



## Dr.G.R.Damodaran College of Science

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II BBA[2016-2019]

SEMESTER III

ALLIED; MODERN BANKING PRACTICES-316D

Multiple Choice Questions.

1. The Imperial Bank of India was renamed as \_\_\_\_\_

- A. State Bank of India
- B. Bank of Baroda
- C. Indian Bank
- D. State Bank of Travancore

ANSWER: A

2. \_\_\_\_\_ is considered as Central Bank in India

- A. State Bank of India
- B. Reserve Bank of India
- C. Indian Bank
- D. IDBI

ANSWER: B

3. Customers can made repayment of deposits from the bank only on -----.

- A. working days of the week.
- B. all days of the week.
- C. all days of the week including holidays.
- D. all of the above.

ANSWER: A

4. Which bank have given the instructions to the commercial banks regarding the immediate credit of outstation cheques?

- A. Reserve Bank of India.
- B. Central Bank.
- C. World Bank.
- D. All of the above.

ANSWER: A

5. It is a ----- obligation of a banker to honour the cheques of the customer drawn against current account.

- A. mutual.
- B. statutory.
- C. unstatutory.

D. all of the above.

ANSWER: B

6. When banker received deposits from the customer, then the banker becomes ----- of the customer.

- A. debtor
- B. creditor
- C. bailee
- D. trustee

ANSWER: A

7. The Banking Regulation Act came into force in the year \_\_\_\_\_

- A. 1949
- B. 1948
- C. 1947
- D. 1946

ANSWER: A

8. The bank can consider ----- lien as their protectio against loss on loan or overdraft which was given to its customers.

- A. special.
- B. particular.
- C. general.
- D. lending.

ANSWER: A

9. Total number of RRBs now functioning is

- A. 84
- B. 98
- C. 112
- D. 154

ANSWER: A

10. Special damages refers to damages payable by a banker to his customer for the actual ----- loss suffered by customer.

- A. financial.
- B. special.
- C. unpecuniary.
- D. unfinancial.

ANSWER: A

11. Dishonour of cheque by a banker without any justifiable reason is called\_\_\_\_\_.

- A. valid dishonour of cheques.
- B. unmindful dishonour of cheques.
- C. negligence dishonour of cheques.
- D. wrongful dishonour of cheques.

ANSWER: D

12. The primary relationship between a banker and customer starts from the time\_\_\_\_\_.

- A. when customer visits that bank.
- B. when customer opens a bank account.
- C. when customer visits that bank to made queries.
- D. All of the above.

ANSWER: B

13. Which one of the following is the most important relationship between banker and customer?

- A. Debtor and Creditor.
- B. Bailee and Bailor.
- C. Agency and Principal.
- D. Trustee and Beneficiary.

ANSWER: A

14. ----- refers to the right of banker to adjust the credit and debit balance of customers without obtaining any letter of set-off or without giving any notice to the customers.

- A. Automatic set-off.
- B. Proper set-off.
- C. Legal set-off
- D. Special set-off.

ANSWER: A

15. The right of set-off customers account can be exercised only by a\_\_\_\_\_.

- A. creditors.
- B. debtors.
- C. banker.
- D. customer.

ANSWER: C

16. According to which act it is stated that when a debt becomes time-barred and becomes bad, the creditor cannot taken any legal action against debtor for debt repayment \_\_\_\_\_.

- A. banking regulation act 1949.
- B. negotiable instruments act 1881.
- C. Indian limitation act 1863.
- D. none of the above.

ANSWER: C

17. In current account, the period of limitation starts\_\_\_\_\_.

- A. after 2 years from the date of deposits.
- B. when customers demands for repayment of deposits.
- C. when customer deposits amount in the bank account.
- D. none of the above.

ANSWER: B

18. The Word "Bank" has been derived from a Latin word which means\_\_\_\_\_.

- A. bench for the keeping, lending and exchanging etc. of money.
- B. an institution for meeting people.
- C. place where persons can relax.

D. an institution for coordinating people.

ANSWER: A

19. The word "Garnishee" is derived from a latin word\_\_\_\_\_.

- A. Garnire
- B. Garn
- C. Garnish
- D. Garni

ANSWER: A

20. The meaning of the word "Garnishee" means\_\_\_\_\_.

- A. to consult
- B. to warn
- C. to punish
- D. to convince

ANSWER: B

21. Usually incidental charges are levied on \_\_\_\_\_type of account holders.

- A. savings account.
- B. fixed deposit account.
- C. current account.
- D. recurring deposit account.

ANSWER: C

22. The idea behind the bankers right to set-off is to enable the banker to reduce the ----- amount due to him from a customer.

- A. gross.
- B. net.
- C. partial.
- D. none of the above.

ANSWER: B

23. The minimum maturity period in Foreign Currency Non-Resident (FCNR-B) scheme is

- A. 1 year
- B. 2 year
- C. 5 year
- D. 10 year

ANSWER: A

24. It is a true fact that many customers are creditor of the bank. But which type of creditors they are\_\_\_\_\_.

- A. secured creditors.
- B. preferential creditors.
- C. privileged creditors.
- D. general creditors.

ANSWER: D

25. Relationship of Banker with Payee of Draft \_\_\_\_\_

- A. Trustee and Beneficiary
- B. Drawer and Drawee
- C. Licensor and Licensee
- D. Principal and Agent

ANSWER: A

26. Which bank is otherwise called as Investment banks?

- A. Exchange Bank.
- B. Reserve Bank of India.
- C. Industrial Bank.
- D. Agricultural Bank.

ANSWER: C

27. A company who accepts demand deposit is called \_\_\_\_\_.

- A. joint stock company.
- B. banking company.
- C. manufacturing company.
- D. IT company.

ANSWER: B

28. Current Accounts are mainly opened by \_\_\_\_\_.

- A. professionals.
- B. agriculturalist.
- C. salaried class people.
- D. trading and industrial concern.

ANSWER: D

29. \_\_\_\_\_ controls credit in India.

- A. Government of India.
- B. Reserve Bank of India.
- C. State Bank of India.
- D. Indian Bank.

ANSWER: B

30. Fixed Deposits is otherwise called as \_\_\_\_\_.

- A. Time deposits.
- B. Accrued Deposits.
- C. Recurring Deposits.
- D. Demand Deposits.

ANSWER: A

31. The fixed deposits are withdrawn by the customers from the banks by \_\_\_\_\_.

- A. using cheques.
- B. using withdrawable slips.
- C. using ATM.
- D. surrendering fixed deposit receipts.

ANSWER: D

32. Loan is a financial arrangement under which an advance is granted by a bank to a borrower on a separate account called\_\_\_\_\_.

- A. cash credit account.
- B. overdraft account.
- C. loan account.
- D. discount account.

ANSWER: C

33. Recurring deposit account is an innovation over\_\_\_\_\_.

- A. current account.
- B. savings account.
- C. recurring deposit account.
- D. fixed deposit account.

ANSWER: B

34. Current Account is otherwise called as\_\_\_\_\_.

- A. demand deposits or liabilities.
- B. time deposits.
- C. accrued deposits.
- D. recurring deposits.

ANSWER: A

35. Usually in Overdraft, to protect the interest of the banker, they levy ----- on the unutilized portion of the credit limit.

- A. incidental charges.
- B. commitment charges.
- C. interest.
- D. commission.

ANSWER: B

36. Discounting of Bills of Exchange is an arrangement under which an banks takes a bill of exchange maturing with a short period of\_\_\_\_\_.

- A. 20 days or 40 days.
- B. 50 days or 100 days.
- C. 60 days or 90 days.
- D. 35 days or 75 days.

ANSWER: C

37. The services rendered by a banker as an agent of his customers are called\_\_\_\_\_.

- A. principal services.
- B. agency services.
- C. general utility services.
- D. social services.

ANSWER: B

38. As a correspondent and representative of a customer, the banker prepares the\_\_\_\_\_.

- A. purchase returns.
- B. sales returns.

- C. income-tax returns.
- D. bills.

ANSWER: C

39. A ----- is a person who is entrusted with some property by the settler or the author of the trust for the benefit of another person called beneficiary.

- A. attorney.
- B. executor.
- C. administrator.
- D. trustee.

ANSWER: D

40. In \_\_\_\_\_ country, Cash credit is very popular among borrowers.

- A. England.
- B. Scotland.
- C. Ireland.
- D. Holland.

ANSWER: B

41. \_\_\_\_\_ banks which accept deposits from the public and lend them mainly to commerce for short periods?

- A. Commercial Bank.
- B. Industrial Bank.
- C. Agricultural Bank.
- D. Central Bank.

ANSWER: A

42. Which bank is the leader of all other bank and monetary institutions found in India?

- A. Reserve Bank of India.
- B. Commercial Bank.
- C. Exchange Bank.
- D. Central Bank.

ANSWER: A

43. One of the sound principles of modern commercial bank is \_\_\_\_\_.

- A. mass banking.
- B. class banking.
- C. group banking.
- D. core banking.

ANSWER: A

44. The rate of interest charged for the loan by the banker compared to overdraft and cash credit is generally \_\_\_\_\_.

- A. high.
- B. low.
- C. same.
- D. based on the amount.

ANSWER: B

45. A cash credit is a financial arrangement under which a borrower is allowed an advance under a separate account called \_\_\_\_\_.

- A. overdraft account.
- B. cash credit account.
- C. loan account.
- D. discount account.

ANSWER: B

46. Services rendered by a banker not only to his customers, but also to the general public are called as \_\_\_\_\_.

- A. principal services.
- B. agency services.
- C. general utility services.
- D. social services.

ANSWER: C

47. The bank which mobilize the small savings of the middle and low income groups are called \_\_\_\_\_.

- A. agricultural bank
- B. commercial bank
- C. savings bank
- D. central bank

ANSWER: C

48. In case of overdraft and cash credit, the bankers to protect themselves against loss of interest on overdraft and cash credit account, a ----- charges will be levied.

- A. incidental.
- B. commitment.
- C. commission.
- D. brokerage.

ANSWER: B

49. \_\_\_\_\_ type of deposit, the high rate of interest is provided by the Bank.

- A. Current Account.
- B. Recurring Deposit Account.
- C. Fixed Deposit Account.
- D. Savings Account.

ANSWER: C

50. The written instructions given by the customers to banker to perform the services like collection and payment of money is noted down in \_\_\_\_\_.

- A. written Instructions Book.
- B. standing instructions Book.
- C. banking instructions book.
- D. services instructions book.

ANSWER: B

51. RBI grants -----for agricultural purposes.



- A. only short term finance.
- B. medium and long term finance.
- C. short and medium term finance only.
- D. short, medium and long term finance.

ANSWER: C

52. The apex institution in agricultural finance is \_\_\_\_\_.

- A. NABARD.
- B. EXIM Bank.
- C. Reserve Bank of India.
- D. IDBI.

ANSWER: A

53. Which of the following bank acts as a government banker?

- A. State Bank of India
- B. All Public Sector Banks
- C. Co-operative Banks
- D. Scheduled Banks

ANSWER: A

54. When the banker accepts the articles for safe custody from customers, a receipt known as -----receipt is issued by the banker to the customer.

- A. safe custody receipt.
- B. safety locker receipt.
- C. custody receipt.
- D. valuables receipt.

ANSWER: A

55. Name the person to whom the amount of the cheque is payable?

- A. Drawer.
- B. Payee.
- C. Drawee.
- D. Acceptor.

ANSWER: C

56. KYC refers to \_\_\_\_\_.

- A. Know Your Customer.
- B. Know Your Creditor.
- C. Know Your Cost.
- D. Know Your Card.

ANSWER: A

57. The relationship between the hirer of a locker and banker is that \_\_\_\_\_.

- A. Principal and Agent.
- B. Lessee and Lessor.
- C. Debtor and Creditor.
- D. Pledge and Pledger.

ANSWER: C

58. What is the number of nationalized banks in India?

- A. 20.
- B. 28.
- C. 21.
- D. 19.

ANSWER: D

59. What is the position of bank in case of Safe deposit of articles by a customer?

- A. Agent
- B. Bailee
- C. Debtor
- D. Lessee

ANSWER: B

60. ----- was not nationalized in 1969.

- A. Punjab National Bank.
- B. Oriental Bank of Commerce.
- C. Bank of Baroda.
- D. Union Bank of India.

ANSWER: B

61. The first joint stock bank was established at Calcutta by the name of \_\_\_\_\_.

- A. Bank of Hindustan.
- B. Reserve Bank of India
- C. Indian Bank
- D. Central Bank of India

ANSWER: A

62. One rupee notes bear the signature of \_\_\_\_\_.

- A. president of India.
- B. prime minister of india.
- C. governor of reserve bank of india.
- D. secretary, ministry of finance (government of india).

ANSWER: D

63. Development banks are institutions which \_\_\_\_\_.

- A. give development loans
- B. provide emergency loans of banks
- C. are subsidiaries of RBI.
- D. provide term finance to industries.

ANSWER: B

64. When the amount stated in words and figures are differs then the banker \_\_\_\_\_.

- A. can honor the amount in figures.
- B. can honor the amount in words.
- C. can honor the smaller amount.
- D. can dishonor it.

ANSWER: D

65. ----- is a system under which an individual bank carries on banking business with a network of branches spread all over the country.

- A. Mixed Banking.
- B. Branch Banking.
- C. Unit Banking.
- D. Corresponding Banking.

ANSWER: B

66. An ----- is a person appointed by a testator to execute his will.

- A. attorney.
- B. trustee.
- C. administrator.
- D. executor.

ANSWER: D

67. Branch banking is otherwise called as \_\_\_\_\_.

- A. localised banking.
- B. internal banking.
- C. chain banking.
- D. delocalised bankig.

ANSWER: D

68. The first bank in India to be given an ISO certificate is \_\_\_\_\_.

- A. Canara Bank
- B. SBI
- C. Central Bank of India
- D. Indian Bank

ANSWER: A

69. What does the term "PIN" stands for \_\_\_\_\_.

- A. People Identification Number
- B. Personal Instruction Number
- C. Personal Identification Number
- D. Personal Information Number

ANSWER: C

70. The ATM installed at bank premises is called as ----- ATM.

- A. Off-site
- B. On-site.
- C. Branch.
- D. Extended.

ANSWER: B

71. The first bank in India to be given an ISO certificate is \_\_\_\_\_.

- A. Canara Bank.
- B. SBI.

C. Central Bank of India.

D. Indian Bank.

ANSWER: A

72. The main aim of a banker for performing the subsidiary services is to earn a ----- of the customers.

A. money.

B. documents.

C. valuables.

D. goodwill.

ANSWER: D

73. MICR technology used for clearance of cheques by banks refers to\_\_\_\_\_.

A. Magnetic Ink Character Recognition.

B. Magnetic Ink Company Recognition.

C. Magnetic Ink Cross Recognition.

D. Magnetic Ink Community Recognition.

ANSWER: A

74. ----- is a cheque drawn by one branch of a bank upon another branch of the same bank to pay the money stated therein on demand to the person named therein or to his order.

A. Telegraphic Transfer.

B. Bank Draft.

C. Bill of Exchange.

D. Promissory Note.

ANSWER: B

75. The rate at which RBI discounts approved bill of exchange is\_\_\_\_\_.

A. bank rate.

B. interest rate.

C. exchange rate.

D. discount rate.

ANSWER: D

76. The rate of interest payable on various deposits is determined by the\_\_\_\_\_.

A. head office of each bank.

B. central government.

C. RBI.

D. indian bank association.

ANSWER: C

77. Expand NEFT?

A. National Electronic Fund Transfer.

B. Neutral Electronic Fund Transfer.

C. Nominal Electronic Fund Transfer

D. Natural Electronic Fund Transfer.

ANSWER: A

78. Electronic equipment that allows cardholding customers to perform various banking transactions without interacting with a human teller is called as\_\_\_\_\_.

- A. ATM
- B. NEFT
- C. EFT
- D. SWIFT

ANSWER: A

79. Core banking is a \_\_\_\_\_ branch computerization model.

- A. decentralized
- B. centralized
- C. unified
- D. ATM

ANSWER: A

80. \_\_\_\_\_ is a technology that allows you to access your bank account from a mobile device.

- A. Home Banking
- B. Mobile Banking
- C. Internet Banking
- D. Television Banking

ANSWER: B

81. In India every scheduled bank has to maintain with RBI a cash balance equivalent of all the deposit liabilities called as\_\_\_\_\_.

- A. Open market ratio.
- B. Cash reserve ratio.
- C. Bank reserve ratio.
- D. Credit reserve ratio.

ANSWER: B

82. REPO facility means\_\_\_\_\_.

- A. borrowing of money without security.
- B. borrowing on the basis of guarantee.
- C. borrowing against term loans.
- D. borrowing against securities on repurchase basis.

ANSWER: D

83. In which year, Electronic Fund Transfer (EFT) was launched in India?

- A. 1994.
- B. 1995.
- C. 1999.
- D. 2000.

ANSWER: B

84. The kind of banking and financial service that gives a real-time mobile access to customers on the move is called\_\_\_\_\_.

- A. Internet Banking.
- B. Mobile Banking.

C. Telephone Banking.

D. E-Banking.

ANSWER: B

85. By using SMS (Short Message Service) banking, the customer can avail which of the following services \_\_\_\_\_.

A. Making balance enquiry.

B. Making transactions query.

C. Sending mail to bank relationship officer.

D. All of the above.

ANSWER: D

86. \_\_\_\_\_ headed the committee on "Computerization" in Indian banks (1988).

A. M. Narasimhan.

B. M.M. Shah.

C. M. Venkat Ram.

D. Raj Foster.

ANSWER: A

87. Expansion of SWIFT?

A. Society for world wide inter bank financial telecommunication.

B. Security for world wide inter bank financial telecommunication.

C. Secured for world wide inter bank financial telecommunication.

D. Safety for world wide inter bank financial telecommunication.

ANSWER: A

88. Automatic Teller Machine is otherwise called as \_\_\_\_\_.

A. Bank Machine

B. Cash Machine

C. Time Machine

D. None of the above

ANSWER: B

89. Objective of computerization in India is to \_\_\_\_\_.

A. make the work life more meaningful

B. replace men with machines

C. control the manpower

D. control the economy

ANSWER: B

90. ATMs are primarily used for performing the \_\_\_\_\_ functions.

A. infrastructure.

B. computer based.

C. banking

D. hospitalized

ANSWER: C

91. In early 1990s, which type of ATMs makes their appearance in India?

- A. Multi user ATM
- B. Network ATM
- C. Branch ATM
- D. Stand-alone ATMs

ANSWER: D

92. Cash dispenser is a pruned down version of the\_\_\_\_\_.

- A. EFT.
- B. ATM.
- C. NEFT.
- D. SWIFT.

ANSWER: B

93. \_\_\_\_\_ is a technology that allows you to access your bank account from a mobile device.

- A. Home Banking
- B. Mobile Banking
- C. Internet Banking
- D. Television Banking

ANSWER: B

94. Expand NEFT?

- A. National Electronic Fund Transfer.
- B. Neutral Electronic Fund Transfer.
- C. Nominal Electronic Fund Transfer.
- D. Natural Electronic Fund Transfer.

ANSWER: A

95. EFT refers to \_\_\_\_\_.

- A. European Fund Transfer.
- B. Economic Fund Transfer.
- C. Electronic Fund Transfer.
- D. Electric Fund Transfer.

ANSWER: C

96. RTGS means\_\_\_\_\_.

- A. Real Towards Gross Settlement
- B. Real Turn Gross Settlement
- C. Real Technique Gross Settlement
- D. Real Time Gross Settlement

ANSWER: D

97. Regional Rural Banks have been set up with the basic objective of\_\_\_\_\_.

- A. Providing credit to semi-urban and urban population
- B. Providing deposit facilities to farmers
- C. Providing credit and deposit facilities to rural areas
- D. Providing credit, deposit and banking facilities to people in rural areas

ANSWER: D

98. RBI is known as lender of last resort because\_\_\_\_\_.
- A. It has to meet the credit need of citizen to whom no one else willing to lend.
  - B. Bank lend to go to RBI as a last resort.
  - C. It comes to help banks in times of crisis.
  - D. All of the above.

ANSWER: C

99. Which of the following is not the name of the bank functioning in India?
- A. Central Bank of India
  - B. UCO Bank
  - C. Aegon Religare
  - D. Dena Bank

ANSWER: C

100. ----- was not nationalized in 1969.
- A. Punjab National Bank
  - B. Oriental Bank of Commerce.
  - C. Bank of Baroda.
  - D. Union Bank of India.

ANSWER: B

101. In both cases of RTGS and NEFT, the service charges are decided by\_\_\_\_\_.
- A. Customer
  - B. IMF
  - C. Banker
  - D. Transferee

ANSWER: C

102. Which electronic fund transfer system run on the basis of "Deferred Net Settlement"?
- A. RTGS
  - B. IFSC
  - C. SMS
  - D. NEFT

ANSWER: D

103. The chief activities of bank do not include\_\_\_\_\_.
- A. Providing loans
  - B. Accepting deposits
  - C. Providing lockers
  - D. Selling real estate properties

ANSWER: D

104. Which of the following term do not represent any part of Banking technology?
- A. NEFT
  - B. RTGS
  - C. ITC
  - D. CBS

ANSWER: C



105. Which one of the following agency is a creditor's rating agency?

- A. ICRA
- B. CARE
- C. CRISIL
- D. All of the Above

ANSWER: D

106. Accounts are allowed to be operated by cheques in respect of?

- A. Both savings bank accounts and fixed deposit accounts
- B. Both Savings bank accounts and current accounts
- C. Both savings bank accounts and loan accounts
- D. Both savings bank accounts and cash accounts only

ANSWER: B

107. Fixed deposits and recurring deposits are\_\_\_\_\_.

- A. Repayable after an agreed period
- B. Repayable on demand
- C. Not repayable
- D. Repayable on demand or after an agreed period as per bank's choice

ANSWER: A

108. Interest payable on savings bank accounts is\_\_\_\_\_.

- A. Regulated by State Governments
- B. De-regulated by RBI
- C. Regulated by RBI
- D. Regulated by Finance Minister

ANSWER: B

109. The electronic funds transfer using a two-way communications system is referred to as a\_\_\_\_\_.

- A. Pay or cheque
- B. Wire transfer
- C. Depository transfer cheque
- D. Payable through draft

ANSWER: B

110. Which of the following is not the form of E-banking?

- A. Internet Banking
- B. Direct Deposit in Bank
- C. Electronic cheque conversion
- D. Mobile banking

ANSWER: B

111. The reasonable period allowed in India for the presentation of a cheque is\_\_\_\_\_.

- A. 1 year
- B. 6 months
- C. 9 months
- D. depending upon custom

ANSWER: B

112. The appointments of Banking Ombudsman will be carried out by which of the following?

- A. Finance Ministry
- B. RBI
- C. Govt. of India
- D. SEBI

ANSWER: B

113. The biggest constraint in E-banking is\_\_\_\_\_.

- A. Maintenance cost
- B. Start-up cost
- C. Training cost
- D. Security cost

ANSWER: B

114. What does CBS stands for?

- A. Columbia Broadcasting System
- B. Core Banking Solution
- C. Canalizing Banking Scheme
- D. Central Banking System

ANSWER: B

115. . From which period, Indian banking industry is getting services from SWIFT?

- A. December 1989
- B. December 1991
- C. December 1993
- D. December 1995

ANSWER: B

116. Where is the headquarters of SWIFT is located?

- A. Belgium
- B. London
- C. Scotland
- D. Mumbai

ANSWER: A

117. Who can deposit articles in safe custody in a bank?

- A. Any customers of the bank
- B. Only valued customers of the bank
- C. Any person irrespective of having any account with the bank
- D. A depositor whose credit balance in the account is not below Rs. 5 lakhs

ANSWER: A

118. The bank which refines the loans given to the poor and weaker sections to construct or buy houses is\_\_\_\_\_

- A. SIDBI
- B. IDBI

C. NHB

D. IIBI

ANSWER: C

119. What are the major change in banking sector of India after nationalization of Banks?

A. Expansion of bank branches

B. Cut throat competition in Banking sector

C. Introduction of Banking Regulation Act

D. Establishment of RBI

ANSWER: A

120. When were the banks nationalized in our country?

A. On 1st July 1965

B. On 19th July 1969

C. On 15th April 1980 and 19th July 1969

D. On 16th April 1980 and 1st July 1965

ANSWER: C

121. Which is the first change in banking sector of India after independence?

A. Nationalization of Banks

B. Social control on Banks

C. Establishment of SBI

D. Establishment of RBI

ANSWER: B

122. Which was the first Joint Stock Bank established by an Indian establishment?

A. Bank of Bombay

B. Oudh Commercial Bank

C. Bank of Hindustan

D. Hindustan Commercial Bank

ANSWER: C

123. Which is the first bank to establish an ATM and where was the first ATM established?

A. Citi Bank in 1965 in New York

B. Hongkong - Shanghai Banking Corporation in 1963 in Shanghai

C. Barclay's Bank in 1967 in London

D. Di-Ichi-Kangyo-Bank in 1961 in Tokyo

ANSWER: C

124. Why Credit cards are useful?

A. Risk of carrying cash is very low

B. It is helpful in case of contingent purchasing

C. There is an increase in sales directly

D. All of the above

ANSWER: D

125. Which bank has issued largest number of Debit cards?

A. ICICI Bank

- B. Standard Chartered Bank
- C. State Bank of India
- D. Citi Bank

ANSWER: A

126. Which bank has issued largest number of Credit cards in India?

- A. State Bank of India
- B. Citi Bank
- C. ICICI Bank
- D. Standard Chartered Bank

ANSWER: C

127. Which committee has recommended introduction of Smart card?

- A. Rangarajan Committee
- B. Saraf Committee
- C. Nayak Committee
- D. Pannirselvam Committee

ANSWER: B

128. Which is the first bank to launch Debit card in India?

- A. Standard Chartered Bank
- B. Citi Bank
- C. ABN Amro Bank
- D. American Express Bank

ANSWER: B

129. Which is the first bank to introduce Credit card in India?

- A. Bank of India
- B. Global Trust Bank
- C. IndusInd Bank
- D. Central Bank of India

ANSWER: D

130. After the recommendations of which of the following committee the Regional Rural Banks were setup?

- A. Sarayya Committee
- B. Kapoor Committee
- C. Narasimhan Committee
- D. Rangarajan Committee

ANSWER: C

131. The first initiative in the area of the bank computerization stemmed out of the landmark report of the two committees headed by \_\_\_\_\_.

- A. Narasimhan
- B. Goiporia
- C. Rangarajan
- D. Manmohan

ANSWER: C

132. As part of the Financial Inclusion the following acts as an alternative to the Branch Banking.

- A. Online Banking
- B. Mobile banking
- C. Issuing of ATM Cards
- D. Kiosks

ANSWER: B

133. ----- is popularly known as Plastic cards or Plastic money

- A. Smart cards
- B. Electronic cards
- C. Credit cards
- D. Debit cards

ANSWER: C

134. In India, ----- bank is the leader in the introduction of Internet Banking, i.e., first Indian bank to offer Internet banking service to its customers.

- A. ICICI Bank
- B. HDFC Bank
- C. UTI Bank
- D. SBI

ANSWER: A

135. In which year and date, Reserve Bank of India was established?

- A. May 1, 1935
- B. April 1, 1935
- C. October 1, 1935
- D. December 1, 1935

ANSWER: B

136. Which bank is the oldest Central Bank in the world?

- A. Bank of India
- B. Bank of England
- C. Bank of America
- D. Reserve Bank of India

ANSWER: B

137. Credit-card sized cards with an embedded processor and memory designed to serve as a mobile electronic purse used for on-line shopping are called \_\_\_\_\_.

- A. Smart cards
- B. Cash cards
- C. Lobby cards
- D. Electronic cards

ANSWER: A

138. Which of the following is a Development Bank in India?

- A. IFCI
- B. IDBI

- C. NHB
- D. All of the above

ANSWER: D

139. ---- constitutes the foremost element of an electronic payment system.

- A. Banker
- B. Customer
- C. Merchant
- D. Shopping mall

ANSWER: B

140. A convenient way of making a purchase or paying for a service without holding cash is called as \_\_\_\_\_.

- A. Electronic Payment System
- B. Electronic Clearing Service
- C. National Electronic Fund Transfer
- D. Electronic Fund Transfer

ANSWER: A

141. . ----- ATMs are a boost to smaller banks who cannot afford opening the ATMs in many places as possible.

- A. Lobby
- B. Off-site
- C. International
- D. Shared

ANSWER: D

142. What is the major function performed by the ATM's worldwide?

- A. Passbook update facility
- B. Cash withdrawal
- C. Mini-statement facility
- D. Funds transfer facility

ANSWER: B

143. The ATM pin is ----- digit code number used for authenticating and authroizing the use of the ATM facility by a customer.

- A. Five
- B. Four
- C. Three
- D. Six

ANSWER: B

144. What is meant by "AVR" in telephone banking?

- A. Audio Visual Recovery
- B. Automated Voice Response
- C. Automated Video Response
- D. None of the above

ANSWER: B

145. Banking transaction that takes place in a virtual ambience on the website of a banking company is termed as \_\_\_\_\_.

- A. Internet Banking
- B. Telephone Banking
- C. Mobile Banking
- D. Modern Banking

ANSWER: A

146. The Know Your Customer (KYC) norms of opening a bank account has been relaxed for the accounts with minimum balance of

- A. Rs.1,00,000/-
- B. Rs.25,000/-
- C. Rs.50,000/-
- D. Rs.75,000/-

ANSWER: C

147. The bank website which allow customers to send information to institution or make enquiries about their accounts are called \_\_\_\_\_.

- A. Information-only sites
- B. Interactive sites
- C. Fully transactional sites
- D. Enquiry sites

ANSWER: B

148. When the customers forget to retrieve the card within a seconds of time, the ATM machine absorbs the card after a short period normally about 30 seconds, then that absorbed card is called as \_\_\_\_\_.

- A. Absorbed card
- B. Swallowed cards
- C. Useless cards
- D. Swig cards

ANSWER: B

149. . In India every scheduled bank has to maintain with RBI a cash balance equivalent of all the deposit liabilities called as \_\_\_\_\_.

- A. Open market ratio
- B. Cash reserve ratio
- C. Bank reserve ratio
- D. Credit reserve ratio

ANSWER: B

150. The Central bank of India, RBI, reviews the monetary policy for every \_\_\_\_\_

- A. Three Months
- B. Six Months
- C. Nine Months
- D. Twelve Months

ANSWER: A

Staff Name  
Deepa.J.