INSTRUCTIONS TO CANDIDATES

1. Immediately after the commencement of the Examination, you should check that this Booklet does not have any unprinted or torn or missing pages or items, etc. If any of the above defects is found, get it replaced by a Complete Question Booklet of the available series.

2. Write clearly the Question Booklet Version Code A, B, C, D or E, in the appropriate space provided for the purpose, in the OMR Answer Sheet.

3. Enter the name of the Subject, Reg. No., Question Booklet version code and affix Signature on the OMR sheet. As the answer sheets are designed to suit the Optical Mark Reader (O.M.R.) system, special care should be taken to fill those items accurately.

4. This Question Booklet contains 55 questions, Part – A contains 40 questions of one mark each and Part – B contains 15 questions of two marks each. All questions must be attempted. Each question contains four answers, among them one correct answer should be selected and shade the corresponding option in the OMR sheet.

5. All the answers should be marked only on the OMR sheet provided and only with a black or blue ink ball point pen. If more than one circle is shaded / wrongly shaded / half shaded for a given question no marks will be awarded.

6. Questions are in both English and Kannada. If any confusion arises in the Kannada version, please refer to the English version of the questions.

7. Immediately after the final bell indicating the closure of the examination, stop making any further markings in the OMR Answer Sheet. Be seated till the OMR Answer Sheet is collected. After handing over the OMR Answer Sheet to the Invigilator you may leave the examination hall.
PART - A

Answer all questions. Each question carries one mark. (40×1=40)

1. Who is authorized to issue coin in India?
   a) RBI
   b) Ministry of Finance
   c) SBI
   d) None of these

2. Who is the Present Governor of RBI?
   a) Urjit Patel
   b) Y. V. Reddy
   c) Ranga Reddy
   d) None of these
3. Which of the following cannot be called as a debt instrument as referred in the financial transactions?
   a) Certificate of deposit
   b) Bonds
   c) Commercial papers
   d) Debentures

4. Minimum period of a Certificate of Deposit is
   a) 15 days
   b) 30 days
   c) 10 days
   d) 7 days
5. A customer has been defined in
   a) Banking Regulation Act
   b) Negotiable Instruments Act
   c) Anti-Money Laundering Act
   d) KYC guidelines

6. Full form of SLR
   a) Statutory Liquidity Ratio
   b) State Level Recovery
   c) Sundry Leverage Ratio
   d) State Liquidity Ratio

7. C.R.A. in Banking parlance stands for
   a) Credit Rating Association
   b) Credit Rating Agency
   c) Credit Risk Assessment
   d) None of these
8. E.P.S. in share market stands for
   a) Earnings Per Share
   b) Electronic Payment System
   c) Employee Pension Scroll
   d) None of these

9. The objective of Government to appoint Narasimhan Committee is
   a) To strengthen the banking system
   b) To improve customer service
   c) To strengthen the credit portfolio
   d) None of these
10. Under the Banking Ombudsman Scheme the value of claim should not exceed
   a) 5 lac  b) 10 lac  c) 15 lac  d) 20 lac

11. Which bank in India ranks number one in terms of market capitalization?
   a) SBI  b) ICICI  c) UTI  d) IDBI

12. RBI pays interest on CRR balances of banks at
   a) Bank Rate  b) Repo Rate  c) Bank rate minus 2%  d) Zero %

13. What does the letter ‘S’ denote in the term IFSC?
   a) Subscriber  b) State  c) System  d) Source
14. What is the full form of CBS?
   a) Core Banking Solution  
   b) Core Banking Software  
   c) Core Banking System  
   d) Core Banking Service

15. Which of the following is not a part of India’s money market?
   a) Banks  
   b) Bill markets  
   c) Call money market  
   d) Indian gold council

16. How many Banks were first nationalized?
   a) 10  
   b) 12  
   c) 14  
   d) 16

17. How many Banks were in second phase of Nationalization?
   a) 4  
   b) 5  
   c) 6  
   d) 7
18. Who will act as the banker to the Government of India?
   a) State Bank of India
   b) Reserve Bank of India
   c) NABARD
   d) Nationalized Banks

19. Where is the Head Quarter of Reserve Bank of India located?
   a) Mumbai
   b) Delhi
   c) Kolkata
   d) Ahmedabad

20. Who was first governor of Reserve Bank of India?
   a) K. A. Narasimham
   b) V. K. Malhotra
   c) A. K. Vadia
   d) C. D. Deshmukh
21. When was Reserve Bank of India established?
   a) 1920  
   b) 1925  
   c) 1935  
   d) 1948  

22. When was Reserve Bank of India Nationalized?
   a) 1947  
   b) 1948  
   c) 1949  
   d) 1950  

23. When was Indian Banking Act came into force?
   a) 1948  
   b) 1949  
   c) 1950  
   d) 1951
24. Imperial Banks were amalgamated and changed as
   a) Reserve Bank of India
   b) State Bank of India
   c) Subsidiary Banks
   d) Union Bank of India

25. When was Imperial Bank was changed as State Bank of India?
   a) January 1<sup>st</sup> 1935
   b) February 26<sup>th</sup> 1947
   c) July 1<sup>st</sup> 1955
   d) July 1<sup>st</sup> 1959

26. When was Lead Bank Scheme introduced?
   a) 1967
   b) 1968
   c) 1969
   d) 1974
27. What is CRR?
   a) Cash Reserve Ratio
   b) Current Ratio Rate
   c) Review Report
   d) Credit Rating Record

28. Interest rates being charged by Banks in India have shown ____________ trending recent year.
   a) Falling
   b) Rising
   c) Stable
   d) Volatile

29. The first development financial institution in India that has got merged with a bank is
   a) IDBI
   b) ICICI
   c) IDFC
   d) UTI
30. The rate of which discounting the bills of first class banks is done by RBI is called
   a) Bank Rate
   b) Prime Lending Rate
   c) Loan Rate
   d) Discounting Rate

31. The provision of Consumer Protection Act, 1986 are
   a) To the customers of the bank only
   b) To the customers and the users of services irrespective of against consideration or free services
   c) To the customers and any user of Bank’s services against consideration
   d) None of these
32. Banking Ombudsman means
   a) Person appointed to recover dues from defaulting borrowers
   b) A person to whom customer can approach for redress of his grievances
   c) A person appointed to settle dispute between employees and management
   d) A person appointed by RBI to oversee the functioning of Foreign Banks

33. Banking Ombudsman has been constituted under which Act?
   a) Banking Regulation Act
   b) RBI Act
   c) SBI Act
   d) COPRA

34. Gilt edged securities refer to
   a) Government Securities
   b) Securities issued by municipal corporations
   c) Securities issued by first class companies
   d) None of these
35. Arbitrage is
a) Buying and selling in two markets simultaneously
b) A rate of interest
c) A fee
d) Arbitrage is a dispute

36. Who regulates the money circulation in India?
a) State Bank of India
b) Reserve Bank of India
c) NABARD
d) Commercial Bank

37. Which of the following is not an organized sector in India?
a) Nationalized Banks
b) Regional Rural Banks
c) Cooperative Banks
d) Chits and Money Lenders
38. Who will settle the grievances of customers in banks?
   a) Reserve Bank of India
   b) State Bank of India
   c) Local Courts
   d) Ombudsman

39. Who introduced the Banking Ombudsman Scheme?
   a) RBI
   b) SBI
   c) Ministry of Finance
   d) NABARD

40. When was Ombudsman Scheme first introduced?
   a) November 2006
   b) October 1981
   c) June 1995
   d) January 1998
PART - B

Answer all questions. Each question carries two marks.

41. Who regulates the Mutual Funds in India?
   a) FRBI
   b) SEBI
   c) SIDBI
   d) RBI

42. What will be the impact if Reserve Bank of India reduces the Bank Rate by 1%?
   a) Less liquidity in the market
   b) More liquidity in the market
   c) No change in the market liquidity
   d) Mobilizations of more deposits by Commercial Banks
43. What will bank customers pay for using safe deposit locker facilities?
   a) Commission on locker  b) Exchange on locker
   c) Rent on locker        d) Safe custody charges

44. What is the product of the share price and number of the company's outstanding ordinary shares?
   a) Market Capitalization  b) Market Price
   c) Market Trend          d) Treasury Stock

45. When financial institutions and banks undertake activities related to banking like investment, issue of debit and credit card etc. then it is known as
   a) Internet banking
   b) Universal banking
   c) Virtual banking
   d) Wholesale banking
46. Which bank in India is called as a ‘banker’s bank’?
   a) SBI  
   b) IDBI  
   c) RBI  
   d) ICICI

Vinnace, ninnace binnace binnace, ‘banker's bank’, ilnavne rzinnace?
   a) lajade  
   b) lajade  
   c) lajade  
   d) lajade

47. What is the most powerful tool used by the Reserve Bank of India to control inflation?
   a) Raise interest rates  
   b) Raise current supply  
   c) Reduce current supply  
   d) Reduce interest rates

Vinnace, ninnace binnace binnace, ‘banker's bank’, ilnavne rzinnace?
   a) lajade  
   b) lajade  
   c) lajade  
   d) lajade

48. Which is the instrument used by RBI under general credit control?
   a) CRR  
   b) SLR  
   c) Bank Rate  
   d) Exchange control

Vinnace, ninnace binnace binnace, ‘banker's bank’, ilnavne rzinnace?
   a) lajade  
   b) lajade  
   c) lajade  
   d) lajade
49. Which one of the following is the ratio of the loan principal to the appraised value?
   a) Combined Loan to Value (CLTV) ratio
   b) Loan-to-value Ratio
   c) Mortgage Loan Ratio
   d) Statutory Liquidity Ratio

50. Which of the following NBFC converted itself into a Commercial Bank?
   a) Tata Finance
   b) Reliance Capital Trust
   c) Birla Mutual
   d) Kotak Mahindra
51. What happens if a crossed cheque is presented for payment?

a) It can be paid only through a banker
b) It cannot be paid at all
c) It can be paid across the counter in another bank
d) None of the above

52. What is Call Money?

a) Money borrowed or lent for a day or overnight
b) Money borrowed for more than one day but up to 3 days
c) Money borrowed for more than one day but up to 7 days
d) Money borrowed for more than one day but up to 14 days
53. Which among the following is called the rate of interest charged by RBI for lending money to various commercial banks by rediscounting of the bills in India?

a) Bank Rate
b) Discount Window
c) Monetary Policy
d) Overnight Rate

54. Which one of the following set up score banking infrastructure for rural banks?

a) IBA
b) NABARD
c) RBI
d) SIDBI

55. Which organization provides credit history of the borrowers?

a) CIBIL
b) CII
c) FRBI
d) IRDA