

PROVISIONAL ANSWER KEY

Paper: 074 - Elements of Banking - Kerala co-operative
Date of Test 02-05-2023

Question1:-In India Banks are governed by:

- A:-Companies Act 1956
 - B:-Reserve Bank of India Act 1934
 - C:-Banking Regulation Act 1949
 - D:-Special Powers Conferred by RBI
- Correct Answer:- Option-C

Question2:-Reserve Bank of India (RBI) started functioning from:

- A:-1st of April 1934
 - B:-15th of August 1947
 - C:-1st of January 1950
 - D:-1st of April 1935
- Correct Answer:- Option-D

Question3:-Who among the following Finance Ministers of India was also a Governor of RBI?

- A:-Dr. Manmohan Singh
 - B:-P. Chidambaram
 - C:-Pranab Mukharge
 - D:-Yeswanth Sinha
- Correct Answer:- Option-A

Question4:-Bank Rate means:

- A:-The rate of interest charged by Commercial Bank
 - B:-The standard rate at which the RBI buy or re-discount bills
 - C:-The rate of interest allowed by Commercial bank as deposits
 - D:-None of the above
- Correct Answer:- Option-B

Question5:-CRR stands for

- A:-Liquidity Ratio
 - B:-Net demand on Time liability
 - C:-Rate of cash reserves required to be maintained by Banks with RBI
 - D:-None of the above
- Correct Answer:- Option-C

Question6:-Which one of the following is considered as the main Role of RBI?

- A:-Bankers Bank
 - B:-Regulator of Stock Market
 - C:-Regulator of General Insurance
 - D:-Regulator of Mutual Funds
- Correct Answer:- Option-A

Question7:-Why is RBI called as Lender of Last Resort?

- A:-Banks can approach RBI when their limits are exhausted
 - B:-Banks are not eligible to avail loan from other Banks
 - C:-RBI meets directly or indirectly all their reasons also demand for financial aids
 - D:-All the above
- Correct Answer:- Option-C

Question8:-Ways and Means refers to:

- A:-Advance allowed by Commercial Banks under DRS Scheme
 - B:-Temporary Advance made by RBI to Government as Bridge Loan
 - C:-Advance allowed by Commercial Banks under special programme
 - D:-None of the above
- Correct Answer:- Option-B

Question9:-Circumstances under which the RBI, restrict credit expansion, it

- A:-raises the Bank Rate
 - B:-reduce the Bank Rate
 - C:-freezes the Bank Rate
 - D:-all of the above
- Correct Answer:- Option-A

Question10:-SLR is maintained by Banks on the basis of

- A:-Demand Liabilities
 - B:-Time Liabilities
 - C:-Gross time and demand liability
 - D:-Net time and demand liability
- Correct Answer:- Option-D

Question11:-Imperial Banks are amalgamated and named as:

- A:-Reserve Bank of India
 - B:-State Bank of India
 - C:-Union Bank of India
 - D:-Corporation Bank
- Correct Answer:- Option-B

Question12:-Head Quarters of IDBI is located in:

- A:-Mumbai
 - B:-Chennai
 - C:-New Delhi
 - D:-Hyderabad
- Correct Answer:- Option-A

Question13:-Name of the Cooperative Banks at the village level

- A:-Central Coop. Banks
 - B:-Primary Agricultural Coop. Societies
 - C:-Village Cooperatives
 - D:-None of the above
- Correct Answer:- Option-B

Question14:-Paid up Share Capital of Regional Rural Bank (RRB) is contributed by:

- A:-Central Government

B:-State Government
C:-Central, State and Sponsered Commercial Bank
D:-State Coop. Bank

Correct Answer:- Option-C

Question15:-'DEAF' Account is maintained by

A:-RBI
B:-SBI
C:-State Government
D:-Central Government

Correct Answer:- Option-A

Question16:-In DEAF A/c the letter 'E' stands for

A:-Empowerment
B:-Enforcement
C:-Enhancement
D:-Educational

Correct Answer:- Option-D

Question17:-'SARFAES' Act of 2002 provides

A:-Securatisation of Surety
B:-Asset Reconstruction
C:-Enforcement of Security Interest
D:-All of the above

Correct Answer:- Option-D

Question18:-Enforcement of SARFAESI Act is the duty of:

A:-SBI
B:-RBI
C:-Central Government
D:-State Government

Correct Answer:- Option-B

Question19:-Banking Ombudsman is appointed by:

A:-Central Government
B:-State Government
C:-RBI
D:-Indian Bank

Correct Answer:- Option-C

Question20:-Function of OMBUDS Man relate to:

A:-Solving Complaints from the Public
B:-Issue of License to Bank
C:-Sanctioning New Branches
D:-Solving Complaints from the Customers

Correct Answer:- Option-D

Question21:-An SB A/c opened in a Bank with Zero balance is known as

A:-Ordinary SB A/c
B:-Current A/c
C:-No frill A/c
D:-Call Deposit A/c

Correct Answer:- Option-C

Question22:-A Bank Cheque remains valid for:

A:-3 months
B:-6 months
C:-9 month
D:-One year

Correct Answer:- Option-A

Question23:-The Signature of Drawee of a cheque is not genuine the Bank is called as:

A:-Stale cheque
B:-Forged cheque
C:-Post dated cheque
D:-Anti dated cheque

Correct Answer:- Option-B

Question24:-The alpha numeric code is a cheque is known as

A:-RTGs
B:-NEFT
C:-CC
D:-IFSC

Correct Answer:- Option-D

Question25:-If a crossed cheque is presented for payment

A:-Cash can be paid across the counter to the present
B:-Cash can be paid across the counter to the A/c holder only
C:-It can be paid only through a Banker
D:-It cannot be paid at all

Correct Answer:- Option-B

Question26:-Crossing of Cheque make them

A:-Invalid document
B:-Eligible for payment without sufficient balance in A/c
C:-Ineligible for payment across the counter
D:-Ineligible for endorsement to a person other than the Payee

Correct Answer:- Option-D

Question27:-Crossing applies only to:

A:-Cheque
B:-Bills
C:-Pro note
D:-FD receipts

Correct Answer:- Option-A

Question28:-A Debit Card is:

A:-a card which carries prepaid balance

B:-a card which can be used for withdrawing cash if there is balance in the A/c

C:-a card which can be used even if no balance in A/c

D:-None of the above

Correct Answer:- Option-B

Question29:-Expand CVV in banking transaction

A:-Card Validity Value

B:-Card Verification Value

C:-Card Value Validity

D:-Consumer Verification Vision

Correct Answer:- Option-B

Question30:-OTP memory in Banking Sector means:

A:-One Time Programmable memory

B:-One Take Program Memory

C:-Original Time Memory

D:-None of the above

Correct Answer:- Option-A

Question31:-The first ATM was setup by:

A:-RBI

B:-ICICI Bank

C:-SBI

D:-HSBC Bank

Correct Answer:- Option-D

Question32:-ATMs are connected through:

A:-LAN

B:-WAN

C:-NFS

D:-ALM

Correct Answer:- Option-C

Question33:-SWIFT when expanded is:

A:-Society for Withstanding Internal Frauds on Time liability

B:-Society for Women Inclusive Financial Technology

C:-System Wise Inter bank Financial Theory

D:-Society for Worldwide Inter bank Financial Telecommunication

Correct Answer:- Option-D

Question34:-The letter 'G' in RTGs stands for:

A:-Gross

B:-General

C:-Gentle

D:-Great

Correct Answer:- Option-A

Question35:-What is NEFT?

A:-National Employment Federation on Texture

B:-National Electronic Fund Transfer

C:-National Employment Facility for Technic

D:-National Eligibility for Fund Transfer

Correct Answer:- Option-B

Question36:-NEFT was introduced in:

A:-2000

B:-2005

C:-2011

D:-2015

Correct Answer:- Option-B

Question37:-NPCI is:

A:-National Payment Commission in India

B:-Nominal Payment Cooperatives in India

C:-National Payment Corporation of India

D:-None of the above

Correct Answer:- Option-C

Question38:-NPCI is promoted by:

A:-SEBI

B:-RBI

C:-SBI

D:-CBI

Correct Answer:- Option-B

Question39:-What is the maximum amount that can be remitted through RTGs?

A:-Rupees 10 crores

B:-Rupees 5 Crores

C:-Rupees 25 Crores

D:-No Ceiling

Correct Answer:- Option-D

Question40:-Working hours of NEFT is restricted to

A:-No restriction

B:-Bank working Hours

C:-Only Day time

D:-10 Hours of day

Correct Answer:- Option-A

Question41:-Which of the following Committee recommended formation of NABARD?

A:-Narasimhan Committee

B:-Santhanam Committee

C:-Gorwala Committee

D:-B. Sivaraman Committee

Correct Answer:- Option-D

Question42:-Which type of Institution is NABARD?

A:-Corporate

B:-Bureau
C:-Bank
D:-Board

Correct Answer:- Option-C

Question43:-Head Quarters of NABARD is located at

A:-Mumbai
B:-New Delhi
C:-Chennai
D:-Calcutta

Correct Answer:- Option-A

Question44:-NABARD provides financing facilities for

A:-Promotion of Agriculture
B:-Small Scale Industries
C:-Cottage Industries
D:-All of the above

Correct Answer:- Option-D

Question45:-Of the following which is not a subsidiary of RBI?

A:-DICGC
B:-NHB
C:-SBI
D:-None of the above

Correct Answer:- Option-B

Question46:-Of the following which one is providing financial assistance to Exporters?

A:-SIDBI
B:-NHB
C:-NABARD
D:-EXIM Bank

Correct Answer:- Option-C

Question47:-Choose the entity among the following established IBRD American Mission

A:-RRB
B:-SBI
C:-RBI
D:-ICICI

Correct Answer:- Option-D

Question48:-Head Quarters of NHB is at

A:-Mumbai
B:-New Delhi
C:-Calcutta
D:-Chennai

Correct Answer:- Option-B

Question49:-According to RBI priority sector includes

A:-Agriculture
B:-Retail trade
C:-Housing
D:-All the above

Correct Answer:- Option-D

Question50:-The Regulatory Body of RRB is:

A:-NABARD
B:-SBI
C:-Govt. of India
D:-State Government

Correct Answer:- Option-A

Question51:-Which of the following institution is providing financial aids to Industries?

A:-LIC
B:-UTI
C:-RBI
D:-IDBI

Correct Answer:- Option-D

Question52:-Who is the authority to Sign Currency note of Rs.500 denomination:

A:-Indian Prime Minister
B:-Governor of RBI
C:-Dy. Governor of RBI
D:-None of the above

Correct Answer:- Option-B

Question53:-The highest denomination note issued by RBI is:

A:-Rs. 2000
B:-Rs. 5000
C:-Rs. 10,000
D:-Rs. 25,000

Correct Answer:- Option-C

Question54:-The authority issuing Treasury Bills is:

A:-Commercial Banks
B:-RBI
C:-SBI
D:-None of the above

Correct Answer:- Option-B

Question55:-From among the following choose one which is not a money market instrument

A:-Treasury Bills
B:-Commercial paper
C:-Equity shares
D:-Deposit certificate

Correct Answer:- Option-C

Question56:-The demonetisation declared on 9.11.2016 relates to:

A:-Rs. 100 notes

B:-Rs. 1000
C:-Rs. 2000
D:-Rs. 500

Correct Answer:- Option-B

Question57:-The RBI prints currency notes on the basis of :

A:-Minimum Reserve System
B:-Gold Deposit
C:-Simple Deposit System
D:-None of the above

Correct Answer:- Option-A

Question58:-Who is the authority signing on One Rupee Note?

A:-Governor of RBI
B:-Minister for Finance (GOI)
C:-Prime Minister of India
D:-Finance Secretary (GOI)

Correct Answer:- Option-D

Question59:-SIDBI is regulated by:

A:-RBI
B:-SBI
C:-NABARD
D:-NHB

Correct Answer:- Option-A

Question60:-What is 'N' in NHB?

A:-New
B:-Nodel
C:-National
D:-Number

Correct Answer:- Option-C

Question61:-Banking Ombudsman was introduced in

A:-1995
B:-1998
C:-2006
D:-2001

Correct Answer:- Option-A

Question62:-Banking Ombudsman is empowered to deal with business of which of the following?

A:-Business related to RBI
B:-Business related all Banking Companies
C:-Business related to SBI
D:-Business related to all public enterprises

Correct Answer:- Option-B

Question63:-Debt Recovery Tribunals is located in:

A:-Mumbai
B:-New Delhi
C:-Calcutta
D:-All of the above

Correct Answer:- Option-D

Question64:-State Bank of India Act was passed in the year

A:-1995
B:-1956
C:-1959
D:-1960

Correct Answer:- Option-C

Question65:-Regional Rural Bank (RRB) is established in

A:-1976
B:-1958
C:-2001
D:-2008

Correct Answer:- Option-A

Question66:-Expand MUDRA

A:-Medium Urban Debt Recovery Agency
B:-Micro Unit Development and Refinancing Authority
C:-Minor Urban Debt Recovery Agency
D:-None of the above

Correct Answer:- Option-B

Question67:-MUDRA Bank was established in:

A:-2004
B:-2001
C:-2015
D:-2014

Correct Answer:- Option-C

Question68:-Local Area Banking Scheme was introduced in:

A:-1947
B:-1996
C:-1950
D:-1954

Correct Answer:- Option-B

Question69:-RBI allowed merger or amalgamation of Banks in which of the following areas?

A:-Rural areas
B:-Semi Rural areas
C:-Urban areas
D:-All of the above

Correct Answer:- Option-C

Question70:-Local Area Banks (LABs) are registered as:

A:-NBFAs

- B:-Public Limited Companies
- C:-Public Sector Units
- D:-Semi Commercial Banks

Correct Answer:- Option-B

Question71:-Expand SIDBI

- A:-Small Industries Development Bank of India
- B:-Single Individual Deposit Bureau of India
- C:-Small Investigative Decision Bureau of India
- D:-None of the above

Correct Answer:- Option-A

Question72:-SIDBI was established in:

- A:-1998
- B:-1997
- C:-1990
- D:-2000

Correct Answer:- Option-C

Question73:-Share Market is also known as

- A:-Capital Market
- B:-Money Market
- C:-Equity Market
- D:-All of these

Correct Answer:- Option-A

Question74:-Debenture is otherwise known as

- A:-Securities
- B:-Debts
- C:-Beares
- D:-None of the above

Correct Answer:- Option-D

Question75:-Which of the following is a Negotiable Instrument?

- A:-Share Certificate issued by a PSU
- B:-Demand Draft issued by a Bank
- C:-FD certificate of a Bank
- D:-Debenture of a Company

Correct Answer:- Option-D

Question76:-Stock exchange of India is regulated by:

- A:-RBI
- B:-GOI (Government of India)
- C:-SEBI
- D:-NABARD

Correct Answer:- Option-C

Question77:-Largest Stock Exchange of the world:

- A:-London Stock Exchange
- B:-Newyork Stock Exchange
- C:-National Stock Exchange of India
- D:-None of the above

Correct Answer:- Option-B

Question78:-CRISIL is the body to decide:

- A:-Banking Transaction Volume
- B:-Banking Payment Program
- C:-Investment module of Banks
- D:-Credit Rating of a Banking institutions in India

Correct Answer:- Option-D

Question79:-Who is the major share holder of SIDBI?

- A:-Government of India (GOI)
- B:-State Bank of India (SBI)
- C:-LIC
- D:-PNB

Correct Answer:- Option-A

Question80:-Export Import Bank was established on:

- A:-June 1969
- B:-April 1970
- C:-January 1982
- D:-April 1982

Correct Answer:- Option-C

Question81:-IMF when expanded:

- A:-Imperial Money Firm
- B:-International Monetary Fund
- C:-International Money Federation
- D:-Investment of Monetary Fund

Correct Answer:- Option-B

Question82:-The Head Quarters of IMF is:

- A:-New York
- B:-Tokyo
- C:-England
- D:-Washington DC

Correct Answer:- Option-D

Question83:-Choose the main functions of IMF

- A:-Solving balance of payment problems of Member countries
- B:-Financing Investment for Member countries
- C:-Act as lending agency of developing countries
- D:-Arrange International Fund transfer among Member countries

Correct Answer:- Option-A

Question84:-What is the Voting pattern in IMF?

- A:-One Member One Vote

B:-Volume of Income of Member Countries
C:-In proportion to quota allotted to countries from time to time
D:-According GDF of each member countries

Correct Answer:- Option-C

Question85:-WTO, when expanded:

A:-World Trade Organisation
B:-World Training Operator
C:-World Treaty Objective
D:-World Trading Organisior

Correct Answer:- Option-A

Question86:-In which of the following year WTO was established?

A:-1947
B:-1958
C:-1995
D:-1996

Correct Answer:- Option-C

Question87:-The Functional Agencies of World Bank includes

A:-International Bank for Reconstruction and Development
B:-International Development Association
C:-Multilateral Investment Guarantee Agency
D:-All of the above

Correct Answer:- Option-D

Question88:-Origin of World Bank dates back to:

A:-1945
B:-1947
C:-1950
D:-1954

Correct Answer:- Option-A

Question89:-International birds is closely monitored by:

A:-World Bank
B:-IMF
C:-WTO
D:-ILO

Correct Answer:- Option-C

Question90:-Head Office of WTO is located at:

A:-New York
B:-Geneva
C:-Washington DC
D:-New Delhi

Correct Answer:- Option-B

Question91:-Of the following which are the important parameters accepted by RBI to decide the rating of a Commercial Bank

(i) NPA
(ii) CRAR
(iii) Earnings
(iv) Management

A:-(i) and (iv)
B:-(i) and (iii)
C:-(ii) and (iv)
D:-(i) and (ii)

Correct Answer:- Option-D

Question92:-Head Office of Asian Development Bank (ADB) in:

A:-Tokyo, Japan
B:-Moscow, Russia
C:-Manila, Philippine
D:-New York, USA

Correct Answer:- Option-C

Question93:-Expand OPEC

A:-Official Presence of Emerging Countries
B:-Organisation of Petroleum Efficiency Countries
C:-Organisation of Petroleum Exporting Countries
D:-None of the above

Correct Answer:- Option-C

Question94:-Which of the following is not a member of OPEC?

A:-Brazil
B:-Algeria
C:-Nigeria
D:-Dubai

Correct Answer:- Option-A

Question95:-In which year RTGs was introduced by RBI?

A:-2004
B:-2002
C:-2001
D:-2000

Correct Answer:- Option-A

Question96:-Name the technology which prevents scope for cheque fraud?

A:-RTGs
B:-CTs
C:-NEFT
D:-NCPI

Correct Answer:- Option-B

Question97:-ALM in Banking stands for

A:-Asset Liability Monitoring
B:-Asset Liability Mentioning
C:-Asset Liability Management
D:-None of the above

Correct Answer:- Option-C

Question98:-CRR and SLR are terms closely connected with:

- A:-Capital Market
- B:-Banking Sector
- C:-Commercial Sector
- D:-Mutual Fund

Correct Answer:- Option-B

Question99:-Which is the first Bank introduced ATM in India?

- A:-SBI
- B:-ICICI Bank
- C:-Union Bank of India
- D:-Dena Bank

Correct Answer:- Option-C

Question100:-Name the umbrella organisation for retail payment in India

- A:-RBI
- B:-SBI
- C:-IOB
- D:-NPCI

Correct Answer:- Option-D