receipt are recorded in

- a. Cash book/Day book
- b. Transfer book
- c. Receipt Scrolls
- d. All of these

Ans - c

.....

A letter of credit is defined in which of the following?

- a. Indian Contract Act
- b. Companies Act
- c. Payment and Settlement System Act
- d. None of these

Ans - d

.....

What is the requirement u/s 25 of b R Act, to be fulfilled by the banks in India?

- a. Banks are to maintain 75% of the demand and time liabilities as assets in India
- b. These assets would be there as on last Friday of each quarter
- c. If such Friday is holiday, the preceding working day would be deemed to the relevant day
- d. All the above

Ans - d

.....

Red Herring Prospectus is issued by a for

- a. Company, to raise funds through a commercial paper
-

- b. Company, to raise funds from bank for a long term project
- c. Company, to raise capital from market under book building process in which a price of the share is not disclosed
- d. Bank, to raise funds from the overseas lenders

Ans - c

.....

An account holder draws a cheque on a

- a. Banker of the Payee
- b. Banker of the Drawee
- c. Banker of the Drawer
- d. Banker of the Endorsee

Ans - c

.....

Cheque truncation can be done by (i) using MICR data, (ii) sending cheque by speed post, (iii) using image processing

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

The technology also forces the banks to adopt or shift from product based approach to based approach.

- a. Prince
- b. Card
- c. Employee
- d. Customer

Ans - d

.....

Which of the following payment system location does not match?

- a. Clearing House Inter-bank Payment System (CHIPS)-Us
- b. Clearing House Automated Payment System (CHAPS)-Singapore
- c. Clearing House Automated transfer System (CHATS)-Hong Kong
- d. INFINET- India

Ans - b

.....

Charge card and Credit card is differentiated by

- a. Repayment mode as Credit card usage value can be paid in full or in part where as in charge card it is full
- b. There is no difference
- c. Only difference is Credit card is having more security feature than Charge card
- d. Charge cards are debit cards with an option for over-drawings

Ans - a

.....

If Digital signals are to be transmitted over long distances then the signals may get

- a. improved
- b. enhanced
- c. unaffected
- d. deteriorated

Ans - d

.....

Mediums of data transmission are (i) Terrestrial Cables, (ii) Microwave Systems, (iii) Communication Satellite

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

..... Phones are sophisticated electronic devices that can deliver E-mail, their focus away from the domestic market

- a. Ordinary
- b. Intelligent
- c. Smart
- d. Both a and b

Ans - c

A transfer by one person of a right, property or debt (existing of future) to another person is known as

- a. Negotiation
- b. Assignment
- c. Nomination
- d. Lien

Ans - b

Obligation of a Banker to maintain secrecy is applicable to

- a. Existing deposit accounts
- b. Existing safe deposit accounts
- c. Closed deposit accounts
- d. a,b and c (existing/closed)

Ans - d

Discuss the essential conditions for right of set off to the bank

- a. Money transactions
- b. Both the accounts in the same name and rights
- c. implied agreement to keep the accounts distinct and separate.
- d. All of the above

Ans - d

State which of the following is/are correct (i) In a garnishee order the banker on whom the order is issued is judgement debtor's debtor, (ii) A book debt advance is secured by a mortgage, (iii) CAMEL model is used by RBI inspectors

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Which of the following is a characteristic of EMV transaction? (i) Card to be inserted and remain in the terminal for the duration of transaction, (ii) Card generates unique cryptogram, (iii) Information is exchanged between the card and the terminal at the end of, the transaction

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Under mobile payments, the maximum amount which can be allowed by a bank is restricted to

- a. Rs.10000
- b. Rs.25000
- c. Rs.50000
- d. at discretion of the bank

Ans - d

Information technology has resulted in (i) improved efficiency, (ii) innovative products , (iii) effective delivery system

- a. Only (i) and (ii)
- b. Only (i) and (iii)

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

It is a characteristic of the English mortgage that

- a. the personal liability of the mortgagor remains notwithstanding the absolute transfer of the property to the mortgagee
- b. in case of default in repayment of mortgage money the mortgagee has a right to sell the mortgaged property outside the court in special circumstances mentioned in Sec. 69 of the Transfer of Property Act. 1882
- c. Both of the above
- d. None of the above

Ans - c

EMV standards which provides technical standards for card usage. In which EMV stands for

- a. Electronic Magnetic Variance
- b. Europay, Master card and Visa
- c. Electro Magnetic Visualization
- d. None of these

Ans - b

Which of the following is included in Risk Based Supervision of Banks by the RBI? (i) It is essential on site inspection driven, (ii) The inspection are conducted with references to Balance sheet dates, (iii) Supervisions follow-up commences with the detailed findings of annual financial inspection

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....
Out of the items mentioned below are physical products. (i) Pilgrimage tour to Gaya, (ii) Dosa and chapatti, (iii) Drinking water

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....
The note issue system in India is not based on (i) Gold Deposit System, (ii) Minimum Reserve System, (iii) Proportional Reserve System

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....
During the continuance of the mortgage in possession, the mortgagee has the following liability

- a. He must manage the property as a person of ordinary prudence.
- b. He must use the best endeavors to collect the rents and profits and should in the absence of a contract to the contrary pay the Government Revenue out of the income.
- c. He must keep accounts of any monies received and spent by him as mortgagee.
- d. All of the above

Ans - d

.....
When a proposal for an advance against immovable property is received, the following point should be carefully considered (i) Borrower's title, (ii) Borrower's repaying capacity, (iii) Valuation of the property

- a. Only (i) and (ii)
- b. Only (i) and (iii)

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

An estimate of the value of the property can be arrived at by

- a. taking architect or engineer's certificates
- b. scrutinizing the certificate issued by a local authority for taxation purpose
- c. calculations based on the net yield by way of rent
- d. Any of the above

Ans - d

Promissory Notes / Bill of Exchange and Cheque are defined as

- a. Trust Receipts
- b. Judicial documents
- c. Negotiable instruments
- d. documents of title to goods

Ans - c

Identify the document of title to goods:

- a. Bill of exchange
- b. Bill of lading
- c. Bill of entry
- d. any one of the above

Ans - b

One rupee note does not bear the signature of (i) Secretary, Ministry of finance, Govt. of India, (ii) Dy. Governor of Reserve Bank of India, (iii) Governor of Reserve Bank of India

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - c

Sec 131 of NI Act,1881 does not extend protection to the (i) Paying Banker, (ii) Collecting Banker, (iii) Issuing Banker

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - b

Hexadecimal number system uses (i) 0 to 16 numbers, (ii) 0 to 9 numbers and characters A, B, C, D, E, F for numbers 10, 11, 12, 13, 14 and 15

- a. Only (i)
b. Only (ii)
c. Either (i) or (ii)
d. Both (i) and (ii)

Ans - b

Which of the following Rating Approach is not applicable to foreign banks operating in India? (i) CAMELS, (ii) CAMEL, (iii) CACE

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - b

Loan for fishing is covered under Priority Sector as advances

- a. Direct Agriculture
- b. Indirect Agriculture
- c. Self Employment Scheme
- d. Allied to indirect Agriculture

Ans - a

.....

As per FIMMDA's guidelines, the Mid-Office is responsible for:

- a. Dealing activities
- b. Risk Management
- c. Reconciliation
- d. Confirmation of deals

Ans - b

.....

The converts digital signals to analog signals for the purpose of transmitting data over telephone lines

- a. Modem
- b. Router
- c. Gateway
- d. Bridge

Ans - a

.....

Which one is not a centralised control Network?

- a. Star Topology
- b. Ring Topology
- c. Tree Topology
- d. Loop Topology

Ans - b

.....

Which is not a function of RBI?

- a. Lender of Last resort to banks
- b. Management of Govt Debts
- c. Regulating Capital Market
- d. Bankers to Govt

Ans - c

.....

The securities are held in electronic form by...

- a. SEBI
- b. Depositories
- c. Mutual Funds
- d. Registrars

Ans - b

.....

Interest rate risk is an example for

- a. Market Risk
- b. Operational Risk
- c. Credit Risk
- d. All of the above

Ans - a

.....

Which one doesn't come under Financial Markets?

- a. Money Market
- b. Debt Market
- c. Forex Market
- d. None of these

Ans - d

.....

RBI issues notes of ...

- a. All denomination
- b. All denomination except Re.1
- c. All denomination except Rs.1000
- d. None of these

Ans - b

.....

INFINET is set up at

- a. Mumbai
- b. New Delhi
- c. Hyderabad
- d. Chennai

Ans - c

.....

Limitation period for filing a suit for sale of mortgaged property is years from due date.

- a. 10 years
- b. 12 years
- c. 20 years
- d. 30 years

Ans - b

.....

Which is not a communication processor?

- a. Message switches
- b. Multiplexers
- c. Transponders
- d. Front End Processors

Ans - c

.....

Banknet and SWIFT for transmission of messages were commissioned in India in the year

- a. 1951
- b. 1991
- c. 1961
- d. 1971

Ans - b

.....

..... is the first national level. Network in India which was commissioned in February 1991

- a. Internet
- b. INET
- c. BANKNET
- d. VSAT

Ans - c

.....

Which of the following conditions are essential to constitute a valid pledge?

- a. Bailment of goods
- b. Bailment must be or on behalf of the debtor or intending debtor
- c. It must be the intention of the parties that the goods will serve as security for a debt or performance of a promise
- d. All of the above

Ans - d

.....

Merchant bankers are

- a. Financial Brokers
- b. Financial intermediaries
- c. Credit Appraisers
- d. Underwriters

Ans - b

.....

Fund based credit facilities include (i) Term loan for acquisition of fixed assets, (ii) Cash credit facility, (iii) Bill purchase facility

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A charge against property for an amount of debt where neither ownership nor possession is passed to the creditor is known as

- a. Pledge
- b. Hypothecation
- c. Mortgage
- d. Lien

Ans - b

In the case of an hypothecation advance to a company

- a. the charge has to be compulsorily filed for registration under Section 125 of the Companies Act, 1956, within a period of 30 days of the creation of the charge
- b. the charge has to be compulsorily filed for registration within a period of 90 days of the creation of the charge
- c. the charge is not required to be registered
- d. None of the above

Ans - a

With a view to increase or decrease the liquidity in the banking system and thereby affect the loanable funds with banks, RBI initiates sale or purchase of government securities in open market and this method is called

- a. Reverse Repo
- b. Open Market Operations (OMOs)

- c. Repo
- d. G-secs or government securities Auction Market

Ans - b

Which of the following statement is correct? (i) Reserve Bank has to apply to higher court for winding up of a banking company, (ii) The central government can make an order of moratorium for a fraud not exceeding 6 months, (iii) The central government has the power to sanction the schemes of amalgamation or reconstruction prepaid by the RBI

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In case of perfectly elastic demand, the value of E_d is

- a. One
- b. Greater than one
- c. Less than one
- d. Infinite

Ans - d

What is the amount of capital subsidy available under National Rural Livelihood Mission (NRLM) scheme?

- a. 30% for individuals
- a. 50% for self-help group
- c. 40% for SC/ST
- d. no capital subsidy is available

Ans - d

The elasticity of demand for goods used for alternative purposes is

- a. Inelastic
- b. Elastic
- c. Infinite
- d. None of these

Ans - b

.....

Basic component of a data Communication System is

- a. Transmitting/Receiving devices
- b. Interface equipments
- c. Transmission medium
- d. Transmission Processors

Ans - a

.....

Decision support system (DSS) uses (i) query language, (ii) financial advice, (iii) statistical analyser

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following refers to the cash that all banks (scheduled and non-scheduled) are required to maintain with RBI as a certain percentage of their demand and time liabilities (DTL)?

- a. Base Rate
- b. SLR
- c. Marginal Standing Facility (MSF)
- d. CRR

Ans - d

.....

Equity investments by a bank in a subsidiary company, or a financial services company, including financial institutions, stock and other exchanges, depositories, etc., which is not a subsidiary should not exceed of the bank's paid-up share capital and reserves

- a. 5 percent
- b. 10 percent
- c. 20 percent
- d. 25 percent

Ans - b

Where a person in any of the towns, which the State Government concerned may, by notification in the Official Gaetted specify on this behalf, delivers to a creditor or his agent document or title to immovable property, with intent to create a security thereon, the transaction is called a

- a. Simple mortgage
- b. English mortgage
- c. Equitable mortgage
- d. Anomalous mortgage

Ans - c

A transfer by one person of a right, property or debt (existing of future) to another person is known as

- a. Negotiation
- b. Assignment
- c. Nomination
- d. Lien

Ans - b

Obligation of a Banker to maintain secrecy is applicable to

- a. Existing deposit accounts
 - b. Existing safe deposit accounts
-

- c. Closed deposit accounts
d. a,b and c (existing/closed)

Ans - d

State which of the following is/are correct (i) In a garnishee order the banker on whom the order is issued is judgement debtor's debtor, (ii) A book debt advance is secured by a mortgage, (iii) CAMEL model is used by RBI inspectors

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - b

Which of the following statements, is correct regarding bank rate? (i) Interest rate to decide interest rates on deposits by banks, (ii) It is a tool of credit control, (iii) It affects money supply

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

What do we call the practice of charging different prices depending on individual consumer and situation?

- a. Break –even pricing
b. Cost-PLUS pricing
c. Value based pricing
d. Dynamic pricing

Ans - d

Actual products are the services which fulfill the benefits

- a. Augmented product
- b. Actual product
- c. Core product
- d. Unsought product

Ans - c

When MU is zero, TU is

- a. Zero
- b. Negative
- c. Increases
- d. Maximum

Ans - d

A holder for value is

- a. A bank allows one of its clients to withdraw against clearing of a cheque.
- b. A bank which maintains high net worth customers accounts
- c. A bank which collects cheques for non customers
- d. A bank which handles high value clearing cheques

Ans - a

Eligibility Criteria for Banks undertaking Insurance Broking/Corporate Agency through a Subsidiary/JV (i) Minimum Net Owned Fund of 1,000 crore, (ii) Minimum CRAR of 10 per cent, (iii) Net NPAs of less than 3 per cent and a profit making record for the last three years

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

In case of relatively more elastic, demand curve is

- a. Horizontal
- b. Vertical
- c. Steeper
- d. Flatter

Ans - d

Which is correct statement? (i) The RBI issues monetary policy for the country, (ii) The Ministry of Finance issues fiscal policy, (iii) The Ministry of Commerce issues the EXIM policy

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Discuss the essential conditions for right of set off to the bank

- a. Money transactions
- b. Both the accounts in the same name and rights
- c. implied agreement to keep the accounts distinct and separate.
- d. All of the above

Ans - d

Cash credit facility against merchandise (i.e., goods) are allowed by way of (i) Lien, (ii) Hypothecation, (iii) Pledge

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Liquidity with a banker means

- a. Cash on hand available with him
- b. Cash and bank balance
- c. The level of convertible (to cash) short term assets available with a bank
- d. All of the above

Ans - c

.....

A minor account can be opened jointly with ...

- a. Natural Guardian
- b. Grand Parents
- c. Adult member of the family
- d. Any one of the above

Ans - a

.....

While raising a loan for the company, who will sign the documents on behalf of the company?

- a. Managing Director
- b. Authorised official as mentioned in resolution from Board of Directors
- c. Executive Director
- d. None of the above

Ans - b

.....

In which topology, breakdown of one station can disable the entire LAN?

- a. Star
- b. Bus
- c. Ring
- d. None of these

Ans - c

.....

Various techniques like brainstorming sessions, surveys for need/idea identification, suggestion scheme for staff are used during

- a. Idea screening
- b. Commercial launch
- c. Product Development
- d. Concept testing

Ans - a

“Change in demand” occurs due to the change in

- a. Income
- b. Prices of related goods
- c. Taste and preference
- d. All of these

Ans - d

Rule in clayton’s case is an example of

- a. right of lien
- b. right of set off
- c. right of transfer
- d. right of appropriation

Ans - d

Which of the following is not the stage of product life cycle?

- a. Introduction
- b. Growth
- c. Maturity
- d. None of these

Ans - d

..... is a complex function requiring use of both qualitative and quantitative techniques including budgetary control, control of marketing mix, and even marketing audit.

- a. Analysis
- b. Planning
- c. Implementation
- d. Control

Ans - d

Suspicious Transactions to be submitted to FIU for amount

- a. 10 Lakhs and above
- b. Above 10 Lakhs
- c. Above 2 Lakhs
- d. Any amount

Ans - d

For a loan to be raised in case of need, a person assigns his insurance policy in favour of the bank. Such relationship of the customer with the bank, will be of a/an:

- a. Pledger and pledgee
- b. Beneficiary and trustee
- c. Lender and borrower
- d. Assignor and assignee

Ans – d

The products whose sale is dependent upon the sale of primary product are

- a. Companion product
- b. Generic product
- c. Expected product
- d. Potential product

Ans - a

Which of the following is not the process of Marketing Management?

- a. Analysis
- b. Planning
- c. Control
- d. None of these

Ans - d

.....

Which of the following is not the characteristic associated with transactions between two or more parties?

- a. Agreed upon conditions
- b. Time of agreement
- c. A place of agreement
- d. None of these

Ans - d

.....

A garnishee order is applicable to

- a. Demand deposits
- b. Time deposits subject to maturity
- c. Recurring Deposit
- d. All the above

Ans - d

.....

Who doesn't come under low risk category under KYC guidelines?

- a. Persons from lower strata of the society
- b. Salaried employees
- c. Trusts
- d. Govt Departments

Ans - c

.....

Marketing concept is rested on four main pillars. Which of the following is not amongst four pillars?

- a. Target Market
- b. Customer needs
- c. Segregated Marketing
- d. Profitability

Ans - c

Which of the following represent the acronyms of age groups?

- a. SKIPPIS
- b. DINKS
- c. PUPPIES
- d. All of the above

Ans - d

Pricing is significant for firms because

- a. It determines revenues generated by the firms
- b. It determines profits earned by the firms
- c. It affects the level of funds available for other element of marketing mix
- d. All of the above

Ans - d

A collecting bank gets statutory protection under.....

- a. RBI Act
- b. Banking Regulation Act
- c. Negotiable Instruments Act
- d. Indian Contract Act

Ans - c

B is payee of a cheque, who endorses it to c. C lost the cheque which is found by D, who endorses it in favour of A for valuable consideration by way of forging C' signatures. The cheque is dishonoured. A can recover from

- a. B
- b. C
- c. D
- d. any of the previous parties

Ans - c

Suspicious Transactions to be submitted to FIU within of arriving at conclusion.

- a. 3 Days
- b. 7 Days
- c. 15 Days
- d. 30 Days

Ans - b

Except one of the following others are Non Fund based facilities:

- a) Letters of Credit
- b) Bank Guarantees
- c) Co-acceptance of Bills
- d) Trust Receipt

Ans - d

Which of the following statement is not correct?

- a. Price exist in different forms for products of different nature
- b. Price affects the consumer behaviour in deciding about acquiring the product
- c. Price is the only element that produces revenues
- d. None of these

Ans - d

A customer has a SB account and her husband had withdrawn the money from the bank on the basis of forged cheques at various occasions but the customer did not object to it. After his death, she comes to bank and demands the money.

- a. Bank would refer the matter to the court
- b. Bank is liable on forged cheques
- c. The bank is negligent but not liable, as the customer is party to the forgery and did not inform the bank in time
- d. Loss shall be borne in the ratio of 50:50 by the bank and the customer

Ans - b

Which of the following cannot part of a product line?

- a. Liril
- b. Lux
- c. Rin
- d. Dove

Ans - c

Example of Duplex mode of communication is

- a. Radio broadcast
- b. walkie talkie
- c. Four-wire modems
- d. All of the above

Ans - c

Registered office of M/s XYZ Ltd Co. is at New Delhi. This company wants to enter into an MOU with a Chennai based Company. Managing Director of M/s XYZ Co Ltd will be visiting Chennai next month in this respect. What will you suggest him regarding Common Seal?

- a. To carry original common seal to Chennai
 - b. To carry facsimile of the Common Seal to Chennai
 - c. Either a or b
-

d. Neither a nor b

Ans - a

A & B are friends aged 14 & 15 respectively. They want to open a joint account in your bank. You can't (i) Allow them to open a joint account to be operated jointly, (ii) Allow them to open a joint account with operating instructions Either or Survivor, (iii) Allow them to open a joint account with operating instructions Former or Survivor

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Which one doesn't come under plastic money?

- a. Credit Card
- b. Charge Card
- c. Debit Card
- d. None of these

Ans - d

It is a characteristic of the English mortgage that

- a. the personal liability of the mortgagor remains notwithstanding the absolute transfer of the property to the mortgagee
- b. in case of default in repayment of mortgage money the mortgagee has a right to sell the mortgaged property outside the court in special circumstances mentioned in the Transfer of Property Act
- c. Both of the above
- d. None of the above

Ans - c

Using an existing brand name to launch new or modified products in a new category is called as

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - b

The features of the award awarded by banking ombudsman are;

- a. it is binding on the banks
- b. it is not binding on the complaints unless be accepts it
- c. the complaint is free to seek alternative remedies available under general law
- d. all the above

Ans - d

COMET permits free format messages of lines of characters each.

- a. 6,36
- b. 7,48
- c. 8,48
- d. 9,56

Ans - c

Customization does not mean (i) acquiring more customers, (ii) special products to suit each customer, (iii) more products per customer

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – b

Which is not a type of T bills issued?

- a. 31-day
- b. 91-day
- c. 182-day
- d. 364-day

Ans - a

SWIFT is established under

- a. US Law
- b. UK Law
- c. Belgian Law
- d. Russian Law

Ans - c

RBI acts as bankers to Central Govt. on basis. (i) Mandatory, (ii) Agreement

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - a

When a stand-alone system is connected to the existing multi-user systems, they are called as

- a. Workstation
- b. Server
- c. Node
- d. Either a or c

Ans - d

Which is not a common task performed by the regional office/zonal office?

- a. Inter-branch reconciliation
- b. Customer Service
- c. Credit monitoring
- d. Personnel data management

Ans - b

.....

Which of the following characteristics is found only in some services like banking and not found in case of many services?

- a. inseparability
- b. variability
- c. client relationship
- d. perishability

Ans - c

.....

Programs designed to reward those customers who buy company's products regularly are classified as

- a. customers program
- b. frequency programs
- c. distribution programs
- d. None of above

Ans - b

.....

The phases of disaster recovery planning are

- a. Awareness
- b. Preparation
- c. Testing
- d. All of these

Ans - d

.....

IS audit for the software used is carried out by CAATT. This type is known as

- a. The audit around the computer
- b. The audit through the computer
- c. The audit with the computer
- d. All of above

Ans - c

.....

Risk prone component(s) in computerised systems are

- a. Errors and omissions in data and software
- b. Unauthorised disclosure of confidential information
- c. Computer abuse and mis-utilisation of banks assets
- d. All of above

Ans - d

.....

MODEM does the following

- a. modulates digital signals into analog
- b. demodulates analogue signals into digital
- c. converts data into image
- d. both a and b

Ans - d

.....

A twisted pair cable consists of

- a. two insulated copper wire
- b. an inner copper conductor held in position by circular spacers
- c. single copper wire
- d. all of these

Ans - a

.....

Objective of IS security is to ensure

- a. Confidentiality
- b. Integrity
- c. Availability
- d. All of above

Ans - d

.....

Dumb terminals have (i) Key board, (ii) Monitor, (iii) Memory

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

Multiplexer is used to

- a. store and forward data to a large number of terminals over a single communication channel
- b. send more than one signal simultaneously over a single communication channel
- c. intercept and handle communication activities for the host computer
- d. all of above

Ans - b

.....

Hypothecation is not applicable in the case of (i) Movable goods, (ii) Immovable property, (iii) Corporate guarantee

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

The credit cards are usually valid for

- a. One or Three years
- b. Five years
- c. Ten years
- d. No time limit

Ans - a

.....

Onsite inspections of banks is not based on methodology (i) CRISIL, (ii) CAMELS, (iii) CCIL

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Effective selling skills does not depend on (i) Size of the sales team, (ii) Peer strength, (ii) Knowledge level of the sales team

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Marketing implies 'meeting needs (i) profitably, (ii) increasingly

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

The functions of the distribution channel do not includes

- a. Helping the company to do demand forecasting
- b. Helping the customer in understanding and using the goods
- c. Marketing research
- d. Promotion of the sale of goods

Ans - c

Considering non personal communication channels, radio and television are not considered as (i) online media, (ii) broadcast media, (iii) display media

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Considering non personal communication channels, social networking sites, e-mail and company Websites are considered as

- a. broadcast media
- b. display media
- c. online media
- d. All the above

Ans - c

In PLC stages, stage in which sales and profits declines is called

- a. decline stage
- b. less improved stage
- c. product maturity stage
- d. non-innovative stage

Ans – a

Which is/are correct as regard to debit/smart card ? (i) The relationship between the card issuing bank and card holder is contractual and is subject to certain terms and conditions. (ii) As per the RBI guidelines, banks can introduce smart/debit cards with issued by Reserve Bank of India. (iii) Banks are not permitted to issue debit/smart cards in tie up with any non-banking entities.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – d

Charge created on LIC Policy is not (i) Hypothecation, (ii) Pledge, (iii) Assignment

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Bank's Assets are classified in to standard assets, substandard assets doubtful assets and loss assets, based on the recommendations of Committee

- a. Rangarajan
- b. Narasimham
- c. Ghosh
- d. Tandon

Ans - b

If in a cheque, amount stated in words and figure are not same, then

- a. amount stated in words shall be paid
 - b. amount stated in figure shall be paid
 - c. cheque should be returned with reason "amount in words and figure differs"
-

d. any one of the above

Ans - a

The Bankers Fair Practice Code in 2004 was brought by...

- a. Govt of India
- b. BCSBI
- c. IBA
- d. RBI

Ans - c

Which was the first Mutual Fund started in India?

- a. SBI Mutual Fund
- b. Kotak Pioneer Mutual Fund
- c. Unit Trust of India
- d. Indian Bank Mutual Fund

Ans - c

The main reason for rejection should be conveyed in writing if the loan application is upto Rs....

- a. 1 LaKh
- b. 2 Lakhs
- c. 3 lakhs
- d. 5 Lakhs

Ans - b

Call Money means money lent/borrowed between banks and entities like PDs for

- a. 1 day
 - b. 2-14 days
 - c. More than 14 days
-

.....
d. None of these

Ans - a
.....

A banker is expected to honour the cheques within the specified banking hours as per Section of NI Act,1881

- a. 22
- b. 25
- c. 31
- d. 65

Ans - d
.....

What are the advantage of credit cards to the member establishments ? (i) Payment is guaranteed by the bank. (ii) The member establishment get immediate reimbursement from the bank as per the charge slips less discount as agreed with member establishment whether the card holder has balance in his account or not. (iii) It estimates the risk of cash handling.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d
.....

The nomination facility in respect of safe custody is not available (i) when the customer is an individual, (ii) In respect of articles deposited by two or more individuals, (iii) In the case of articles deposited by firms and companies

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c
.....
.....

Assumptions for neutral money are (i) The quantity of money has no effect on the prices, (ii) When money becomes neutral price of the product will depend on productive power of the economy, (iii) Neutral money policy implies that monetary authorities should not change supply of money in response to changes in the supply of goods

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Public relation means building good relations with

- a. Consumers
- b. Suppliers
- c. Shareholders
- d. All the above

Ans - d

There are stages in the buyers readiness level.

- a. Three
- b. Four
- c. Five
- d. Six

Ans - d

One of the objectives of monetary policy is to maintain exchange stability because (i) It is necessary for smooth international trade, (ii) Exchange fluctuations lead to lack in confidence in a particular currency, (iii) Any Fluctuation in the exchange rate has direct effect

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
 - c. Only (ii) and (iii)
-

d. (i), (ii) and (iii)

Ans - d

Banks are to keep a close watch on large size cash transactions (debit/credit) of amount ...

- a. 10 Lakhs and above
- b. Above 10 Lakhs
- c. Above 2 Lakhs
- d. 2 Lakhs and above

Ans - a

Profits related to new product in its introductory stage are

- a. negative
- b. continuously rising
- c. higher
- d. declining

Ans - a

Foreign Exchange reserves of India are managed by (i) RBI, (ii) FEDAI, (iii) Exim Bank

- a. Only (i)
- b. Only (i) and (ii)
- c. Only (ii) and (iii)
- d. Only (i) and (iii)

Ans - a

Monetary and credit policy helps in (i) Efficient Payment Mechanism, (ii) Adequate money supply, (iii) Expansion of Financial system

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
-

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The whole time Directors are not appointed by (i) Reserve Bank of India, (ii) Central government in consultation with RBI, (iii) Individual Bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Your bank's customer XYZ Ltd, enjoys a CC limit of Rs.1,00,000.00. The CC account shows a credit balance of Rs,10,205.00. The relationship between your bank and XYZ Ltd is

- a. Debtor/Creditor
- b. Creditor/Debtor
- c. Bailor/Bailee
- d. Bailee/Bailor

Ans - a

Which of the following statement, are correct? (i) Credit policy has been instrumental in the increased savings rate, (ii) Monetary policy has facilitated growth of financial institutions, (iii) Monetary policy has resulted in widening the gaps between rich and poor

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following is the limit for Home loans in rural and semi-urban areas for the purpose of priority sector advances?

- a. Rs. 2 lac
- b. Rs. 5 lac
- c. Rs. 15 lac
- d. Rs. 25 lac

Ans - c

Which of the following were not created to provide long term funds for industry or agriculture.
(i) Mutual funds, (ii) FIs, (iii) NBFCs

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

'MICR' technology used for clearance of cheques by banks refers to

- a. Magnetic Ink Character Recognition
- b. Magnetic Intelligence Character Recognition
- c. Magnetic Information Cable Recognition
- d. Magnetic Insurance Cases Recognition

Ans - a

The regulator for Mutual Funds in India is.....

- a. FIMMDA
- b. AMFI
- c. RBI
- d. SEBI

Ans - d

Individual customers are covered by of CIBIL.

- a. Personal Credit Bureau
- b. Consumer Credit Bureau
- c. Retail Credit Bureau
- d. Commercial Credit Bureau

Ans - b

.....

A company which pools money from investors and invests in stocks, bonds, shares is called

- a. A bank
- b. An insurance company
- c. Bancassurance
- d. Mutual Fund

Ans - d

.....

Which is not a type of P/A generally granted?

- a. General
- b. Limited
- c. Universal
- d. None of these

Ans - d

.....

“Buy Now – Pay Now” is commonly used for

- a. Debit Cards
- b. Vault Cards
- c. Credit Cards
- d. E-purse

Ans - a

.....

Cash budget is a payment of

- a. cash Receipts
- b. cash payments
- c. either a or b
- d. both a and b

Ans - d

.....

Open Systems Interconnection (OSI) Model consists of

- a. 5-layers
- b. 6-layers
- c. 7-layers
- d. 8-layers

Ans - c

.....

Loan Delivery System is applicable in case of borrowers enjoying :

- a. working capital credit limits of Rs. 10 crore and above from the banking system
- b. working capital credit limits of Rs 10 crore and above from a bank.
- c. fund based limits of Rs 10 crore and above from the banking system
- d. fund based limits of Rs 10 crore and above from a bank.

Ans - a

.....

The monetary and credit policy statement of RBI is called:

- a. Annual Policy Statement
- b. Credit policy of RBI
- c. Economic Policy
- d. None of these

Ans - a

.....

Which of the following is/are correct regarding selective credit control? (i) Selective credit controls are used to control inflationary pressure, (ii) Bank credit to consumers to raise demand for durable consumer goods will also lead to inflation, (iii) Bank loans extended to speculators to hoard goods will lead to inflation

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In case of with profit life insurance policies, the bonus disclosed by the insurance company if any

- a. is paid as it accrues
- b. is credited to the bank account of the policy holder at the end of each year
- c. is added to the policy value and paid along with contracted amount
- d. is not paid at all. Adjustment is made in premium payments

Ans - c

Which of the following orders, the RBI may pass when the affairs of a Banking company are detrimental to the interest of the public? (i) To determinate the policy in relation to advances to be followed by Banking companies, (ii) To decide the purpose for which advances may or may not be made, (iii) To fix margin to be maintained in respect of secured advances

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

What is "social media optimization"?

- a. Creating content which easily creates publicity via social networks
-

- b. Writing clear content
- c. Creating short content which is easily indexed
- d. Hiring people to create content for social networks

Ans - a

.....

What is meant by "guerilla marketing"? (i) Using resources such as time, energy and imagination rather than money to market, (ii) Using advertising spots which utilize gorillas to capture the audience, (iii) Having a large scale marketing budget

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

The public key, in a electronic signature is used to

- a. verify the private key
- b. complete the private key
- c. supplement the private key
- d. all the above

Ans - a

.....

With a System, bank wide information, which is on-line and accurate becomes a reality with better information being available with the bank, the cost of operation can be reduced.

- a. Computer
- b. Centralised
- c. Decentralised
- d. Distributed

Ans - b

.....

What is a “vlog”? (i) Video Log, (ii) Video blog, (iii) New technology to aid in blogging

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Which of the following statements, as regard to Government business, is correct? (i) Excise remittances are accepted in challans with four copies, (ii) Government cheques are drawn and signed in Ink, (iii) RBI interest warrants remain valid for eight months from the date of issuance of warrant

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which P is not included in the 7Ps of marketing mix?

- a. People
- b. Purpose
- c. Promotion
- d. Price

Ans - b

Reserve bank of India under Section 35A of the banking Regulation Act, 1949 has issued the following instruction, under clean note policy (i) Banks to secure note packets with paper/polymer bands, (ii) Banks should sort notes into re-issuable and non-issuables and issue only clean notes to public, (iii) Banks should forthwith stop writing of any kind on water mark portion of bank notes

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In connection with the loan available under National Rural Livelihood Mission (NRLM), which of the following does not match?

- a. First dose: 4-8 times to the proposed corpus during the year or Rs. 50, 000 whichever is higher
- b. Second dose: 5-10 times of exiting corpus and proposed saving during the next twelve months or Rs. 1 lakhs, whichever is higher
- c. Third dose: Minimum of Rs. 5 lakhs
- d. Between Rs. 5-10 lakhs for fourth dose and/or higher in subsequent doses

Ans - c

Bank sanctioned a TL of Rs.20 to an SSI for a project cost of Rs. 40 lac. Balance is to come as margin from promoter and under SIDBI'S National Equity Fund. What maximum amount is available under NEF to this project?

- a. Rs.5 lac being 25% of the amount of the loan
- b. Rs.10 lac being 25% of project cost
- c. Rs.4 lac i.e. 10% of project cost
- d. Difference between margin to be provided by the borrower+bank loan and the project cost

Ans - b

Which out of the following is the aim of income fund schemes of a mutual fund?

- a. to provide maximum income
- b. to provide regular income
- c. to provide appreciation of capital
- d. to provide regular income and appreciation of capital

Ans – b

Service profit chain follows (i) Internal service quality, (ii) Satisfied and productive service employees, (iii) Satisfied and loyal customers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Who suggested product, pricing, place, promotion all these in a company represents "Market Mix"?

- a. Neilsen
- b. Neil Borden
- c. Lauterborn
- d. Philip Kotler

Ans - b

Networking coupled with the phenomenal increase in the processing power of computers has also helped in eliminating the use of very powerful systems.

- a. Management
- b. Officer
- c. Union
- d. Central Computer

Ans - d

Under the powers derived from Section 20, 21 and 21A of the Reserve Bank of India does not (i) manage the public debt and issue new loans on behalf of the Central and state Government, (ii) provide refinance to NABARD in respect on agriculture advances, (iii) regulate flow of credit to the economy by variation in the Statutory Liquidity requirement and Cash Reserve Ratio

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

As a cover for bank note issue, RBI keeps some minimum value of total approved assets in the form of (i) gold coins, (ii) bullion, (iii) foreign securities

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

..... is the best operable within a first to market scenario even though there would be few competitors within the company industry.

- a. Elasticities
- b. Market skimming
- c. Market penetration
- d. Marketing research

Ans - b

On the information that the draft has been lost, a duplicate has been issued after taking indemnity bond. The original and duplicate are presented for payment through clearing, by two different banks on the same day. Both have been branded with the stamp payee's account credited. The bank will not (i) pay the original, (ii) pay the duplicate, (iii) return both

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....
A draft purchased is reported lost and the purchaser wants to stop the payment of the draft.
Can the Bank do it?

- a. Bank cannot stop payment since it is a promissory note
- b. Bank can stop payment since covered under negotiable instrument
- c. Bank can ask the purchaser to suffer for negligence and bank cannot help
- d. Bank would issue stop payment instructions only after two weeks from date of issue

Ans - a

.....

In case of advance against pledge of goods

- a. possession as well as ownership passes to the bank
- b. possession and ownership remains with the borrower
- c. the possession passes to the bank but the legal ownership remains with the borrower
- d. possession with the borrower and ownership with the bank

Ans - c

.....

Banknet was set up by

- a. IBA
- b. RBI
- c. Central Govt
- d. None of the above

Ans - b

.....

The transition process of an exchange from a mutually owned association to the shareholders owned company, is called

- a. mutualisation
- b. demutualisation
- c. decorporatisation
- d. none of the above

Ans - b

.....

Which of the following can be included in the qualified institutional buyers (QIBs)? (i) a scheduled commercial banks and financial institutions, (ii) mutual funds and provident funds, (iii) FIs registered with SEBI or Venture capital fund

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

On 27.09.2015, on verification of a cheque presented by a customer of your bank, you find that the date of the cheque has been wrongly written as 27.09.2014 and you are of the opinion that the cheque should be returned to the customer and with what reasons?

- a. Stale cheque
- b. Mutilated cheque
- c. Post dated cheque
- d. Damaged cheque

Ans - a

Within how many days particulars of charge should be filed with Registrar of companies from the date of creation of charge?

- a. 30 Days
- b. 45 Days
- c. 60 Days
- d. 90 Days

Ans - a

A collaborative network that uses Internet Technology to link business with their suppliers is

- a. Internet
 - b. Intranet
 - c. Extranet
-

d. WAN

Ans – c

Your bank receives a cheque in inward clearing which has not been signed by the account holder. Which one of the following reasons you will select to return the cheque?

- a. Cheque is not signed by the payee
- b. Refer to the drawer
- c. Cheque is not signed by the drawee
- d. Cheque is not signed by the endorsee

Ans - b

Who can't issue CDs?

- a. LABs
- b. RRBs
- c. Both a & b
- d. None of these

Ans - c

A Corporate Bond which carry a rating of AAA is considered to be

- a. Highly safe
- b. High probability of default
- c. Can't say
- d. None of the above

Ans – a

Knowledge of which is necessary for effective selling skill?

- a. Promotional market
 - b. Related market
-

- c. Digital market
- d. Virtual market

Ans - b

The objective of creation of IRDA is not to (i) facilitate opening of insurance companies for increasing insurance business, (ii) regulate and develop insurance business, (iii) develop insurance products so that all the insurance companies adopt them on a uniform pattern

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Which is the tool that will help to increase the sale of product among the existing customers itself?

- a. Premium and bonus offer
- b. Free samples
- c. Discount offers
- d. Free gifts

Ans - a

What would the marketing budget section of a marketing plan detail? (i) The cost to write the plan, (ii) The expected costs for each ad campaign based on the delivery method, (iii) The overall marketing budget for a year

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Modern style of marketing include (i) digital marketing, (ii) tele-marketing, (iii) e-mails solicitation

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Temporary financial assistance availed by a State Government from Reserve Bank of India is called as

- a. Overdraft
- b. Temporary loan
- c. Short term finance
- d. Ways and Means advance

Ans - d

Bank loans to Large-sized Adivasi Multi Purpose Societies (LAMPS) is covered under Priority Sector as advances

- a. Direct Agriculture
- b. Indirect Agriculture
- c. Self Employment Scheme
- d. Allied to indirect Agriculture

Ans - b

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. C, son of A, produces a court order restraining the Bank from making payment from the account. What action you will take?

- a. Payment will be made jointly to legal heirs of A & B
 - b. Payment will be made to C
 - c. Payment to D will be a valid discharge to Bank's Liability
-

d. Payment to D will be stopped

Ans - d

Normally coaxial cables can carry signals at

- a. 100 mega bits/sec
- b. 500 mega bits/sec
- c. 2 giga bits/sec
- d. 5 giga bits/sec

Ans - b

Universal Banking means...

- a. International Banking
- b. Wholesale Banking
- c. Offering multiple Financial Products
- d. All of the above

Ans - c

Which of the following are involved in the Growth Strategies of a company? (i) Intensification, (ii) Diversification, (iii) Horizontal integration

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Concept of Bank computerisation practically started after

- a. 1970-71
 - b. 1973-74
-

- c. 1981-82
d. 1983-84

Ans – c

.....
A communication processor that connects dissimilar networks by providing the translation from one set of protocol to another is

- a. Bridge
b. Gateway
c. Router
d. Modem

Ans - b

..... % of small enterprises advances should go to micro enterprises in case of domestic banks.

- a. 20
b. 40
c. 60
d. 80

Ans - c

.....
The first pillar under BASEL II is?

- a. market discipline
b. disclosure norms
c. minimum capital requirement
d. supervisory review

Ans - c

.....
A bill is payable to or to order of a non-trading firm. Endorsement can be made by

- a. Any partner of the firm

- b. All the partners
- c. Authorised partner through power of attorney
- d. Any two partners

Ans - b

.....

The term 'allonge' refers to

- a. A plain sheet appended to a negotiable instrument for the purpose of making endorsement thereon.
- b. Conditional endorsement of a negotiable instrument
- c. A plain sheet appended to a will
- d. Enclosures to the balance sheet of the bank

Ans - a

.....

Which of the following is/are tool(s) for promotion mix?

- a. Advertising
- b. Public relations
- c. Direct Marketing
- d. All of the above

Ans - d

.....

Which one of the following inputs accounts for the largest percentage share in the total cost of all inputs in Indian agriculture ?

- a. Feed for livestock
- b. Seed
- c. Irrigation charges
- d. Chemical Fertilizers

Ans - a

.....

The securities are held in electronic form instead by physical form by ...

- a. Mutual Funds
- b. Registrars
- c. Custodians
- d. Depositories

Ans - d

.....

Which of the following is not true about push strategy of promotion mix?

- a. Promotion efforts are directed at the channel member
- b. It is done through personal selling and trade promotion
- c. Promotion efforts are directed towards the final consumer
- d. None of these

Ans - c

.....

Based on Geographical Area, markets can be grouped into

- a. Real Estate Market
- b. Regional Market
- c. Retail Loan Market
- d. Wholesale Market

Ans - b

.....

In respect of Regional Rural Banks, the share holding pattern is:

- a. Central Government 50%, State Government 35%, Sponsoring Bank 15%
- b. Central Government 50%, State Government 15%, Sponsoring Bank 35%
- c. Central Government 15%, State Government 35%, Sponsoring Bank 50%
- d. Central Government 35%, State Government 50%, Sponsoring Bank 15%

Ans - b

.....

Which can be crossed by the drawer?

- a. A promissory note
- b. A bill of exchange
- c. A Cheque
- d. All the above

Ans - c

.....

In 1969, major banks were nationalised.

- a. 12
- b. 14
- c. 17
- d. 19

Ans - b

.....

Low-price and high promotional spending is likely to succeed in markets.

- a. Large
- b. Small
- c. International
- d. Local

Ans - a

.....

Launching the financial Inclusion scheme in one district and later extending it to other districts is an example of.....

- a. Idea screening
- b. Commercial launch
- c. Product Development
- d. Concept testing

Ans - c

.....

Based on Volume of Transaction, markets can be grouped into

- a. Real Estate Market
- b. Retail Market
- c. Cash/Spot Market
- d. Commodity Market

Ans - b

.....

There is a joint account in the names of A and B to be operated upon by both of them jointly. On death of A, the credit balance in the account is payable to.....

- a. B
- b. B and Legal heirs of A Jointly
- c. Either a or b
- d. None of these

Ans - b

.....

Which of the following is not true in respect of Minor?

- a. Minor can't be sued for recovery of any money lent except for meeting the necessities of his/her life
- b. A minor can draw, endorse and negotiate a cheque binding all other parties except himself
- c. If a minor misrepresents his age, he is liable for his contracts
- d. A minor cannot ratify the contracts on his attaining majority

Ans - c

.....

When a cheque is crossed as "not negotiable", who doesn't come in the picture at all?

- a. Holder
- b. Holder-in-due course
- c. Payee
- d. Drawer

Ans - b

.....

Threats of physical damage to the hardware is from

- a. Natural Calamities
- b. Power Fluctuations
- c. Electro Magnetic Effects
- d. All of these

Ans – a

.....

If Garnishee Order is in a single name, and the account is in joint names with Operating clause "Either or Survivor", the money in the account

- a. can be attached
- b. can't be attached
- c. can be attached if ordered so by the court
- d. None of these

Ans - b

.....

The network interface card of LAN is related to following layer of OSI Model Transport

- a. Network
- b. Data Link
- c. Physical
- d. None of these

Ans - c

.....

One of the objective of Quality improvement is

- a. Products' versatility
- b. Aesthetic appeal
- c. Durability
- d. Convenience

Ans - c

.....

Which of the following Act gives legal recognition to a electronic signature?

- a. Negotiable Instruments Act
- b. Income Tax Act
- c. Information Technology Act
- d. Indian Evidence Act

Ans - c

Which of the following orders, the RBI may pass when the affairs of a banking company are detrimental to the interest of public? (i) To call any officer of the Bank to discuss the matter with RBI officials, (ii) RBI may depute its officer to watch the proceedings at any meeting of the Board of Directors, (iii) To instruct Banking company to make within specified time the changes in the management

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

X got his house insured against fire due to short circuiting. When he was away, his house caught fire due to leakage of LPG cylinder. He will not get any claim because of application of

- a. principle of subrogation
- b. principle of proximate cause
- c. principle of insurable interest
- d. principle of indemnity

Ans - b

To provide regular income and growth of investment, the balance fund schemes invest in

- a. govt. securities
 - b. equity of companies
 - c. debentures of companies
-

d. equity and debt instruments

Ans - d

Which of the following disqualifies a person to become a chairman of a Bank? (i) If a person is engaged in any other business or vocation, (ii) If a person has substantial interest in another company or the firm, (iii) If a person is a Director of another company other than a subsidiary of a Bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

What does moral suasion imply? (i) RBI may issue certain guidelines to be followed during a particular period, (ii) It is a kind of presentation and request made by RBI on commercial Banks, (iii) RBI may advise to provide favorable conditions for Bank credit in the period of business recession

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

When an insurance company indemnifies the insured, it gets the right over all the rights and remedies which are available to the insured against 3rd parties. This right is available under

- a. principle of subrogation
- b. principle of proximate cause
- c. principle of insurable interest
- d. principle of indemnity

Ans - a

What is open market operations being conducted by the Reserve bank of India? (i) It has direct impact on cash base of the commercial bank, (ii) It is a process of buying and selling govt. securities by the RBI on behalf of the government, (iii) It doesn't have any direct impact on cash base of the commercial bank

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Setting a low initial price to attract a large number of buyers quickly and cover the large market share is known as

- a. Skimming pricing
- b. Going-rate pricing
- c. Value based pricing
- d. Penetration pricing

Ans - d

..... deals with the specification of the actual good or service and how it relates to the target customer.

- a. Price aspect
- b. Product aspect
- c. Promotion aspect
- d. Place aspect

Ans - b

Only those commercial banks which fulfill the eligibility criteria fixed by RBI are allowed to have access to the National Payment system. This criteria include (i) minimum net worth of Rs.50 cr (ii) Net NPA less than 10% (iii) net profits in at least one year out of the latest 2 years.

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which legal provisions accord the same rights and remedies to the payee (beneficiary) against dishonour of electronic funds transfer instructions for insufficiency of funds in the account of the payer (remitter), as are available to the payee under section 138 of the NI Act?

- a. Section 16 of Information and Technology Act 2000
- b. Section 25 of the Payment and Settlement Systems Act, 2007
- c. Section 27 of Indian Evidence Act
- d. Section 141 of Negotiable Instruments Act 1881

Ans - b

Which of the following are characteristics of a preference share? (i) holders get voting rights similar to an equity shareholder, (ii) owners get a fixed dividend, (iii) owners get the dividend in preference over the equity shareholders

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Which of the following do not determine the speed of the computer system? (i) size of the hard disk, (ii) size of the computer unit, (iii) capacity of the microprocessor

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

What are the powers of RBI under section 35A of the Banking Regulation Act 1949 for issuing directions to Bank? (i) To issue directions in the public interest or in the interest of Banking policy, (ii) To prevent affairs of banking company if it is detrimental to the interests of depositors, (iii) To secure the proper management of any banking company

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In joint accounts, the nomination

- a. Can be made by all account holders in favor of different persons
- b. Can be made in favor of one person for deposit accounts
- c. Can not be availed
- d. All of the above

Ans - b

All normal transactions are accepted and processed under RTGS in which of the following phases

- a. RTGS open business phase
- b. IDL Shut phase
- c. IDL close phase
- d. RTGS close phase

Ans - a

What are the major objectives of credit policy? (i) To control money supply, (ii) To attain full employment, (iii) To maintain price stability

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
 - c. Only (ii) and (iii)
-

d. (i), (ii) and (iii)

Ans - d

Under a contract of insurance, the payment is made of the insured amount on which of the following dates (choose the wrong one):

- a. the date of maturity
- b. specified dates at periodical intervals
- c. death, in case it happen earlier than date of maturity
- d. death only, in all the cases.

Ans - d

The Charge card does not offer (i) revolving credit for certain period, (ii) payoff the entire amount of card usage, (iii) online recover of amount of card usage

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Which of the following are not correct regarding the no. of factors? (i) in domestic factoring and international factors 2 factors are involved, (ii) in domestic factoring, 2 factors are involved and in international factoring 1 factor is involved, (iii) in domestic factoring, 1 factor is involved and in international factoring 2 factors are involved

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Interest of time deposits may be paid, credited, transferred or reinvested with frequency not less than the

- a. quarterly rests
- b. monthly rests
- c. half yearly rests
- d. yearly rests

Ans - a

In terms of Rule 14 of IBA Code for Banking Practice, Banks may accept time deposit for more than 10 years (i) In terms of orders of competent courts, (ii) In the case of minors where interest of minors are involved provided bank's convinced that it is necessary to do so, (iii) In their judgement based on asset liability management policies

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The bailment of goods as security for payment of a debt or performance of a promise is known as

- a. Pledge
- b. Hypothecation
- c. Mortgage
- d. Lien

Ans - a

For protection of investors of mutual funds, who formulates the policies and regulates the mutual funds to protect the interest of investors?

- a. Reserve Bank of India
- b. Company Law Board Insurance

-
- c. Regulatory and Development authority
 - d. None of the above

Ans - d

.....

Which of the following are not off-balance sheet items? (i) overdraft limit sanctioned to a firm, (ii) bid bond, (iii) credit balance in the overdraft account

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

In case of receipt of request for transfer of borrowal account, the consent or objection of the lender, if any, should be conveyed within

- a. twenty-one days from the date of receipt of request
- b. fifteen days from the date of receipt of request
- c. immediately on receipt of request
- d. None of the above

Ans - a

.....

Which of the following statement, is correct regarding Risk Based supervision of RBI? (i) The RBI will have effective review, evaluation and follow-up of the risk profile of the concerned bank, (ii) The focal point of contacts for all banks would be central office of RBI and its Regional offices, (iii) The risk profile would focus on high risk areas

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

.....

Which is not a major reason for product elimination?

- a. Excessive administration expenditure and time
- b. Sales keep declining continuously and there is no possibility of increasing sales
- c. Profits keep declining continuously and there is no possibility of improving profits
- d. All the above

Ans - d

.....

A result of a computer virus cannot lead to

- a. Disk Crash
- b. Mother Board Crash
- c. Corruption of program
- d. Deletion of files

Ans - b

.....

A company which pools money from investors and invests in stocks, bonds, shares is called

- a. A bank
- b. An insurance company
- c. Bancassurance
- d. Mutual Fund

Ans - d

.....

Bancassurance is

- a. An insurance scheme to insure bank deposits
- b. An insurance scheme to insure bank advances
- c. A composite financial service offering both bank and insurance products
- d. A bank deposit scheme exclusively for employees of insurance companies

Ans - c

.....

Max period of imprisonment for offences under PML Act can be

- a. 2-3 Years
- b. 3-5 Years
- c. 3-7 Years
- d. 5-7 Years

Ans - d

.....

A document executed in India shall be stamped the time of execution.

- a. before
- b. after
- c. at
- d. either a or c

Ans - d

.....

Under PMRY, the project cost for the business services sector is restricted to

- a. 2 Lakhs
- b. 5 Lakhs
- c. 6 Lakhs
- d. 10 Lakhs

Ans - a

.....

..... covers both strategic planning for the long-term marketing direction of the firm, and marketing programmes and tactics to be used to support the strategic plans.

- a. Analysis
- b. Planning
- c. Implementation
- d. Control

Ans - b

.....

The Imperial Bank of India was converted into State Bank of India in

- a. 1947
- b. 1955
- c. 1967
- d. 1969

Ans - b

.....

Which is not defined in NI Act?

- a. Special Crossing
- b. A/c Payee
- c. General Crossing
- d. None of the above

Ans - b

.....

..... covers both strategic planning for the long-term marketing direction of the firm, and marketing programmes and tactics to be used to support the strategic plans.

- a. Analysis
- b. Planning
- c. Implementation
- d. Control

Ans - b

.....

During Mortgage, normally EC is asked for years.

- a. 10 years
- b. 13 years
- c. 20 years
- d. 30 years

Ans - b

.....

.....
A bank in India, wants to undertake capital market activities, doesn't need to (i) Obtain special license from AMFI, (ii) Register with SEBI, (iii) Obtain special license from FIMMDA

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....
Monitorable Action Plan (MAP) of RBI would include (i) Improvement areas identified during the current on site and off site supervisory process, (ii) Accountability of key individuals of the bank, (iii) Sanction and penalties to Banks for not meeting the monitorable action plan

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....
What is the maximum time for settlement of a claim before passing an award by the banking ombudsman?

- a. within 15 days from the date of receipt of complaint.
- b. within 30 days from the date of receipt of complaint.
- c. within 2 months from the date of receipt complaint ,
- d. within 3 months from he date of receipt of complaint

Ans - c

.....
'A' maintaining an SB Account dies intestate. No nomination had been made by him. Balance in the account is Rs 50000/- . Which of the following is not required for settling the claim without legal representation?

- a. Death Certificate of 'A'
- b. Claim format signed by claimants

- c. Stamped Letter of Indemnity by claimants
- d. Stamped Letter of Indemnity by Surety

Ans - d

'A' maintaining an SB Account dies intestate. No nomination had been made by him. Balance in the account is Rs 1 lakh. Which of the following is not required for settling the claim without legal representation?

- a. Death Certificate of 'A'
- b. Claim format signed by claimants
- c. Stamped Letter of Indemnity by claimants & Sureties
- d. Affidavit (stamped. from one Independent respectable person

Ans - d

Which of the following can be treated as part of the computer hardware: (i) Mother board (ii) Memory (iii) power supply

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

A credit voucher for Rs. 30,000/- favouring Raju was wrongly posted to Ramu by the bank. The relationship established with Ramu is of

- a. trustee and beneficiary
- b. debtor and guarantor
- c. creditor and indemnifier
- d. creditor and debtor

Ans - d

The board for financial supervision will exercise integrated supervision over (i) Commercial Banks, (ii) Financial Institutions, (iii) Non-Banking Financial Intermediaries and other para-Banking financial institutions

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The term 'Moral Suasion' does not refer to (i) The Banker's duty of secrecy as regards the affair and accounts of his customers, (ii) Moral duty of a borrower to deal with only one Bank, (iii) A mechanism by which supervisors may enforce requirements through dialogue with the bank's management.

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Out of the following, are objectives of pricing. (i) Profit, (ii) Stabilising demand and sales of the product, (iii) Improvement in product quality

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A simplex transmission is capable of

- a. transmitting data only in one direction
 - b. data movement in both the direction but only in one direction at a time
-

- c. providing a simultaneous two way communication
- d. data communication only

Ans - a

.....

The risks broadly lead to

- a. Incorrect decision making leading to setback to business
- b. Interruption in activities due to loss of data, hardware, software, people ware
- c. Violation of privacy
- d. All of these

Ans - d

.....

Retail stores such as Wal-Mart and Target are examples of

- a. specialty stores
- b. department store
- c. discount store
- d. super store

Ans - c

.....

Minimum number of directors in case of Private & Public Ltd Co. respectively?

- a. 2, 7
- b. 1, 5
- c. 2, 3
- d. No such stipulation

Ans - c

.....

The minimum maturity period of CBLO can be days.

- a. 1
 - b. 3
-

- c. 7
d. 14

Ans – a

.....

A cheque drawn by a Power of Attorney holder is presented for payment. You come to know through reliable source that PA holder has been declared insolvent. Which of the following action you will take?

- a. Return the cheque as agency is terminated
b. Pay the cheque as insolvency of agent does not terminate the agency
c. Pay the cheque after obtaining Principal's confirmation
d. None of these

Ans - b

.....

A marketing manager of a large consumer foods company is studying distribution, promotion, and price of the company's product. Marketing manager is studying which one of the following concepts?

- a. Marketing plan
b. Marketing strategy
c. Marketing mix
d. Market offering

Ans - c

.....

The market trading days for Government Securities are from to

- a. Monday, Friday
b. Monday, Saturday
c. Monday, Sunday
d. None of the above

Ans - a

One rupee note bears the signatures of:

- a. Governor RBI
- b. Secy. Ministry of Finance
- c. Prime Minister of India
- d. Finance Minister

Ans - b

.....

As per section 45(ZA) of Banking Regulation Act 1949:

- a. Nomination facility has been granted for bank deposits.
- b. Guidelines have been laid down for election of Chairmen and Managing Directors of the banks.
- c. Guidelines have been given for providing working capital to big units.
- d. Nomination facility is available for locker accounts

Ans - a

.....

The Imperial Bank of India was converted into State Bank of India in

- a. 1947
- b. 1955
- c. 1967
- d. 1969

Ans - b

.....

The report on Harmonization of role of FIs and banks relating to universal banking was given by:

- a. M S Verma
- b. R H Khan
- c. B D Shah
- d. K S Shere

Ans - b

.....

When colour TVs were introduced in India for the first time, the manufacturers priced them very high. After the initial enthusiasm waned, they reduced the price. This type of pricing is called

- a. Price skimming
- b. Market skimming
- c. Exploitation pricing
- d. a & c

Ans - b

Which Section As per the RBI's Clean Note Policy, writing on a Currency Note is

- a. An Offence
- b. A Crime
- c. A Punishable Offence
- d. The notes become non-legal tender

Ans - c

BCSBI is setup on the Recommendations of which Committee

- a. S.S. Tarapore Committee
- b. Dr. c.Rangarajan Committee
- c. Vijay Kelkar Committee
- d. Montek Singh Ahluwalia Committee

Ans - a

The Second Pillar under BASEL II is?

- a. market discipline
- b. disclosure norms
- c. minimum capital requirement
- d. supervisory review

Ans -d

Based on Nature of Transaction, markets can be grouped into

- a. Real Estate Market
- b. Regional Market
- c. Cash/Spot Market
- d. Wholesale Market

Ans - c

.....

.....of Banking Regulation Act, 1949 provides Nomination for Payment of Depositor's Money

- a. Section 42
- b. Section 24
- c. Section 110A
- d. Section 45ZA

Ans - d

.....

Focus of a Marketing Exercise is ...

- a. Goods and services
- b. Market Demand
- c. Consumers and their requirements
- d. Sale of product

Ans - c

.....

A cheque is presented for payment through clearing house but due to certain reasons, it is returned unpaid. The returning memo is enclosed to comply with

- a. Negotiable Instruments Act
- b. RBI Act
- c. Banking Regulations Act
- d. RBI clearing House rules

Ans - d

.....

Urban co-operative banks are controlled by ...

- a. Central Govt and NABARD
- b. RBI and NABARD
- c. State Govt and NABARD
- d. State Govt and RBI

Ans - d

According to four Ps of marketing, inventory and logistics services are not classified as (i) Place, (ii) Product, (iii) Promotion

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Products such as "VHS tapes" are examples of

- a. product classes
- b. product forms
- c. branding
- d. product perception

Ans - b

Which of the following agencies maintain RIDF (Rural Infrastructure Development Fund)?

- a. Ministry of Rural development
- b. Reserve Bank of India
- c. NABARD
- d. SIDBI

Ans - c

When new developed product concept is tested, next immediate step is not to (i) develop intermediaries, (ii) develop market strategy, (iii) develop logistic network

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Eligibility Criteria for Banks setting up a Subsidiary/JV for undertaking Insurance Business with Risk Participation (i) Minimum Net Owned Fund of 1,000 crore, (ii) Minimum CRAR of 9 per cent, (iii) Net NPAs of less than 3 per cent and a profit making record for the last three years

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Technology has compelled the banks to evolve a Pricing system for marketing better services which may sometimes result in higher costs to the customers.

- a. Opaque
- b. Increasing
- c. Decreasing
- d. Transparent

Ans - d

Data privacy assumes significant dimension; viz (i) authority to access data, (ii) authority to use data only for specified purposes, (iii) authority to withdraw money without telling others

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)

d. (i), (ii) and (iii)

Ans - a

What are product mix dimensions?

- a. Number of different product lines in the mix
- b. Total number of items carried in each product line
- c. Number of versions offered of each product in a product line
- d. All of the above

Ans - d

..... refers to the system that assists the organization in delivering the service

- a. Product
- b. Process
- c. Price
- d. Promotion

Ans - b

The cardinal principles of bank lending are (i) Safety, (ii) Security, (iii) Profitability

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

In pledge, the delivery of goods may be

- a. Actual
 - b. Constructive
 - c. Both of these
-

d. Any of the above

Ans - c

ATMs provide

- a. round the clock service
- b. anywhere banking facility
- c. quick and efficient service
- d. all of above

Ans - d

Globally, the banks are technology that will gradually give new dimension of banks. (i) Products, (ii) Services, (iii) Delivery systems

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Issuing banks do not accept the requests from the purchaser for stop payment of a demand draft as

- a. Draft represents a commitment of issuing bank in favour of the payee who can always enforce is payment against the bank
- b. If the draft has been negotiated to a holder in due course, he has a right to claim payment from the bank in its capacity as a drawer so long as the draft does not bear 'NOT NEGOTIABLE' crossing
- c. Both of the above
- d. Any one of the above

Ans - c

Bank A grants an overdraft to ABC Ltd against book debts. This is secured by

- a. hypothecation
- b. pledge
- c. mortgage
- d. assignment

Ans - d

.....

The Basic document for sanction of pension, issued By the competent authority is called

- a. Pension Payment Order (P.P.O)
- b. Pension Disbursement Order (P.D.O)
- c. Letter of authority for drawing pension
- d. Pension sanction letter

Ans - a

.....

Cost that vary directly with the level of production are known as

- a. Overhead costs
- b. Sales and profit
- c. Variable cost
- d. All of the above

Ans - c

.....

Profit oriented objective refers to

- a. Profit maximization
- b. Profit satisfaction
- c. Target return on investment
- d. All of the above

Ans - d

.....

The practice of charging different price with different customers is called

- a. Price discrimination
- b. Discount
- c. Allowance
- d. Two-part pricing

Ans - a

In the wake of liberalization policy of 1991, most of credit control tools have since been discontinued and are no longer used by RBI, Which are they? (i) Credit Rationing/Allocation and Credit Planning, (ii) Credit Authorisation, (iii) Inventory and Credit Norms

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A firm discounts its export receivables of up to 5 years without recourse to the exporter under which of the following arrangement.

- a. forfeiting
- b. factoring
- c. bills discounting
- d. foreign bills discounting

Ans – a

Major media channels such as print media, display media, online media and broadcast media are not classified as (i) non personal communication channels, (ii) non-emotional communication channels, (iii) personal communication channels

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)

d. (i), (ii) and (iii)

Ans - c

Customers in growth stage of life cycle of products are not classified as (i) innovators, (ii) early adopters, (iii) middle majority customers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Though "Pizza huts" are located in posh, air-conditioned premises, they continue call themselves as "Pizza huts". This is to take advantage of

- a. Local sentiment of wanting to eat in huts
- b. Brand value
- c. Brand recognition
- d. Brand extension

Ans - c

Which is not one of a main stage in the process of product development?

- a. Idea screening
- b. Commercial launch
- c. Product testing
- d. Concept testing

Ans - c

The goods which satisfy human wants directly are called

- a. Consumer's goods
-

- b. Producers' goods
- c. Public goods
- d. Intermediate goods

Ans - a

.....

A is having a locker and sends the key by post with an intention to surrender the locker:

- a. bank will be discharged of its liability, if key is accompanied by a letter stating the contents of the lockers as NIL
- b. The bank will not be discharged of its liability
- c. The bank should not accept
- d. bank can accept subject to its rights under reserve

Ans – a

.....

Banks provide safe deposit lockers to the Customer who hire them on lease basis. Here the bank is a

- a. Lessor
- b. Creditor
- c. Trustee
- d. Lessee

Ans - a

.....

In strategic Alliance, the alliance partners

- a. Merge with each other
- b. One partner acquires the other
- c. Remain separate entities
- d. None of these

Ans - c

.....

.....
Limitation period for filing a suit for foreclosure is years from the date mortgage debt becomes due.

- a. 10 years
- b. 12 years
- c. 20 years
- d. 30 years

Ans - d
.....

Participatory notes are issued by

- a. NREs
- b. NRIs
- c. FIIs
- d. PIOs

Ans - c
.....

The T-bill is quoted at a discount price to the par value of Rs.....

- a. 10
- b. 100
- c. 1000
- d. 10000

Ans - b
.....

Profit maximization if the situation in which marginal cost is equal to

- a. Segmented pricing
- b. Predatory pricing
- c. Marginal revenue
- d. Price system

Ans - c
.....
.....

Which of the following can't be included in the money market?

- a. CDs
- b. Treasury Bills
- c. Corporate Securities
- d. Call/Notice money

Ans - c

.....

Which of the following is part of the money market?

- a. Debentures
- b. Bonds issued by PSUs
- c. Term Money
- d. Bonds issued by Govt

Ans – c

.....

Mr. Dharmvir has given a power of attorney to Mr. Ashok Kumar for operation of accounts and dealing with negotiable instruments drawn in favour of Mr. Dharmvir. What will be the correct endorsement by Mr. Ashok Kumar among the following

- a. Dharmvir sd/ by Ashok Kumar
- b. Ashok Kumar sd/ Ashok Kumar
- c. For Dharmvir sd/Dharmvir by Ashok Kumar
- d. For Dharmvir sd/ by Ashok Kumar (attorney for Dharmvir)

Ans - d

.....

Which of the following is not the common objective pursued by firms for short term?

- a. Profit optimization
- b. Profit maximization
- c. Minimum return on sales turnover
- d. Fast turnaround or early cash recovery

Ans – a

.....

Smart Card is

- a. Special purpose Cards
- b. Microprocessor Cards
- c. Processing unit contains memory for storing data
- d. Both b & c

Ans - d

1 MB not equal to

- a. 1000 KB
- b. 1024 KB
- c. 2^{10} KB
- d. Both B & C

Ans - a

Which is not a major objective of computerisation in banking?

- a. Customer service
- b. Housekeeping
- c. CBS
- d. Decision-making

Ans - c

Interest in SB account is calculated on.....

- a. Minimum balance during the month
- b. Balance as on 30th of the month
- c. Minimum balance between 10th and last day of the month
- d. On daily balance basis

Ans - d

..... of State Bank of India, providing loan for consumer durables 2 decades ago was a failure.

- a. Buy Back Scheme
- b. Big Buy Scheme
- c. Big Sale Scheme
- d. None of the above

Ans - b

.....

Which one is among the various techniques used for generation of ideas?

- a. brainstorming sessions
- b. surveys for need/idea identification
- c. suggestion scheme for staff
- d. All the above

Ans - d

.....

In a book built issue allocation, RIIs, NIIs and QIBs are in the ratio of

- a. 30:20:50
- b. 35:50:15
- c. 35:15:50
- d. 30:50:20

Ans - c

.....

A market plan is

- a. performance appraisal of the marketing staff
- b. company prospectus
- c. documented marketing strategy
- d. business targets

Ans - c

.....

Marketing the customer requirements. (i) identifies, (ii) satisfies

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

.....

Cross-selling is not effective for which one of the following products?

- a. Debit Cards
- b. Savings Accounts
- c. Internet Banking
- d. Pension loans

Ans - b

.....

Marketing channels do not mean (i) delivery objects, (ii) delivery outlets, (iii) delivery boys

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

In Garnishee Order, the firm's account for the debts of the partners.

- a. can be attached
- b. can't be attached
- c. can be attached if ordered so by the court
- d. None of these

Ans - b

.....

If a cheque is accidentally torn by the drawer, the cheque

- a. can't be paid
- b. can be paid, if the drawer confirms the mutilation
- c. can be paid, if the drawer confirms the mutilation and if otherwise in order
- d. can't be paid, even if the drawer confirms the mutilation and otherwise in order

Ans - c

.....

Which one is not one of the most common tasks performed by RO/ZO?

- a. Inter-branch reconciliation
- b. Credit Monitoring
- c. Personnel Data Management
- d. Customer service

Ans - d

.....

If Garnishee Order is in a single name(former., and the account is in joint names with Operating clause "Former or Survivor", the money in the account

- a. can be attached
- b. can't be attached
- c. can be attached if ordered so by the court
- d. None of these

Ans - a

.....

Generally LAN will not extend beyond

- a. 50 meters
- b. 100 meters
- c. 150 meters
- d. 200 meters

Ans – c

.....

The directory is mandatory for every disk

- a. Root
- b. Base
- c. Sub
- d. Case

Ans - a

.....

Banks undertake to pay electricity bills, insurance premium for the customer regularly. Here the bank is a

- a. Debtor
- b. Creditor
- c. Principle
- d. Agent

Ans - d

.....

In the online world of electronic commerce, what do the initials CEM stands for?

- a. Costly E-Commerce Marketing
- b. Customer Experience Management
- c. Customer Experience Misleading
- d. Cost Estimates are Mind Boggling

Ans - b

.....

Tele banking is not based on (i) virtual banking, (ii) voice processing, (iii) online banking

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

In LAN, each independent system is known as

- a. Tree
- b. Node
- c. Server
- d. Stand-alone PC

Ans - b

.....

The fastest I/O of RAID (Redundant Arrays of Inexpensive Disks) is

- a. Level – 0
- b. Level – 1
- c. Level – 3
- d. Level – 4

Ans - a

.....

Cash payment of Term deposits is possible, if the amount doesn't exceed Rs.

- a. 20000
- b. 25000
- c. 40000
- d. 50000

Ans - a

.....

BCSBI has been set up as a

- a. Autonomous Body
- b. Society
- c. Company
- d. None of these

Ans - b

.....

Digital signature has

- a. Public Key
- b. Private Key
- c. Both A and B
- d. None of the above

Ans - c

CHAPS system is set-up in

- a. USA
- b. UK
- c. Hong Kong
- d. Brazil

Ans - b

CHATS system is set-up in

- a. USA
- b. UK
- c. Hong Kong
- d. Brazil

Ans - c

"CASHWIRE", a clearing facility, is provided by

- a. Bankwire
- b. Fedwire
- c. POS
- d. None of these

Ans - a

Hypothecation is applicable in the case of

- a. Movable goods
- b. Immovable property
- c. Book debts
- d. Corporate guarantee

Ans - a

.....

Charge created on LIC Policy is

- a. Hypothecation
- b. Pledge
- c. Assignment
- d. Mortgage

Ans - c

.....

As per the provisions of NI Act,1881 a banker gets protection for payment of a cheque only if it is a

- a. Holder in due course
- b. Payment in due course
- c. Holder for value
- d. All of the above

Ans - b

.....

A negotiable instrument is endorsed as Pay to Raju only. This is called as

- a. Blank endorsement
- b. Restrictive endorsement
- c. Sans recourse endorsement
- d. Endorsement in Full

Ans - b

.....

Which one ensures high speed with laser beam light source?

- a. Copper wire-pair
- b. Coaxial pair
- c. Optical fiber
- d. All of them

Ans - d

.....

In the maturity stage of its life cycle, the sales of a product

- a. Increases
- b. Declines
- c. Stands Still
- d. None of the above

Ans - b

.....

An audiocassette manufacturer starts manufacturing cassette holding trays is an example of

- a. Concentric diversification
- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans - b

.....

Which of the following statements is correct regarding banking ombudsman scheme?

- a. it is an opportunity to public to redress their grievances of banking services
- b. it is an additional grievances settlement mechanism
- c. it is not substitution of consumer protection ant.
- d. all the above.

Ans - d

.....

The objectives of the banking ombudsman scheme are;

- a. to promote settlement through conciliation
- b. prompt settlement of customer grievances .
- c. inexpensive settlement of grievances.
- d. all the above.

Ans - d

.....

Who can make the complaint to ombudsman?

- a. the customer himself
- b. the authorized representative of customer.
- c. (a) or (b) above
- d. all the above

Ans - c

.....

Which of the following is not true in respect of Married Woman?

- a. Married woman may extend guarantee on behalf of third parties
- b. Married woman cannot be arrested or imprisoned for non-payment of judgement debt
- c. A married woman dependent on husband cannot be adjudged as insolvent
- d. Personal assets of a married woman are not liable for any loan availed by her

Ans - d

.....

Which of the following is the first step in the 'transaction processing cycle', which captures business data through various modes such as optical scanning or at an electronic commerce website?

- a. Document and report generation
- b. Database maintenance
- c. Transaction processing
- d. Data Entry

Ans – a

.....

Find the correct statement.

- a. Marketing is redundant in monopolistic companies
- b. The performance of a salesperson depends on the amount of incentives paid
- c. Marketing is influenced by peer performance
- d. A mission statement is part of the Company's Prospectus

Ans - d

.....

The target group of the SME loans is

- a. All businessmen
- b. All professionals
- c. All SSIs
- d. All of the above

Ans - c

.....

Home loans can be best canvassed among

- a. Builders
- b. Flat owners
- c. Land developers
- d. Individual wanting to buy a flat or house

Ans - d

.....

How much additional exposure is permitted in exceptional circumstances with the permission of the Board of Directors of the bank in case of exposure to single borrower or group?

- a. 5%, 5%
- b. 10%, 10%
- c. 5%, 10%
- d. No additional exposure without RBI approval

Ans - a

.....

The banker acts as a Bailee and the customer as Bailor, this relationship is applicable

- a. when a bank lends funds to a corporate customer
- b. when a bank accepts US\$ FCNR deposits from a NRI customer
- c. when a customer operates a safe deposit locker
- d. when a customer keeps articles in safe custody with a bank

Ans - d

.....

At a Shopping complex, you withdraw cash from ATM of State Bank of India. SBI is a

- a. Paying Banker
- b. Collecting Banker
- c. Advising Banker
- d. Issuing Banker

Ans - a

.....

Ram issues a stop payment instructions to his banker to Stop payment of a cheque for Rs.20,000. This is

- a. A request from Ram
- b. An intimation from Ram
- c. An advice from Ram
- d. A mandate from Ram

Ans - d

.....

A holder for value is

- a. A bank allows one of its clients to withdraw against clearing of a cheque.
- b. A bank which maintains high net worth customers accounts
- c. A bank which collects cheques for non customers
- d. A bank which handles high value clearing cheques

Ans - a

.....

Service marketing is the same as

- a. internet marketing
- b. telemarketing
- c. internal marketing
- d. relationship marketing

Ans - d

.....

Value-added services does not mean (i) additional services, (ii) costlier products, (iii) large number of products

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

.....

Innovation in marketing is same as

- a. motivation
- b. perspiration
- c. aspiration
- d. creativity

Ans - d

.....

In respect of Regional Rural Banks, the share holding pattern is:

- a. Central Government 50%,State Government 35%,Sponsoring Bank 15%
- b. Central Government 50%,State Government 15%,Sponsoring Bank 35%
- c. Central Government 15%,State Government 35%,Sponsoring Bank 50%
- d. Central Government 35%,State Government 50%,Sponsoring Bank 15%

Ans - b

.....

A bank in India, wants to undertake capital market activities, it should:

- a. Obtain special license from AMFI
- b. Obtain special license from FIMMDA
- c. Both a and b
- d. Register with SEBI

Ans - d

You receive a cheque in an overdraft account for Rs.35,000. The debit balance in the account is Rs.70,000 and the OD limit is Rs.1,00,000. What reason you will state while returning?

- a. Refer to drawer
- b. Effects Not cleared
- c. Exceeds arrangement
- d. Endorsement not correct

Ans - c

When a cheque is drawn on a bank, the bank is called as, the

- a. Payee
- b. Drawee
- c. Drawer
- d. Endorsee

Ans - b

Your bank receives a cheque in inward clearing which has not been signed by the account holder. Which one of the following reasons you will select to return the cheque?

- a. Cheque is not signed by the payee
- b. Refer to the drawer
- c. Cheque is not signed by the drawee
- d. Cheque is not signed by the endorsee

Ans - b

An order cheque is endorsed as "without recourse to me" by the endorser. This endorsement is known as

- a. Blank endorsement
- b. Restrictive endorsement
- c. Endorsement in full
- d. None of these

Ans - d

A stop payment instruction of a cheque can be issued by

- a. The payee
- b. The endorsee
- c. The drawer
- d. The drawee

Ans - c

During which one of the following periods did Reserve Bank of India play a more aggressive promotional role for rural India?

- a. 1982 to 1987
- b. 1969 to 1982
- c. 1960 to 1968
- d. 1951 to 1959

Ans - b

Law of limitation is not applicable in respect of :

- a. Advance against pledge of shares
- b. CC granted against hypothecation of inventory
- c. Term loan secured by mortgage of Plant & Machinery
- d. Bank Term Deposit

Ans – d

FIMMDA stands for:

- a. Foreign Exchange Money Markets and Derivatives Association of India
- b. Fixed Income Money Markets and Derivatives Association of India
- c. Foreign Income Money Markets and Derivatives Association of India
- d. None of the above

Ans - b

.....

Who was the chairman of the Committee which recommended the setting up of the National Co-operative Bank of India?

- a. A M Khushro
- b. V Kurien
- c. B Shivaraman
- d. None of these

Ans - c

.....

A bond is normally

- a. Secured
- b. Unsecured
- c. Either a or b
- d. None of these

Ans - b

.....

SME means (i) Small and Medium Enterprises, (ii) Small and Medium Establishments

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

Aggressive Marketing is necessitated due to (i) Globalization, (ii) increased competition

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

.....

Efficient Marketing styles require

- a. proper planning
- b. good communication skills
- c. teamwork
- d. knowledge of products

Ans - d

.....

Market-driven strategy includes

- a. identifying problems
- b. planning marketing tactics of peers
- c. positioning the organization and its brands in the market place
- d. internal marketing

Ans - c

.....

A call means:

- a. after-sales service
- b. profession or business
- c. visiting friends
- d. visiting prospective customers

Ans - d

.....

Conversion means:

- a. meeting a prospective client
- b. interacting with a prospective client
- c. converting an employer into an employee
- d. converting a prospective client into customer

Ans - d

.....

Customization is useful for

- a. Designing customer specific product
- b. Call centres
- c. Publicity
- d. Motivating the staff

Ans - a

.....

The performance of a sales person mostly depends on

- a. salary paid
- b. sales incentive paid
- c. sizes of the sales team
- d. ability and willingness of the salesperson

Ans - d

.....

The sole aim of marketing is to (i) increase sales, (ii) increase profits

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

Commercial Banks are permitted to borrow to the extent of % of their capital funds in the call/notice money market.

- a. 100
- b. 125
- c. 150
- d. 175

Ans - b

The banking ombudsman may ask the concerned bank to submit

- a. information on the complaint.
- b. evidences and documents in support of the reply to the complaint
- c. other related document
- d. all the above

Ans - d

Interest rate futures were launched in India in

- a. NSE
- b. BSE
- c. Both a & b
- d. None of the above

Ans - a

Normally the amount of auction for 364-day T-bill is crores

- a. 4000
- b. 5000
- c. 6000
- d. 7000

Ans - c

As per Indian Stamp Act, which one attracts stamp duty?

- a. DPN
- b. Agreements
- c. both a and b
- d. Neither a not b

Ans - c

.....

Banking defines the acceptance of deposits should be for the purpose of

- a. lending
- b. investments
- c. lending and investments
- d. None of these

Ans - c

.....

Which one is not a component of ATM?

- a. Key-pad
- b. Cash Dispenser
- c. Deposit slot
- d. None of these

Ans - d

.....

An audiocassette manufacturer introduces computer tape manufacture is an example of

- a. Concentric diversification
- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans – a

.....

Using a new brand name for a new product, either when entering a new product category or when it is felt that the existing brand power is waning is called as

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - d

'PIN' in Smart Card is called

- a. Permanent Index Number
- b. Personal Identification Number
- c. Personal Index Number
- d. Permanent Identification Number

Ans - b

The usage of word "ATM" in the banks denotes

- a. Automatic Teller Machine
- b. Automated Teller Machine
- c. Accounts Transacting Machine
- d. Automated Tallying Machine

Ans - b

Integrative Growth is defined as.....

- a. Identify opportunities for further growth within the existing businesses
- b. Identify opportunities to build or acquire businesses related to the existing businesses
- c. Identify opportunities to add attractive businesses, unrelated to the existing businesses
- d. None of the above

Ans - b

Minimum and maximum number of share holders in a Private Limited Co?

- a. 2, 50
- b. 5, 50
- c. 2, 20
- d. 5, 20

Ans - a

.....

Rules relating to Common Seal are contained in which of the following?

- a. Certification of Incorporation
- b. Memorandum of Association
- c. Certificate of Commencement of Business
- d. Articles of Association

Ans - d

.....

Bank's Assets are classified into standard, substandard, doubtful and loss assets, based on the recommendations of Committee

- a. Rangarajan
- b. Narasimham
- c. Ghosh
- d. Tandon

Ans - b

.....

Satellite is fitted with transmitters and receiving antennas called

- a. Transmitters
- b. Transponders
- c. Receivers
- d. Both a & c

Ans - b

.....

B is payee of a cheque, who endorses it to c.C lost the cheque which is found by D, who endorses it in favour of A for valuable consideration by way of forging C' signatures. The cheque is dishonoured. A can recover from:

- a. B
- b. C
- c. D
- d. any of the previous parties

Ans - c

Which of the following statement is not true?

- a. Minor cannot become a partner in a Firm but he can be admitted to the benefits of the partnership with the consent of all partners
- b. Minor is not liable personally for any debts of the Firm nor his private property can be made liable
- c. Minor's share in the Firm is liable for all acts of the Firm
- d. Within one month of attaining majority, Minor should by way of public notice, elect to become or not to become a partner in the Firm

Ans - d

Holidays are declared to the banks under

- a. RBI Act
- b. Banking Regulation Act
- c. Negotiable Instrument Act
- d. Indian Contracts Act

Ans – c

..... requires collection of information related to understand customers, competitors, trends and changes in the environment and internal strengths and weaknesses using systematic marketing research and marketing information systems, and scientific analysis of the data.

- a. Analysis
-

- b. Planning
- c. Implementation
- d. Control

Ans - a

.....

If loan is sanctioned against pledge of stocks, within how many days creation of charge should be filed with Registrar of companies?

- a. 30 Days
- b. 45 Days
- c. 60 Days
- d. Registration not required

Ans - d

.....

Which is not correct with regard to Selling?

- a. Focus is on the products
- b. Marketing is a broader concept than selling
- c. Profit maximises with customer satisfaction
- d. Profit maximises with increase in volume

Ans - c

.....

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. C, son of A, serves a legal notice thorough his advocate and objects payment to the nominee D. What action you will take?

- a. Payment will be made jointly to legal heirs of A & B
- b. Payment will be made to C
- c. Payment to D will be a valid discharge to Bank's Liability
- d. Payment to D will be stopped

Ans - c

.....

Intensive Growth is defined as.....

- a. Identify opportunities for further growth within the existing businesses
- b. Identify opportunities to build or acquire businesses related to the existing businesses
- c. Identify opportunities to add attractive businesses, unrelated to the existing businesses
- d. None of the above

Ans - a

.....

During Mortgage, normally parent documents for years is asked for.

- a. 10 years
- b. 13 years
- c. 20 years
- d. 30 years

Ans - d

.....

Which is a possible approach which can be adopted by a firm, when it faces a situation that the expected sales and profit do not reach the desired levels?

- a. Intensive Growth
- b. Integrative Growth
- c. Diversification Growth
- d. All the above

Ans - d

.....

Under PMRY, the project cost for the industry sector is restricted to

- a. 2 Lakhs
- b. 5 Lakhs
- c. 6 Lakhs
- d. 10 Lakhs

Ans - b

.....

Product strategies are based on

- a. Product Mix
- b. Product Life Cycle
- c. Both a & b
- d. None of these

Ans - c

.....

Borrowing powers of the Board of Directors of the company can be verified by examining...

- a. Memorandum of Association
- b. Articles of Association
- c. Certificate of incorporation
- d. None of the above

Ans - b

.....

Banknet was set up in

- a. 1971
- b. 1981
- c. 1991
- d. 2001

Ans - c

.....

Diversification in which the new products have technological and/or marketing synergies with existing product lines, though the target groups of customers are entirely different is called as

- a. Concentric diversification
- b. Horizontal diversification
- c. Conglomerate diversification
- d. None of the above

Ans – a

.....

The clearing house facilities for payment and delivery of securities is provided by ...

- a. CCIL
- b. SEBI
- c. Stock Exchanges
- d. All of the above

Ans - c

If the company's sales are slow down, and profits level off or decline. At which stage the company has reached?

- a. Introduction
- b. Decline
- c. Growth
- d. Maturity

Ans - d

Mark-up pricing is a pricing while as Geographic pricing is a pricing

- a. Method, Strategy
- b. Strategy, method
- c. Process, Policy
- d. Policy, Process

Ans - a

Home banking is an example of

- a. Direct marketing
- b. Indirect marketing
- c. Branch marketing
- d. All the above

Ans - a

'Orient your needs to your sales', is a

- a. Sales concept
- b. Marketing concept
- c. Management concept
- d. Production concept

Ans - a

.....

The sum value of all the values that the consumer exchanges for the benefits of having or using the product or service is called...

- a. Pricing Strategy
- b. Sale
- c. Price
- d. Purchase

Ans - c

.....

A successful "Blue Ocean" requires (i) Effective communication, (ii) Innovative skills, (iii) Motivation

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following is not an implied power of a partner in a partnership firm?

- a. To sell/pledge movable goods on account of partnership
- b. To borrow money, contract debts etc for the business of the partnership
- c. To draw, make or accept negotiable instruments
- d. To mortgage partnership immovable property

Ans - d

.....

Generation of sales lead can not be improved by..... (i) being passive, (ii) being very talkative, (iii) engaging recovery agent

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Introduction of additional items in an existing product category under the same brand name is called as

- a. Line extension
- b. Brand extension
- c. Multi brands
- d. New brands

Ans - a

A collecting bank gets statutory protection under:

- a. RBI Act
- b. Banking Regulation Act
- c. Negotiable Instruments Act
- d. Indian Contract Act

Ans - c

Time limit for settlement of claims in Deceased cases

- a. 30 days from the date of death
- b. 15 days from the date of death
- c. 15 days from the date of submission of all the documents
- d. 30 days from the date of submission of all the documents

Ans – c

Apart from Customer needs and wants, Cost to the customer and Convenience, which is the other one in 4Cs?

- a. Consumption
- b. Communication
- c. Customer satisfaction
- d. Customer demand

Ans - b

Marketing the customer requirements. (i) identifies, (ii) satisfies

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

The key challenge to market-driven strategy is

- a. Selling maximum products
- b. Employing maximum DSAs
- c. Delivering superior value to customers
- d. Being rigid to changes

Ans - c

Clearing house facilities are not provided by for netting of payments and securities delivery.
(i) primary dealers, (ii) stock exchanges, (iii) SEBI

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans – b

A & B are maintaining an 'E or S' account. D has been named as nominee. Both A & B die in an accident. Balance in the account will be payable to

- a. Jointly to legal heirs of A & B
- b. legal heirs of A alone
- c. Legal heirs of B alone
- d. D alone

Ans - d

RBI acts as the Banker to the Governments. (i) Central, (ii) State

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

A decrease in the Bank Rate is likely to lead to a in interest rates of banks. (i) Decrease, (ii) Increase

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Neither (i) nor (ii)

Ans - a

Bailor-bailee relationship is applicable in:

- a. cash deposited with cashier by customer
- b. safe deposit locker
- c. demand draft issued by bank
- d. keeping articles in safe custody with bank

Ans - d

Format of cheque is defined in (i) NI Act, (ii) As per RBI guidelines (iii) As per customs & practices

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

The relationship created when the bank collects a cheque in clearing is

- a. holder for value
- b. clearing member and principal
- c. agent and principal
- d. collecting bank and holder

Ans – d

Corporate Bonds usually carry a rating from to

- a. A, D
- b. AA, DD
- c. AAA, D
- d. AAA, DDD

Ans - c

Interest rate futures were launched in India in year

- a. 2001
- b. 2002
- c. 2003
- d. 2004

Ans – c

Which marketing strategy must interact efficiently with consumer to establish superior value during service period?

- a. Service marketing mix
- b. Extended marketing mix
- c. Traditional marketing mix
- d. Service profit chain

Ans - c

A purchased draft in favour of UPSC and after some time he approached the bank for cancellation. The draft bears endorsement of the payee also.

- a. The bank will accept the request
- b. The bank will not accept the request because it bears payees endorsement. Unless he presents a letter from payee for release, it cannot be cancelled
- c. The bank will refer the matter to the court
- d. None of the above

Ans - b

Which are the modes of pricing technique? (i) Elasticity, (ii) Market skimming, (iii) Market penetration

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The technology also forces the banks to adopt or shift from product based approach to based approach.

- a. Prince
- b. Card
- c. Employee

d. Customer

Ans - d

Under the impact of Information Technology, large banks are shifting their focus away from the domestic market to the

- a. Rural Area
- b. Corporate Sector
- c. Global Area
- d. Government Deposits

Ans - c

Information technology has resulted in (i) improved efficiency, (ii) innovative products , (iii) effective delivery system

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

If Digital signals are to be transmitted over long distances then the signals may get

- a. improved
- b. enhanced
- c. unaffected
- d. deteriorated

Ans - d

The demand curve of Giffen goods is

- a. downward sloping
-

- b. upward sloping
- c. horizontal
- d. vertical

Ans - d

The credit facilities (both fund based and non-fund based) are provided to finance (i) fixed assets, (ii) current assets, (iii) non-business assets

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

In order to promote a product continuous approaching of prospect consumer is being done, this is called

- a. Lead
- b. Target group
- c. Call
- d. Telemarketing

Ans - c

Credit operations of banking system are generally guided by (i) Directives of RBI, (ii) Instruction of Govt, (iii) Bank's own policy

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The marginal utility curve is

- a. Downward sloping
- b. Upward sloping
- c. Vertical
- d. Horizontal

Ans - a

.....

Health is not wealth because it has no

- a. Scarcity
- b. Utility
- c. Marketability
- d. None of these

Ans - c

.....

In banking reference, credit risk refers to

- a. default of a banker in sanctioning credit limits to the borrower
- b. default of a banker in keeping sufficient cost at branch level
- c. default by a borrower in repayment of banks dues
- d. All of the above

Ans - c

.....

Banker can exercise the right of general lien on

- a. Valuable articles kept in safe deposit vault
- b. Securities left with the bank negligently
- c. Securities deposited for securing a loan
- d. Securities in the name of other relatives

Ans - c

.....

MCQ : MODULE E – ETHICS IN BANKING

..... is a set of values, beliefs, goals, norms and ways of solving problems by the members of the organization. (i) Corporate culture, (ii) Organizational culture

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

.....

Ethics in workplaces can be managed through the use of (i) Codes of ethics, (ii) Codes of conduct, (iii) Roles of ethics

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Business ethics deals primarily with

- a. social responsibility
- b. the pricing of products and services
- c. moral obligation
- d. being unfair to the competition

Ans - c

.....

According to the concept of moral intensity, a worker is most likely to behave ethically and legally when

- a. a manager observes his or her behavior closely
- b. the worker has intense morals
- c. the consequences of the act are minor

d. the consequences of the act are substantial

Ans - d

Which one of the following is correct on Whistleblowing? (i) Whistleblowers are employees of an organization that go beyond normal procedures & loyalty to their employer and report wrongdoing in the interest of the public good, (ii) Whistleblowers are employees that go beyond, their duties and expectation in order to highlight wrong within the organisation

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

Which moral philosophy seeks the greatest good for the greatest number of people?

- a. Consequentialism
- b. Utilitarianism
- c. Egoism
- d. Ethical formalism

Ans - b

Codes of conduct and codes of ethics

- a. are formal statements that describe what an organization expects of its employees.
- b. become necessary only after a company has been in legal trouble.
- c. are designed for top executives and managers, not regular employees.
- d. rarely become an effective component of the ethics and compliance program.

Ans - a

Ethics means (i) Character, (ii) Manner, (iii) Custom

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Pierre takes a utilitarian view point of ethics. He will therefore judge a business decision to be ethic also long as

- a. more good than bad results from the decision
- b. everybody is treated fairly
- c. certain rights are not violated
- d. he has good character and integrity

Ans - a

The three major types of ethical issues include except?

- a. Communication issues
- b. Systematic issues
- c. Corporate issues
- d. Individual issues

Ans - a

A is a buzz word to employees to observe ethical norms and forms the basis for rules of conduct. (i) Code of ethics, (ii) Business Ethics

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

Small-business owner Anand is thinking about giving a potential customer an expense paid vacation to Las Vegas for her and her husband. When asked if he is being ethical, Anand replies, "Look whatever works, works." Which ethical principle is Anand most likely using?

- a. focus on the rights of individuals
- b. pragmatism
- c. utilitarianism (consequences)
- d. focus on integrity (virtue ethics)

Ans - b

Circumstances that leave a person uncertain but not altogether unsure about what he or she is doing is a feature of

- a. Excusing conditions
- b. Moral reasoning
- c. Mitigating factors
- d. Ignorance

Ans - c

Which of the following deals with the distribution of benefits and burdens, mostly in the evaluation of social, political, and economic institutions?

- a. Retributive justice
- b. Compensatory justice
- c. Distributive justice
- d. Ethical justice

Ans - c

Ethics are important because (i) suppliers prefer to deal with ethical companies, (ii) customers prefer to deal with ethical companies, (iii) employees prefer to deal with ethical companies

- a. Only (i) and (ii)
 - b. Only (i) and (iii)
-

- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Himani is an ethically centered production manager. So she will ship a product

- a. only after all its problems have been eliminated
- b. only if the shipping people use packing material that does not harm the environment
- c. only after an ethics committee has approved it
- d. as quickly as she can to meet the customer's schedule

Ans - a

The word 'moral' is derived from the Latin word

- a. Moralis
- b. Morilitic
- c. Monatic
- d. None of these

Ans - a

..... deals with the right actions of individuals

- a. Sincerity
- b. Rules
- c. Ethics
- d. All of these

Ans - c

Which among the following are advantages of managing business ethics in the workplace? (i) Cultivate strong team work and productivity, (ii) Avoid criminal acts, (iii) Lower fines

- a. Only (i) and (ii)
-

- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Which of the following refers to the reasoning process by which human behaviors, institutions, or policies are judged to be in accordance or not with moral standards?

- a. Moral reasoning
- b. Moral duty
- c. Moral justice
- d. None of the above

Ans - a

.....

The principle of categorical imperative is given by

- a. James Mill
- b. Herbert Spencer
- c. Jeremy Bentham
- d. Immanuel Kant

Ans - d

.....

Benefits derived from social responsibility include (i) enhanced organizational efficiency, (ii) producing better products, (iii) attracting people who want to work for the firm

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

.....

Which one of the following justices refers to the just imposition of penalties and punishments?

- a. Distributive
- b. Retributive
- c. Compensatory
- d. Kantian

Ans - b

.....

In which of the following someone looks at individual acts to see whether they produce more pleasure, one looks only at moral rules at actions of a particular type?

- a. Rule utilitarianism
- b. Conventional utilitarianism
- c. Weighting cost and benefit
- d. None of the above

Ans - a

.....

The term 'value' is derived from the French word

- a. Valoir
- b. Valas
- c. Velois
- d. None of these

Ans - a

.....

The purpose of backdating stock options is to give the stock-option holder

- a. large payout on his or her birthday
- b. tax-free investment
- c. chance to diversify his or her stock portfolio
- d. sure profit on the options

Ans - d

.....

What does and Ethical Foundation for an organisation embody? (i) The structure, operational and conduct of the activities of the organisation, (ii) The basic principles which govern the external and internal relations of the organisation

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

The word 'Ethics' is derived from Greek word

- a. Ethios
- b. Ethikos
- c. Ethoes
- d. None of these

Ans - b

According to concept of moral laxity, workers will often behave unethically because

- a. they have planned to be unethical
- b. they come from dysfunctional families
- c. other issues seem more important at the time
- d. management pressures them into unethical behavior

Ans - c

Which kind of theory Utilitarianism has?

- a. Ethical
- b. Conceptual
- c. Behavioral
- d. None of the above

Ans - a

..... would be charged with implementing and administering an ethical management programme

- a. Top management
- b. Ethics management committee
- c. Middle management
- d. None of these

Ans - b

Justice Based on needs and abilities is known as

- a. Communism
- b. Capitalism
- c. Socialism
- d. None of the above

Ans - b

Human nature is

- a. Learned
- b. Programmed
- c. Inherited
- d. All of these

Ans - c

An acquired disposition that is a valuable part of a morally good person, exhibited in the person's habitual behavior is known as

- a. Moral responsibility
- b. Moral ethics
- c. Moral virtue
- d. None of the above

Ans - c

Unethical behavior is often triggered by (i) pressure from higher management to achieve goals, (ii) an organizational atmosphere that condones such behavior, (iii) a system of checks and balances

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Fairness in employment practices centers on

- a. hiring no family members or friends
- b. giving people equal rewards for accomplishing the same tasks
- c. obeying equal employment opportunity legislation
- d. avoiding conflicts of interest

Ans - b

Abhishek has his own Website that carries ads for a dozen retailers. At night, Abhishek spends hours clicking on these sites so he can collect commissions from the advertisers. Abhishek is engaged in the scandal referred to as

- a. click fraud
- b. work-at-home scam
- c. cyber squatting
- d. backdating Websites

Ans - a

What does the importance of ethical behaviour, integrity and trust call into question?

- a. What we do next
 - b. Who does what
 - c. The extent to which managers should attempt to change the underlying beliefs and values of individual followers
-

d. All of the above

Ans - c

Ethics is a

- a. Pure science
- b. Normative Science
- c. Inexact Science
- d. None of these

Ans - b

Utilitarianism theories

- a. Jeremy Bentham & John Stuart Mills
- b. Jeremy Stuart Mills & John Mills
- c. Jeremy Bentham & John Stuart Smith
- d. Jeremy Stuart Mills & John Newton

Ans - a

Ethics is a (i) Social science, (ii) Science of conduct, (iii) Normative Science

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which one of the following is not recommended as a method for a company to protect itself against sexual harassment charges?

- a. Develop a zero-tolerance policy on harassment and communicate it to employees
 - b. Retaliate swiftly against employees who bring forth charges of harassment
-

-
- c. Give swift and sure punishment to harassers
 - d. Train managers at all levels on sexual harassment issues

Ans - b

.....

A set of characteristics that sets one group of people apart from another is called as

- a. Culture
- b. Values
- c. Ethics
- d. None of these

Ans - a

.....

The main purpose of business ethics is to?

- a. understanding ethical uncertainties
- b. principles and concepts
- c. Application of practices
- d. All of the above

Ans - b

.....

Ethics of duty – categorical imperatives. (i) Universality - I ought never to act except in such a way as I can also will that my maxim should become a universal law Human Dignity - Act in such a way that you always treat humanity. Never simply as a means, but always at the same time as an end, (ii) Universality – I ought to always act in a way that will allow me to act within the universal law of Human Dignity – Act in such a way that you never treat humanity’s means as an end

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

An acquired disposition that is a valuable part of a morally good person, exhibited in the person's habitual behavior is known as?

- a. Moral responsibility
- b. Moral ethics
- c. Moral virtue
- d. None of the above

Ans - c

The person's reasons for acting must be reasons that he or she would be willing to have all others use, even as a basis of how they treat him or her is known as?

- a. Reversibility
- b. Universalizability
- c. Rule utilitarianism
- d. None of the above

Ans - a

The traits or qualities that are considered as valuable are known as

- a. Culture
- b. Values
- c. Ethics
- d. All of these

Ans - b

Literally the word ethics stand for

- a. Understanding human nature
- b. Study of morality
- c. properties of chemical
- d. substances

Ans - a

Which statement reflects the "punishment and obedience orientation" stage (stage one) of moral development?

- a. I don't steal because my friends don't steal
- b. I don't steal because I don't want to be spanked
- c. I don't steal because it would harm society as a whole
- d. I don't steal because it wouldn't be fair to everyone else if I did

Ans - b

The kind of care that is owed to those with whom we have special concrete relationships is known as

- a. Utilitarian standards
- b. Standards of justice
- c. Standards of caring
- d. None of the above

Ans - c

Team leader Gary is scheduled to prepare a performance of Lisa, a team member who also happens to be his wife's closest friend. The ethical temptation Gary faces is

- a. sexual harassment
- b. misuse of corporate resources
- c. dealing with confidential information
- d. conflict of interest

Ans - d

Neha, the owner of a small telecommunications firm gives gifts of stock in her company to telephone company managers who purchase her equipment. Kate is giving in to the ethical temptation of

- a. kickbacks
 - b. misuse of corporate resources
 - c. sexual harassment
-

d. treating people unfairly

Ans - a

Building a sustainable environment includes (i) developing a green supply chain, (ii) omitting hazardous emissions, (iii) writing a code of ethics

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

Define ethical absolutism/cognitivism

- a. Global, strict and absolute rules on right and wrong according to ethical conduct
- b. Claims morality is context dependent and subjective, there are no universal right and wrongs that can be rationally determined
- c. Right and wrong are objective and determined by the organisation's culture
- d. Claims there are eternal, universally applicable moral principles. Right and wrong are objective qualities.

Ans - d

Which of the following stands for capitalist Justice?

- a. Benefits should be distributed according to the value of the contribution the individual makes to a society
- b. Benefits should not be distributed according to the value of the contribution the individual makes to a society
- c. Benefits should be distributed according to employer judgement
- d. None of the above

Ans - a

.....
Circumstances that leave a person uncertain but not altogether unsure about what he or she is doing is a feature of

- a. Excusing conditions
- b. Moral reasoning
- c. Mitigating factors
- d. Ignorance

Ans - c
.....

The absolutist/cognitive perspective divides into

- a. Ethical relativism/Non-relativism
- b. Cognitivism/Non-cognitivism
- c. Consequentialists/Non-consequentialists
- d. External/Internal

Ans - c
.....

Which of the following does the term Corporate Social Responsibility relate to? (i) Ethical conduct, (ii) Environmental practice, (iii) Human rights and employee relations

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d
.....

Which one of the following questions is not asked in six-question ethics test?

- a. How does it smell?
- b. Who gets hurt?
- c. What can we possibly get away with?
- d. Would you tell your child (or young relative) to do it?

Ans - c
.....

Virtue Ethics

- a. Assume good businesses will make good decisions
- b. Assume good governments will enforce good ethical practices on their businesses
- c. Assume good persons will make good decisions and personal qualities affect decisions
- d. Assumes good persons will make good decisions but it has nothing to do with personal qualities

Ans - c

Intellectual Property (books, music, movies) says is illegal

- a. File sharing
- b. Copyrighting
- c. Botnetting
- d. Googling

Ans - b

L. Kohlberg's (1969) theory of Cognitive Moral Development

- a. Post-conventional, conventional, pre-conventional
- b. Unrealistic, realistic, similar
- c. Past, modern, post-modern
- d. Moral, ethical, ethical theories

Ans - a

Which is not a reason a business engages in business ethics?

- a. To recover a company's image after a notorious business scandal
- b. To avoid the loss of a good corporate image or being sued for misconduct
- c. To enhance global relationships
- d. To enhance stakeholder relationships

Ans - c

Which isn't a reason why business ethics are important?

- a. The power and influence of business means it has the potential to inflict harm on society
- b. Stakeholders increasingly demand ethical behaviour
- c. The continued occurrence of ethical infractions shows it's needed
- d. Ethical companies are more likely to achieve government funding and local funds

Ans - d

What are ethical theories?

- a. Ethical theories are the conduct that should be followed in order to have good ethical practices
- b. Ethical theories are the rules and principles that determine right and wrong for any given situation
- c. Ethical theories are ancient hypothesis' on how to create good business practice
- d. Ethical theories give guidelines on how to achieve a good corporate image

Ans - b

Utilitarianism suggests that it is ethical to make decisions based on

- a. Moral virtues
- b. Common decency
- c. What is best for most people
- d. None of the given

Ans - c

The three major types of ethical issues include except?

- a. Communication issues
- b. Systematic issues
- c. Corporate issues
- d. Individual issues

Ans - a

..... specifies methods for reporting violations, disciplinary action for violations and the structure of the due process to be followed. (i) Business Ethics, (ii) Code of ethics

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

Which of the following is TRUE regarding moral reasoning and its evaluation?

- a. Moral reasoning does not involve factual or descriptive judgments
- b. Ordinary logical standards of validity do not apply to moral reasoning
- c. Special logical standards of validity do not apply to moral reasoning
- d. Moral reasoning involves normative or value judgments

Ans - a

The dimension of social responsibility refers to a business's societal contribution of time, money, and other resources

- a. ethical
- b. philanthropic
- c. volunteerism
- d. strategic

Ans - b

Indian life has fundamental goals

- a. Three
- b. Five
- c. Four
- d. Two

Ans - c

..... represent an individual's highest priorities and deeply held driving forces

- a. Values
- b. Principles
- c. Culture
- d. Ethics

Ans - a

.....

Who are organisational stakeholders? (i) Employees, (ii) Government, (iii) Customers

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

A(n) is a problem, situation, or opportunity requiring an individual, group, or organization to choose among several actions that must be evaluated as right or wrong

- a. crisis
- b. ethical issue
- c. indictment
- d. fraud

Ans - b

.....

Which one of the following is the right order for three stages of moral development?

- a. Principled morality, conventional morality and selfish
- b. Conventional morality, Principled morality and selfish
- c. Selfish, Conventional morality and Principled morality
- d. None of the above

Ans - b

.....

Which one of the following moral judgment approaches will be used where someone has to make a decision how benefits and burdens should be distributed among the members of a group?

- a. Utility
- b. Rights
- c. Justice
- d. Caring

Ans - a

Socialist view on distribution is best described as

- a. From each according to his ability, to each according to his needs
- b. The benefits a person receives should be proportional to his contribution
- c. From each they choose, to each as they are chosen
- d. Always treat humanity as an end in itself rather than as a means

Ans - a

Which of the following issues are not satisfied by utilitarianism? (i) Justice, (ii) Right

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Nither (i) nor (ii)

Ans - d

How many stages of moral development proposed by Carol Gilligan?

- a. Two
- b. Three
- c. Four
- d. None of the above

Ans - a

..... is the philosophical study of moral values and rules

- a. Morality
- b. Ethics
- c. Business Ethics
- d. Philosophy

Ans - b

.....

What is Ethics to do with?

- a. Right and wrong
- b. Business
- c. Nothing
- d. The wider community

Ans - a

.....

Consequentialism/Teleological

- a. Decisions are established based on previous consequences and result from past actions
- b. Focuses on the outcomes/ consequence of ethical decisions, not on moral principles
- c. Focuses on the intrinsic goodness or value of an action
- d. Consequences of competitor actions determine your actions

Ans - b

.....

Which one of the following is a type of moral standards? (i) Utilitarianism, (ii) Rights, (iii) Justice

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Utilitarianism theory

- a. According to utilitarianism, an action is morally right if it results in the greatest amount of good for the greatest amount of people affected by the action
- b. According to utilitarianism, an action is morally right if it results in the most amount of good possible in the given situation
- c. Is if you do a whole lotta good
- d. According to utilitarianism, an action is morally right if it results in the least amount of negativity possible

Ans - a

..... seeks to determine norms and values

- a. Culture
- b. Normative science
- c. Value
- d. None of these

Ans - b

Which of the following choices does NOT describe a situation that is covered by the concept of rights?

- a. The absence of prohibitions against an activity
- b. The authorization to do something to secure one's interests
- c. The necessity of doing something required by authority
- d. The existence of prohibitions on others to enable individuals to pursue an activity

Ans - c

..... is primarily concerned with the relationship of business goals and techniques to specifically human ends. (i) Business ethics, (ii) Code of conduct

- a. Only (i)
 - b. Only (ii)
 - c. Either (i) or (ii)
-

d. Both (i) and (ii)

Ans - a

Plato's Virtues

- a. Wisdom, courage, self-control & justice
- b. Confidence, motivation, & control
- c. Happiness, goodness & love
- d. Wisdom, confidence, happiness and justice

Ans - a

The ethical dilemma of choosing between two rights refers to

- a. choosing between the lesser of two evils
- b. deciding which of two employee rights is the most important
- c. deciding to offer a bribe or lose out on an important opportunity
- d. choosing between the two types of sexual harassment

Ans - a

Define morality

- a. What is considered as correct within a society
- b. Making the right decisions when there is a chance to do wrong
- c. Defining what is right and wrong for an individual or a community
- d. Where individuals have a conscious choice to make a right and ethical decision

Ans - c

..... is a code of conduct that an individual or a group has about right and wrong

- a. Morality
 - b. Ethics
 - c. Business Ethics
-

d. Personal Ethics

Ans - a

The stakeholder view of social responsibility states that organizations must respond to the needs of

- a. employees and customers
- b. shareholders and owners
- c. all interested parties
- d. all those who might sue the organization

Ans - c

Which one of the following is not a feature of moral standard? (i) Prohibit, (ii) Value, (iii) Condemn

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

What is business ethics?

- a. The study of business situations, activities, and decisions where issues of right and wrong are addressed
- b. Defined as decisions that organizations make on issues that could be considered right or wrong
- c. Ethics that can be applied to an organisation's practises
- d. Ethical processes businesses use in order to achieve a good ethical standard

Ans - a

A socially responsible mutual fund will only purchase stocks in companies that

- a. have a no-smoking policy in place
- b. have a culturally diverse management team
- c. hire some job candidates who are HIV positive
- d. have good social performance

Ans - d

.....

A whistle blower is an employee who

- a. exposes organizational wrongdoing
- b. complains a lot to company management
- c. engages in unethical behavior
- d. referees disputes with other employees

Ans - a

.....

Right action comes to be defined in terms of moral principles chosen because of their logical comprehensiveness, universality, and consistency is known as?

- a. Interpersonal Concordance Orientation
- b. Universal Ethical Principles Orientation
- c. Social Contract Orientation
- d. Law and Order Orientation

Ans - b

.....

A firm is said to have good corporate social performance when

- a. stockholders invest in socially responsible causes
- b. charitable deductions are automatically deducted from pay without the consent of employees
- c. the company has not been convicted of ethical violations for five consecutive years
- d. stakeholders are satisfied with its level of social responsibility

Ans - d

.....

..... refers to certain norms governing the conduct of workers involved in a work situation

- a. Team Work
- b. Work Ethos
- c. Work Group
- d. Work Management

Ans - b

..... are the principles, which govern and guide business people to perform business functions.

(i) Business ethics, (ii) Code of conduct

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

How many essential components of Moral reasoning are?

- a. 3
- b. 4
- c. 2
- d. 1

Ans - b

..... is a process that allows people to make decisions based on their deeper values which will be economically, socially and environmentally sound

- a. Holistic approach
- b. Ethics management
- c. Code of conduct
- d. None of these

Ans - a

Corporate social responsibility has three components according to professors Basu and Palazzo. They are

- a. cognitive, linguistic, and cognitive
- b. ethical, social, authoritative
- c. reflective, analytic, corporative
- d. conceptual, sensing, assertive

Ans - a

Which one of the following ethic sees concrete communities and communal relationships as having a fundamental value?

- a. The care of ethic
- b. Demands of caring
- c. Communitarian ethic
- d. Socialism

Ans - c

Which one of the following is an alternative to moral principles?

- a. Virtue Ethics
- b. Logic Ethics
- c. Real Ethics
- d. None of the above

Ans - a

Which of the following is an example of an area where business ethics apply?

- a. Conduct of international operations
- b. Nowhere
- c. In the personal life of staff
- d. None of the above

Ans - a

The type with which one looks only at moral rules or actions of a particular type is known as (i) Rule utilitarianism, (ii) Utilitarianism

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

The limited rights and correlative duties that arise when one person enters an agreement with another person is the definition of

- a. Contract
- b. Justice
- c. Special obligations
- d. Legal rights

Ans - a

Ethics & Law overlap. This is called

- a. Yellow area
- b. White area
- c. Black area
- d. Grey area

Ans - d

Indian ethos is the outcome of way of life

- a. Budha
- b. Hindu
- c. Christian
- d. Muslim

Ans - b

The four types of social responsibility include

- a. legal, philanthropic, economic, and ethical
- b. ethical, moral, social, and economic
- c. philanthropic, justice, economic, and ethical
- d. legal, moral, ethical, and economic

Ans - a

.....

Culture is

- a. Learned
- b. Programmed
- c. Inherited
- d. All of these

Ans - c

.....

Which one of the following approaches to creating an ethical and socially responsible workplace is likely to be the most powerful?

- a. Passing out buttons with the statement "Just Say No to Bad Ethics"
- b. Placing posters about ethics throughout the organization
- c. Top management acting as models of the right behavior
- d. Including a statement about ethics and social responsibility in the employee handbook

Ans - c

.....

Indian model of management is

- a. Value driven holistic
- b. Rationnal holistic
- c. Hybrid
- d. None of these

Ans - a

.....

A recommended way of minimizing unethical behavior is for employees to

- a. write anonymous notes to ethical violators
- b. immediately report all suspicious behavior to top management
- c. spend part of their vacation preparing a personal philosophy of ethics
- d. confront fellow employees about ethical deviations

Ans - d

Fundamental theories of Indian Model include (i) Purushartha Theory, (ii) Panchakoshas Theory, (iii) Theory of Gunas

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

The person's reasons for acting must be reasons that he or she would be willing to have all others use, even as a basis of how they treat him or her is known as

- a. Reversibility
- b. Universalizability
- c. Rule utilitarianism
- d. None of the above

Ans - a

Personality is

- a. Learned
- b. Inherited
- c. Partially inherited and partially learned
- d. Neither learned nor inherited

Ans - a

Ais a written document, inspirational in contents and specify clearly what is acceptable or unacceptable behavior at workplace and beyond, when the employees represent their organizations outside. (i) Business ethics, (ii) Code of conduct

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

Banking Codes and Standards Board of India, has been constituted on the recommendations of

- a. Perikh Committee
- b. Goiporia Committee
- c. Tarapore Committee
- d. Kapoor Committee

Ans - c

Code for bank's commitment to customer is a minimum standard of service to individual customer. which of the following areas it covers? (i) Deposit accounts, (ii) Loans and advances, (iii) Service charges

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which ethical principle specifies to do what is good?

- a. beneficence
 - b. least harm
 - c. respect for autonomy
-

d. None of the above

Ans - a

The term White Label ATM relates to which of the following

- a. ATMs installed by banks outside their branches
- b. ATMs installed by banks in white buildings
- c. ATMs installed by non bank entities
- d. ATMs jointly installed by banks and non-bank entities

Ans - c

To install White Label ATMs, the Non-bank entities must have net worth of at least Rs. crore as per the last audited balance sheet

- a. Rs. 50 cr
- b. Rs. 100 cr
- c. Rs. 300 cr
- d. Rs. 500 cr

Ans - b

Asset of Mutual Fund are held by

- a. Registrar
- b. Custodian
- c. Trustee
- d. None of the above

Ans - b

What are the Financial Situations of the Full nest stage of Family Life Cycle (i) Income stabilised, (ii) Good financial position, (iii) Low liquidity

- a. Only (i) and (ii)

- b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - a

Corporate Security deals with Market

- a. Money Market
b. Commodity Market
c. Bullion Market
d. None of the above

Ans - a

What are the characteristics of Open-ended funds? (i) These funds allow investors to enter and exit as per their convenience, (ii) The units can be purchased and sold even after the initial offering (NFO) period (in case of new funds), (iii) The units are bought and sold at the net asset value (NAV) declared by the fund

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

As per Official language policy for B region, branch target to reply in Hindi letter received in Hindi is %

- a. 50
b. 60
c. 75
d. 100

Ans - d

When banks deal with large no. of individual customers for deposits as well as loans (Liabilities and assets). This is called

- a. Narrow banking
- b. Retail banking
- c. Universal banking
- d. Wholesale banking

Ans - b

Blowing the whistle on one's employer frequently leads to negative consequences for the individual, such as (i) no further promotions, (ii) low performance evaluations

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. neither (i) nor (ii)

Ans - c

Which channel out of these is suitable for customer engagement (B2B)?

- a. Facebook
- b. Twitter
- c. YouTube
- d. LinkedIn

Ans - d

Classifying content in social media happens through an activity such as

- a. Alphabetizing
- b. Tagging
- c. Mapping
- d. Line up

Ans - b

An investment plan of a mutual fund which is available for subscription and repurchase on a continue basis, is called

- a. Close-ended scheme
- b. Balanced scheme
- c. Open ended scheme
- d. Growth scheme

Ans - c

Brand A gets sale of Rs. 1 lakh on spending Rs. 10,000 on Facebook while Brand B gets sale of Rs. 10 lakh on spending Rs. 2 lakh. Which Brand got higher return on investment?

- a. Brand A
- b. Brand B
- c. Both Brand A & B
- d. Can't Say

Ans - a

Which of the following 3rd party tools are used for listening to conversations on Twitter?

- a. Instagram
- b. Social Mention
- c. Inagist
- d. Instagram and Social Mention

Ans - c

The set of marketing tools a firm uses to implement its marketing strategy is called the

- a. TQM
- b. marketing effort
- c. promotion mix
- d. marketing mix

Ans - d

What are the normal Banking Needs for the Young Bachelor stage of Family Life Cycle (i) Credit cards, (ii) Auto loan, (iii) Low cost banking services

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

All entities or persons engaged in the marketing and selling of mutual funds products are required to pass a certification test and obtain a registration number from

- a. AMFI
- b. SEBI
- c. IRDA
- d. NSE

Ans - a

Which one of the following is the right order for three stages of moral development?

- a. Principled morality, conventional morality and selfish
- b. Conventional morality, Principled morality and selfish
- c. Selfish, Conventional morality and Principled morality
- d. None of the above

Ans - b

Which of the following is not correct in respect of targets within priority sector?

- a. Weaker section target for Indian banks is 25% of priority sector
- b. Micro & small enterprises credit target for foreign banks ins not minimum percentage basis
- c. Export credit is 12% of ANBC for Indian banks
- d. Agriculture credit target is 45% of priority sector credit for Indian banks

Ans - c

LC issued for Rs. 10 Lakhs. At the time of payment it was found in the bills mentioned as Rs. 10.90 Lakhs. Can it be accepted?

- a. Yes
- b. No
- c. Yes. After confirmation
- d. None of the above

Ans - a

In wholesale banking, banks normally deal with which of the following? (i) Corporate including multinationals, (ii) Trading houses, (iii) Prime public sector companies

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Single credit and multiple debits, is the process, in respect of which of the following?

- a. RTGS
- b. NEFT
- c. ECS-Debit
- d. ECS-Credit

Ans - c

Business ethics deals primarily with

- a. social responsibility
- b. the pricing of products and services
- c. moral obligation
- d. being unfair to the competition

Ans - c

Most companies begin the process of establishing organizational ethics programs by developing

- a. ethics training programs
- b. codes of conduct
- c. ethics enforcement mechanisms
- d. hidden agendas

Ans - b

The quarterly financial results of companies and banks are to be declared / published under directions provided by

- a. RBI
- b. GOI
- c. SEBI
- d. MoF

Ans - c

Mutual Commodity Exchange (MCX) (i) is operated under regulatory framework of RBI Act, (ii) Facilitates online trading, agri based or agri commodities.

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - b

Obtaining introduction from the existing customer for opening a new deposit account is essential (a) to get protection u/s 131 of NI Act against conversion (b) to prevent money laundering (c) to comply with KYC directives of RBI

- a. None of the above
 - b. a and b only
 - c. b and c only
-

d. a and c only

Ans - a

Blue chip securities refer to

- a. shares of any company
- b. shares of companies, which are listed at any of the stock exchange
- c. shares of good companies
- d. All of the above

Ans - c

When a bank lends money to the corporate person the relationship between bank and corporate person is

- a. borrower - lender
- b. creditor – debtor
- c. debtor - creditor
- d. customer - client

Ans - b

What are the Financial Situations of the Empty nest stage of Family Life Cycle (i) Significantly reduced income, (ii) Good financial position

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - a

What is full form of FRBM?

- a. Financial Responsibility & Budget Maintenance Act
-

- b. Financial Responsibility & Budget Management Act
- c. Fiscal Responsibility & Budget Management Act
- d. Fiscal Responsibility & Budget Maintenance Act

Ans - c

.....

A newspaper website has incorporated 'Facebook Sharing Widget' and a 'Commenting Tool'. That has enabled users to share their views in public. Now can we say that it is social media

- a. Yes
- b. No
- c. Partially Correct
- d. Maybe

Ans - b

.....

What kind of positioning a company can have on social media?

- a. Purpose oriented identity
- b. Brand oriented identity
- c. Both Brand Oriented and Purpose oriented identity
- d. None of these

Ans - c

.....

This misfortune tweet was done on which company's official twitter account which led to firing of the respective agency: "I find it ironic that Detroit is known as #motorcity and yet no one here knows how to fucking drive"

- a. Burger King
- b. Starbucks
- c. Audi
- d. Chrysler

Ans - d

.....

Indian insurance industry is run on globally acceptable standards and for that purpose IRDA carries following functions. which one is not correct?

- a. Registration of insurance
- b. Solvency margins of insurance
- c. Conduct of reinsurance business
- d. Functions as insurance Ombudsman

Ans - d

What are the normal Banking Needs for the Half nest stage of Family Life Cycle (i) Credit cards, (ii) Mortgage loan, (iii) Durables loan

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which one of the following moral judgment approaches will be used where someone has to make a decision how benefits and burdens should be distributed among the members of a group?

- a. Utility
- b. Rights
- c. Justice
- d. Caring

Ans - a

Obtaining introduction from the existing customer for opening a new deposit account is essential (a) to get protection u/s 131 of NI Act against conversion (b) to prevent money laundering (c) to comply with KYC directives of RBI

- a. None of the above
 - b. a and b only
-

- c. b and c only
- d. a and c only

Ans - a

When a bank lends money to the corporate person the relationship between bank and corporate person is

- a. borrower - lender
- b. creditor – debtor
- c. debtor - creditor
- d. customer - client

Ans - b

The data/information provided by a credit information company to member banks is called

- a. Credit information report
- b. Credit report
- c. Confidential report
- d. Confidential credit report (CCR)

Ans - a

What are the characteristics of Open-ended funds? (i) The unit capital of closed-ended funds is fixed and they sell a specific number of units, (ii) Investors cannot buy the units of a closed-ended fund after its NFO period is over, (iii) New investors cannot enter, nor can existing investors exit till the term of the scheme ends

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Any transfer of shares in a banking company which exceeds % of paid up capital of the bank requires acknowledgment by before registration of in the books of the company:

- a. 5%, SEBI
- b. 5%, RBI
- c. 10%, RBI
- d. 10%, Company Law Board

Ans - b

If a fraud takes place in a bank branch. Report is sent to the controlling office on form

- a. FMR 0
- b. FMR 1
- c. FMR 2
- d. FMR 3

Ans - b

An electronic purse may have number of storage space

- a. one
- b. two
- c. six
- d. several

Ans - d

The term 'audit trail' stands for

- a. report submitted by the concerned auditors
- b. data and record generated by the system administrator
- c. chronological record of all events occurring in a system
- d. all or any of the above

Ans - c

Keeping goods in safe custody is as per provisions of

- a. NI Act
- b. Indian Partnership Act
- c. Indian Contract Act
- d. All the above

Ans - c

.....

No dues certificate in case of agricultural advances is exempted up to a loan of

- a. Rs.25000
- b. Rs.50000
- c. Rs.75000
- d. Rs.100000

Ans - b

.....

Which of the following is not correct in respect of targets within priority sector?

- a. Weaker section target for Indian banks is 25% of priority sector
- b. Micro & small enterprises credit target for foreign banks ins not minimum percentage basis
- c. Export credit is 12% of ANBC for Indian banks
- d. Agriculture credit target is 45% of priority sector credit for Indian banks

Ans - c

.....

According to a survey conducted by the Ethics Resource Center, a frequent ethical problem is lying to

(i) Employees, (ii) Customers, (iii) Vendors

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The form of ethics that endeavors to help professionals decide what to do when they are confronted with a case or situation that raises an ethical question or moral problem is referred to as

- a. business ethics
- b. organizational ethics
- c. professional ethics
- d. ethical climate

Ans - a

A fraud committed by a large number of customer on bank would basically result in

- a. Credit risk
- b. Liquidity risk
- c. Market risk
- d. Reputation risk

Ans - d

Socialist view on distribution is best described as

- a. From each according to his ability, to each according to his needs
- b. The benefits a person receives should be proportional to his contribution
- c. From each they choose, to each as they are chosen
- d. Always treat humanity as an end in itself rather than as a means

Ans - a

What question you should address to create your engagement strategy?

- a. What do you want to communicate
- b. What your users want
- c. What your users interact with
- d. All of these

Ans - d

What are the normal Banking Needs for the Empty nest stage of Family Life Cycle (i) Social security services, (ii) some loans Home improvement, (iii) Equity investment

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following is false about internal communication tools?

- a. They are a great way to build your personal brand and have better reach than Facebook
- b. They have great set of Admin features & user control
- c. They can be used to create effective user policies
- d. Both A and C above

Ans - a

What is the major benefit of LinkedIn over Twitter?

- a. There is more virality on LinkedIn
- b. You make more connections on LinkedIn
- c. You have complete control over who sees your profile
- d. All of these

Ans - c

What are the Financial Situations of the Young Bachelor stage of Family Life Cycle (i) Per capita income high, (ii) Low liquidity, (iii) Few financial burdens

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

RBI undertakes govt. business. Which among the following statements is not correct in this connection?

- a. RBI cannot refuse to transact banking business of Central Govt.
- b. RBI undertakes banking business of State government as a result of agreement with respective State govt.
- c. RBI provides ways and means advance to Central Govt. only and not the State govt.
- d. All of the above

Ans - c

Which of the following statement is not correct in the context of acceptance of deposits from the public?

- a. Banks are authorized u/s 49 A of banking Regulation Act
- b. Saving bank schemes of the Govt. are exempted from the restriction imposed on Acceptance of deposits from public other than by banks
- c. NBFC can accept deposits under directions issued by RBI under chapter IIIB of RBI act
- d. Other companies are regulated by RBI and SEBI under rules u/s 58A of Companies Act

Ans - d

Which of the following is helping the banking system in sharing the information about the credit history of households?

- a. Banking codes and standard Board of India
- b. Credit Information Bureau India Limited
- c. CRISIL
- d. All the above

Ans - b

What is the amount of ceiling on payment of brokerage or commission or discount, or remuneration on sale of shares by a banking company?

- a. 1% of the authorized capital
 - b. 2% of the issued capital
-

- c. 2.5% of the paid value of the shares
- d. 5% of the subscribed share capital

Ans - c

Loan to minor can be given in the following case

- a. against DBD
- b. against LIC policy
- c. in the name of minor
- d. in the name of father

Ans - d

What does justice as ethical principle aims for

- a. guides to do what is good
- b. ethical decisions should be consistent with the ethical theory
- c. allow people to reign over themselves
- d. a person should choose to do the least harm

Ans - b

Ethics is the study of (i) moral obligation, (ii) separating right from wrong

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

Bailor – bailee relationship is applicable in ...

- a. cash deposited with cashier by customer
 - b. safe deposits locker
-

- c. demand draft issued by bank
- d. keeping articles in safe custody with bank

Ans - d

How can a company ensure that the proper audience finds their YouTube videos? (i) Post links on the company blog to the YouTube videos, (ii) There is no method to effectively direct people to the company videos, (iii) Use of keywords

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - b

In a company who should own the social marketing plan? (i) Head of Marketing, (ii) CFO, (iii) President

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following guidelines regarding return from social media is not true?

- a. Measuring returns totally depends on how much investment you made in social media
- b. You should create ways to access satisfaction level like Brand Awareness, Brand Recall etc.
- c. Intangible results have higher value than Tangible results
- d. Measuring returns totally depends on how much investment you made in social media and intangible results have higher value than tangible results

Ans - d

Who cannot be a partners?

- a. HUF
- b. illiterate
- c. Blind person
- d. company

Ans - a

.....

Market risk takes the form of which of the following?

- a. LC issued by a bank
- b. Foreign exchange rates
- c. Error committed by a staff member
- d. Any of the above

Ans - b

.....

Which of the following is not a correct statement?

- a. Only scheduled banks are to maintain cash reserve u/s 42 of RBI Act
- b. Non-scheduled banks are to maintain cash reserve u/s 18 or B R Act
- c. Additional cash reserve can be prescribed to be kept by Central Govt
- d. Interest is required to paid by RBI on cash balances maintained with it u/s 24 of B R Act

Ans - d

.....

Which of the following is not part of operational risk under Basel-3 framework?

- a. Staff error
- b. Failed system
- c. Change in interest rates
- d. Break-down of internal controls

Ans - c

.....

What % age of directors in a bank should have specialized knowledge?

- a. 10
- b. 24
- c. 40
- d. 51

Ans - d

.....

When a chairman of managing director is removed from his post, he ceases to be a director and cannot be appointed as director during the next years

- a. 2 years
- b. 3 years
- c. 4 years
- d. 5 years

Ans - c

.....

Which asset cannot be assigned for loan?

- a. Book Debts
- b. LIC
- c. Share Certificate
- d. Copy Rights

Ans - d

.....

Minimum Credit rating of company for issue of CP should be

- a. A1
- b. AA1
- c. A3
- d. AAA

Ans - c

.....

.....
A document prepared to guide organisation members when encountering ethical dilemmas is a(n)

- a. code of ethics
- b. list of rules and responsibilities
- c. code of conduct
- d. outline of expected behaviours

Ans - a

.....

Cash credit facility against merchandise (i.e., goods) are allowed by way of (i) Hypothecation, (ii) Pledge, (iii) Lien

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

.....

A Government Security is the security which is issued by the Government to raise a public loan and issued in the form of (i) Bearer bonds, (ii) Promissory notes, (iii) Stock certificates

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Reserve bank of India under Section 35A of the banking Regulation Act, 1949 has issued the following instruction, under clean note policy (i) Banks to secure note packets with paper/polymer bands, (ii) Banks should sort notes into re-issuable and non-issuables and issue only clean notes to public, (iii) Banks should forthwith stop writing of any kind on water mark portion of bank notes

- a. Only (i) and (ii)

.....

- b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

State which of the following statement/s is/are True? (i) open ended schemes are offered by mutual funds, (ii) banks cannot setup mutual funds, without RBI's permission, (iii) bank branches are used as a distribution channel for insurance products is called bancassurance.

- a. Only (i) and (ii)
b. Only (i) and (iii)
c. Only (ii) and (iii)
d. (i), (ii) and (iii)

Ans - d

LC issued for Rs. 10 Lakhs. At the time of payment it was found in the bills mentioned as Rs. 10.90 Lakhs. Can it be accepted?

- a. Yes
b. No
c. Yes. After confirmation
d. None of the above

Ans - a

A fixed amount of money paid to the site for every sale that originated from an ad posted on that site refers to

- a. online measure
b. cost per thousand
c. negotiated measure
d. cost per action

Ans - d

What is greenwashing?

- a. Transforming products to be more ethical
- b. Making a product appear more ethical than it really is
- c. Converting the company to green production methods
- d. Convincing customers to buy ethically

Ans - b

.....

Which continent has the highest number of internet users?

- a. Australia
- b. Asia
- c. Europe
- d. South America

Ans - b

.....

Which of the following is not a type of insurance business?

- a. Life insurance
- b. Fire insurance
- c. Marine insurance
- d. None of the above

Ans - d

.....

In KYC guidelines, the small accounts where simple KYC is applicable are those accounts where the amount deposited in the account is restricted to

- a. Rs.25000
- b. Rs.50000
- c. Rs.75000
- d. Rs.100000

Ans - d

.....

In case of SMEs, the registration is mandatory in case of

- a. Medium enterprises in servicing
- b. Small manufacturing enterprises
- c. Manufacturing medium enterprises
- d. None of the above

Ans - c

.....

Electronic cheque is defined under sec.....

- a. 5(a)
- b. 5(b)
- c. 6(a)
- d. 6(b)

Ans - c

.....

Sec 6 NI Act deals with

- a. Bill of Exchange
- b. Cheque
- c. Promissory Note
- d. None of the above

Ans - b

.....

What are the normal Banking Needs for the Full nest stage of Family Life Cycle (i) Home improvement, (ii) Equity investment, (iii) Flexi-deposit

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

A demand draft is purchased by P. After 5 days, P comes to the bank and requests the bank to stop the payment, as the DD is reported to have lost in transit

- a. The issuing branch will immediately instruct the drawee branch to stop payment of DD
- b. The issuing branch will first verify the non-payment and then give the instructions for stop payment
- c. The payment of DD cannot be stopped. Hence request of P will not be entertained
- d. If it is common request from payee and drawee branch, it will be done

Ans - c

Which of the following faces the problem that societies can place different emphases on different virtues?

- a. Normative ethics
- b. Utilitarianism
- c. Virtue ethics
- d. Universal ethics

Ans - c

What are the Financial Situations of the Half nest stage of Family Life Cycle (i) Home buying priority, (ii) Low liquidity, (iii) Few financial burdens

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

In case of import factoring, the functions like evaluation of buyers, collection of money on time is the job of

- a. Exporter factor
 - b. Importer factor
 - c. Domestic factor
-

d. Any of the above

Ans - b

If 2 minors open a joint account, the mode of operation should be.....

- a. E or S
- b. F or S
- c. Jointly
- d. Minors can't open joint account

Ans - c

In international factoring, the no. of factors that are involved in the factoring process is

- a. One
- b. Two
- c. Three
- d. Depends up on the transaction

Ans - b

Administrator is the person appointed by to operate the account of a (customer)

- a. Register of companies, company in liquidation
- b. A court, deceased customer
- c. Revenue Authority, deceased customer
- d. RBI, bank in liquidation

Ans - b

The word OSMOS in the context of supervision of banks, stands for

- a. Online surveillance and monitoring system
 - b. Off-site monitoring system
 - c. Open surveillance and monitoring system
-

d. Off shore monitoring system

Ans - b

Appeal against the award given by the Ombudsman can be made by the bank within days of date of

- a. 30 days, award given by the Ombudsman
- b. 30 days, receipt of acceptance from the customer
- c. 45 days, award given by the Ombudsman
- d. 45 days, receipt of acceptance from the customer

Ans - b

In CDR category-1, what type of loan accounts are eligible? (i) Standard, (ii) Sub-standard

- a. Only (i)
- b. Only (ii)
- c. Both (i) and (ii)
- d. Neither (i) nor (ii)

Ans - c

Web 2.0 is a term that describes

- a. a new way to utilize the World Wide Web.
- b. a technical update of the World Wide Web.
- c. the first Internet browser.
- d. the decreased degree of interactivity among users.

Ans - a

..... is the set of benefits a company promises to deliver its consumers to satisfy their needs.

- a. Low pricing
 - b. Good customer service
-

- c. A value proposition
- d. A money-back guarantee

Ans - c

Provision for standard accounts in direct agriculture and SME accounts is to be made at %

- a. 0.10
- b. 0.20
- c. 0.25
- d. 0.50

Ans - c

Mortgagee enjoys the income of the mortgaged property in case of which mortgage

- a. Simple
- b. Usufructuary
- c. English
- d. None of the above

Ans - b

In which of the following situations, the bank can favorably accommodate the customer?

- a. Mr. Raj, a valued customer comes to obtain payment of a cheque drawn in his favour and crossed by him, by mistake and now demands cash payment
- b. Mr. Ravi, comes with a cheque in favour of his wife and crossed account payee, for credit to his account. His wife has endorsed the cheque in his favour
- c. A cheque dated March 18, 2019 is presented for payment on June 18, 2019 as June 17, 2019 was a Sunday
- d. A cheque in which date, amount and payee's name is left blank by the drawer and is completed by Mr. Raj, who demands its payment

Ans - d

One of your customers lost the fixed deposit receipt issued by the bank. To obtain a duplicate fixed deposit receipt he needs to furnish

- a. a power of attorney
- b. a guarantee
- c. a letter of credit
- d. an indemnity bond

Ans - d

Which of the following correct with regard to a minor?

- a. A minor is a person if less than 21 years of age where the guardian is appointed by a court
- b. A minor can open a bank account under provisions of Indian Contract Act with the provision that no transaction should result in debit balance in his account
- c. A minor can open a self operated bank account because he can draw a cheque and has been permitted to open the account by RBI also
- d. Loan given to minor for necessities is recoverable from him personally

Ans - c

Bank-A has subordinated debt of original maturity of 7 years and remaining maturity period of 8 months. If the value of such debts is Rs.100 cr, what amount will be taken in Tier-2 capital fund?

- a. Rs.100 cr
- b. Rs.60 cr
- c. Rs.20 cr
- d. Nil

Ans - d

Bank – B has subordinated debt with remaining maturity of 17 months. These are included in Tier-2 capital fund at discount?

- a. 80%
- b. 60%

- c. 40%
- d. 20%

Ans - a

.....

As per fair Practice Code for lenders, bankers should be constructive with a view to taking care of any lender-related genuine difficulty that borrower may face, for loans up to Rs.

- a. Rs.25000
- b. Rs.1 lac
- c. Rs.2 lac
- d. Rs.5 lac

Ans - c

.....

A company on very low budget wants to reach out to make its corporate video to be viewed by large set of users. Which platform should it use

- a. Twitter
- b. Facebook
- c. LinkedIn
- d. YouTube

Ans - d

.....

Economically viable refers to such financial benefits as attaining reduced costs from (i) Energy savings, (ii) Gaining governmental subsidies, (iii) Avoiding penalties

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

The mutual fund scheme that provides growth and regular income, is called

- a. Close-ended scheme
- b. Balanced scheme and last day of the month
- c. Open ended scheme
- d. Growth scheme

Ans - b

.....

Which of the following does not fall in Tier II capital?

- a. Subordinated debt
- b. Perpetual non-cumulative preference shares
- c. Perpetual cumulative preference shares
- d. None of the above

Ans - b

.....

Right to retain goods is called

- a. Assignment
- b. Right of set off
- c. Pledge
- d. Lien

Ans - d

.....

KYC procedure for opening small account has been simplified for those person not having an officially valied document, the balance at any time should not exceed Rs..... and Credit should not exceed Rs.....

- a. 10000, 25000
- b. 10000, 50000
- c. 25000, 100000
- d. 50000, 100000

Ans - d

.....

For obtaining loan against shares, the Charge on shares is

- a. Assignment
- b. Lien
- c. Pledge
- d. None of the above

Ans - b

.....

Which is the most important parameter of a LinkedIn profile?

- a. Experience & Education
- b. Contact Information
- c. Recommendations
- d. Headline

Ans - d

.....

What do you mean by 'attributing returns'?

- a. Calculating total return
- b. Establishing unbroken chain of events from the "investment" to the "return"
- c. Finding our return on investment
- d. None of these

Ans - b

.....

Dumb Terminal is (i) A display monitor that has no processing capabilities, (ii) An output device that accepts data from the CPU

- a. Only (i)
- b. Only (ii)
- c. Either (i) or (ii)
- d. Both (i) and (ii)

Ans - d

.....

What is special about social media?

- a. Content is out of the will of users
- b. Content is not controlled by the platform
- c. Content is out of the will of users and is not controlled by the platform
- d. None of these

Ans - c

.....

Foreign exchange risk is part of which of the following

- a. Credit risk
- b. Market risk
- c. Operational risk
- d. None of the above

Ans - c

.....

Banks are required to become members of how many Credit Information Company?

- a. Only one
- b. The no. is at discretion of the bank
- c. Bank can use to become or not become member
- d. All credit information companies

Ans - d

.....

A computer network is used for which of the following? (i) To share data, (ii) To share software, (iii) To share hardware

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

.....

Area covered under LAN generally

- a. 100 Meters
- b. 150 Meters
- c. 200 Meters
- d. 250 Meters

Ans - b

.....

How are social networks used in workplace communication?

- a. to enhance the prominence of the organization.
- b. to invite people to join an organization's page.
- c. to reach people in specific interest groups.
- d. all of these

Ans - d

.....

What is the dimension for business ethics?

- a. normative
- b. descriptive
- c. Dimension as per CSR strategy
- d. Both a and b

Ans - d

.....

A bank purchases a commercial complex from XYZ in realization of loan. What is the disposal period RBI discretion to extend the said disposal period u/s of Banking Regulation Act

- a. 7 years, 5 years, Sec 9
- b. 7 years, 7 years, Sec 9
- c. 5 years, 7 years, Sec 6 (1)
- d. 5 years, 5 years, Sec 6 (1)

Ans - a

.....

Which of the following does not match with regard to protection to the bank?

- a. Section 10 - when payment is made in due course
- b. Section 131 - when payment is made on the basis of regular endorsement
- c. Section 89 - when payment of a materially altered cheque is made but alteration is not visible to naked eye
- d. Section 85(2) - when payment of bearer cheque is made without taking into account the endorsement

Ans - b

A motivational trainer wants to generate 50 leads via social media for his next public workshop. Which of the following methods he should utilize

- a. Create a Facebook event of his workshop & spend money on Facebook ads
- b. Send emails to a database of 100,000 professionals whom he is targeting
- c. Do regular updates on all social media channels where his target customers are present
- d. Do regular updates on social media channels where his target customers are present and create a facebook event of his workshop and spend money on facebook ads

Ans - d

A is a type of transferable financial instrument traded on a local stock exchange of a country but represents a security issue by a foreign publicly listed company:

- a. Depository receipt
- b. Derivative
- c. Option
- d. Participatory notes

Ans - a

Other than banks, the deposits can be accepted by non-bank entities. Which of the following does not match with regard to regulation authority for such deposits?

- a. Non-bank finance companies – RBI direction
 - b. Normal companies – Central Govt. Rules
-

- c. Joint stock companies – SEBI
- d. Individuals, firms & other incorporated bodies - not allowed to accepted deposits except from friends/ relatives

Ans - c

.....

The process that replaces the physical flow of cheques with electronic information or scanned image

- a. Electronic clearing system
- b. Real time gross settlement
- c. Cheque truncation
- d. Electronic funds transfer

Ans - c

.....

Customer is defined as per provisions of

- a. Indian Contract Act
- b. Negotiable instrument Act
- c. General Clauses Act
- d. KYC Guidelines

Ans - d

.....

Company A & B both need to raise funds for their business ventures. Company A spends lot of time writing emails to Venture Capitalists, posting their requirement on Facebook, Twitter & even create a video on YouTube while Company B create a succinct pitch on Kickstarter & LinkedIn. Which company do you think has better chances of getting funded

- a. Company A
- b. Company B
- c. None of these
- d. Can't Say

Ans - b

.....

Authorized capital of a nationalized bank cannot be less than Rs..... cr

- a. 100cr
- b. 500cr
- c. 1000cr
- d. 3000cr

Ans - d

.....

The cards which store credential data in an integrated circuit is

- a. Chip/smart card
- c. Non EIVIV card
- b. Magnetic strip card
- d. All the above

Ans - a

.....

Which of the following is not correctly matched?

- a. WAN - Wide Area Network
- b. LAN — Local area network
- c. MAN - Model Area Network
- d. RAM - Random Access Memory

Ans - c

.....

Bank's obligation to pay the cheque drawn by the customer u/s 31 if NI act exists, In which of the following circumstances

- a. When the amount in words and figures differs
- b. When there is notice of death of the customer
- c. When an attachment order has been received
- d. When the signatures of the drawer are genuine but differ

Ans - a

.....

U/s 22 of RBI Act, RBI (which of the following is not correct)

- a. Has authority to issue and manage currency of India
- b. Issues bank notes and currency notes
- c. Can issue bank notes having denomination Rs.2 to Rs.10000
- d. The bank notes are legal tender at any place in India.

Ans - b

Bankers' obligation to maintain secrecy of customer's account is (which of the following is not correct)

- a. As per provision of Banking Companies (Acquisition & Transfer of Undertakings) Act 19670
- b. As per implied contract between bank and customer
- c. It continues during currency of the account and also after closure
- d. none of the above

Ans - d

The credit facilities (both fund based and non-fund based) are provided to finance (i) fixed assets, (ii) current assets, (iii) non-business assets

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - a

Which of the following is NOT a type of ethics audit?

- a. Compliance audit
- b. Systems audit
- c. Environmental audit
- d. Cultural audit

Ans - c

A bank which is authorized by the issuing company to issue depository receipts against issue of foreign currency convertible depository receipts against issue of foreign currency convertible bonds or ordinary shares of the issuing company, is called

- a. Overseas depository bank
- b. Inland depository bank
- c. Custodian bank
- d. Authorized bank

Ans - a

A holder for value is a bank, which

- a. allows one of its clients to withdraw against clearance of a cheque
- b. collects cheques for non customers
- c. handles high value clearing
- d. high net worth customer's accounts

Ans - a

CDR in case of SME account (which is not correct)?

- a. SME financed by any bank for any amount
- b. For corporate account, financing by one bank
- c. For corporate account from many banks for amount above Rs. 10 lakhs
- d. None of the above

Ans - c

Which crossing is not recognized by NI Act?

- a. Special
- b. Payee's account
- c. Not negotiable
- d. All the above

Ans - b

Banking services in the realm of Wealth management are best delivered through

- a. ATM
- b. Telephone banking
- c. Face to face transaction
- d. Internet banking

Ans - c

.....

Which among the following can open an Resident Foreign Currency account?

- a. NRI
- b. Resident
- c. Erstwhile NRI now resident
- d. None of the above

Ans - c

.....

Issue of securities in the primary market is subject to fulfillment of a no. of requirement stipulated by

- a. SEBI
- b. IRDA
- c. RBI
- d. All the above

Ans - a

.....

Definition of the term 'banking' is as per Section 5 (b) of the which of the following

- a. Banking Companies (Acquisition and transfer of Undertakings) Act
- b. Banking Regulation Act
- c. RBI Act
- d. NI Act

Ans - b

.....

A eCommerce transaction refers to exchange of information by way of for selling and buying between the customer and the seller

- a. Credit cards
- b. Debit cards
- c. Paperless instructions
- d. All the above

Ans - c

What steps have been taken by banks to counter the high turnover rate of IT professionals? (i) Banks have given life time job security tempolyees, (ii) Banks have set up their In-House Centre for Software Development, Maintenance and manpower training, (iii) Banks have offered motivational incentives

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

Which of the following statement regarding a broker is not true?

- a. He is a member of stock exchange
- b. He is registered with SEBI
- c. A sub-broker is affiliated to a member of recognized stock exchange and registered with SEBI
- d. None of the above

Ans - d

First item on the debit side of the account is discharged reduced by the first item on the credit side in the chronological order as per which of the following?

- a. Rule if appropriation
 - b. Rule in Clayton case
 - c. Right of set off
-

d. Banker's general lien

Ans - b

.....

Risk weight for bill purchased under LC, for capital adequacy purposes is %

- a. 10
- b. 20
- c. 25
- d. 50

Ans - b

.....

Brand A tweets 10 times a day (5 tweets related to deals & offers, 3 engagement & 2 fun related) while Brand B tweets 25 times a day (22 tweets related to deals & offers, 2 engagement & 1 fun related), which brand do you feel has a better chance of generating higher sales

- a. Brand A
- b. Brand B
- c. Both Brand A and B
- d. Can't Say

Ans - a

.....

Under Tandon Committee's 2nd method of lending, the working capital margin i.e. net working capital should be

- a. 25% of the project sales
- b. 25% of current assets
- c. 25% of the banks limits
- d. 25% of the long term sources

Ans - b

.....

Which of the following is not a source of working capital for a manufacturing firm?

- a. Sundry creditor
- b. Unsecured advances
- c. Bank term loan
- d. Bank overdraft

Ans - c

.....

What type of ethical issue does a green company resolves?

- a. environmental
- b. financial
- c. labor
- d. social

Ans - a

.....

what relationship is created when the bank collects a cheque in clearing?

- a. holder for value
- b. clearing member and principle
- c. agent and principle
- d. collecting bank and holder

Ans - d

.....

Which of the following is not a feature of a core banking system?

- a. Transaction are made on a central server
- b. Transaction are made on-line as well as off-line
- c. Branch automation module is incorporated
- d. Branch is connected to a central host

Ans - b

.....

Which of the following is an important aspect of creating blogs and posting content? (i) Using a witty user name, (ii) Posting at least once a month to the blog, (iii) Social Media Optimization

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

Which of the following is not an advantage of the multi-user computer system through networking?

- a. Corporate level information is available at one place
- b. Costly hardware can not be shared between various user due to which it is not effective
- c. Information can be shared easily between various users
- d. Computing resources can be used economically by processing the high volume data

Ans - b

A director of the bank wants to raise loan from your bank against

- a. FDR of other bank
- b. share of same bank
- c. surrender value of Life Policy. Loan can be given against
- d. all the above

Ans - c

Bill of lading, Railway Receipt are negotiable instruments under

- a. NI Act
- b. Sec 3 of Transfer of Property Act
- c. Sec 137 of Transfer of Property Act
- d. Sale of Goods act

Ans - c

Which among the following is not an essential features of a mandate?

- a. It is given on a simple paper
- b. It does not require registration with any Govt. authority
- c. In joint accounts and in partnership it should be signed by all account holders / all partners
- d. It should be properly stamped

Ans - d

.....

A bond issued at a discount and repaid at its face value is called, a bonds

- a. Coupon bond
- b. Convertible bond
- c. Commercial bond
- d. Zero coupon bond

Ans - d

.....

Indian Financial System Code (IFSC) is an code based on the pattern followed by the Society for Worldwide Inter-bank Financial Telecommunication (SWIFT)

- a. 10 digit numeric code
- b. 11 digit numeric code
- c. 10 digit alpha numeric code
- d. 11 digit alpha numeric code

Ans - d

.....

Canadian musician Dave Carroll created video to protest his breaking of guitar against which Airlines

- a. Air Canada
- b. Buffalo Airways
- c. United Airlines
- d. Canadian Helicopters

Ans - c

.....

Which of the following are important features of local area network? (i) an independent system is called node which is interconnected to LAN, (ii) there is generally one central node called 'server', (iii) the way, the different types of services are handled by server depends upon topology and protocols

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - d

A popular restaurant wants to expand its reach and increase footfalls via their social media efforts. Which of the following approach seems best & sensible to you

- a. List their restaurant on popular review sites like Zomato, Just Dial, etc.
- b. Reach out to popular food bloggers and foodie groups
- c. Create accounts on Facebook, Twitter & YouTube and engage with the audience
- d. All of these

Ans - d

What methods of social network marketing should a company always use? (i) Blogging only, (ii) Twitter, Blogs, Facebook, (iii) Depends on the company, their product, their audience

- a. Only (i) and (ii)
- b. Only (i) and (iii)
- c. Only (ii) and (iii)
- d. (i), (ii) and (iii)

Ans - c

ALL THE VERY BEST FOR YOUR EXAMS

SAMPLE QUESTIONS FOR JAIIB PRINCIPLES & PRACTICES OF BANKING

Though we had taken enough care to go through the questions, we shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents. We advise everyone to update yourself with the latest information through RBI website and other authenticated sources. In case you find any incorrect/doubtful information, kindly update us also (along with the source link/reference for the correct information) as lot of questions were shared by many people.

October 2019

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