

# Banking Awareness MCQ-9 For SBI PO 2017

1. Which of the following is known as plastic money?

- (A) Demand Draft
- (B) Credit card
- (C) Debit card
- (1) only A
- (2) only B
- (3) only C
- (4) Both B and C
- (5) All A, B and C

2. Which of the following terms is used in the field of finance and banking?

- (1) Gauge Pressure
- (2) Quantum number
- (3) Adjustment Credit
- (4) Absolute Zero
- (5) Single bond

3. IFRS stands for

- (1) International Financial Reporting Standards
- (2) Indian Financial Rating Standards
- (3) International Financial Rating Standards
- (4) Indian Functional Reporting Standards
- (5) None of these

4. Bridge loans refer to-

- (1) Loans granted to construction companies for construction of bridges.
- (2) Loan granted to PWD for construction of bridges over Rivers
- (3) Interim finance allowed by banks to their customers pending disbursement of term loans by financial institutions
- (4) Loan granted to Railway for construction of bridges
- (5) None of these

5. In opinion of the RBI, which one of the following is/are a threat to the smooth functioning of indian companies?

- (A) Rising input costs
  - (B) High interest rates
  - (C) Inflation only.
- (1) only (A)
  - (2) only (B)
  - (3) only (A)&(B)
  - (4) only (C)
  - (5) All (A), (B)&(C)

6. Which of the following is Not a Negotiable instrument?

- (1) Cheque
- (2) Fixed Deposit Receipt
- (3) Promissory Note
- (4) Bill of Exchange
- (5) All (1) to (4) above are negotiable instruments

7. What Is the maximum balance amount that is eligible for earning interest in a normal savings bank account?

- (1) Rs 1 lac
- (2) Rs 2 lacs
- (3) Rs 3 lacs
- (4) Rs 5 lacs
- (5) No limit

8. Which of the following functions are Not being performed by the Reserve Bank of india?

- (1) Regulation of Banks in india
- (2) Regulation of Foreign Direct investment in india
- (3) Foreign currency Management in india
- (4) Control and Supervision of Money Supply
- (5) Currency Management in India

9. A bank is called as 'Scheduled Bank' When

- (1) Its business has crossed of 1000 core mark
- (2) Its branch network is over 100
- (3) It is included in the second schedule of the RBI Act

- (4) When it complies with all the three above
- (5) None of these

10. Upper limit prescribed for RTGS transaction is-

- (1) Rs 1 lacs
- (2) Rs 2 lacs
- (3) Rs 5 lacs
- (4) Rs 50 lacs
- (5) No upper limit is prescribed

[Click Here For Answers](#)

- 1)4
- 2)3
- 3)1
- 4)3
- 5)5
- 6)5
- 7)5
- 8)2
- 9)3
- 10)5

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## **Banking Awareness MCQ-8 For SBI PO 2017**

**1. What is the minimum and maximum limit (in rupees) prescribed for RTGS transactions?**

- (a) The minimum prescribed limit is Rs. 1 lac. and maximum Rs. 10 lacs.

- (b) The minimum prescribed limit is Rs. 25000 and maximum Rs. 1 lac
- (c) The minimum prescribed limit is Rs. 2 lacs and there is no maximum limit
- (d) The minimum limit is Rs. 25000 and there is no maximum limit prescribed
- (e) The minimum is Rs. 10 lacs and maximum limit is Rs. 100 lacs.

## **2. The Banking Ombudsman-**

- (a) is in charge of bank loans for buses
- (b) fixes the rates of interest for loans
- (c) resolves complaints of customers
- (d) issues licences for new bank branches
- (e) is the head of all nationalised banks

## **3. The Forward Markets commission is responsible for regulation of which type of trading in india?**

- (a) Commodities futures Trading
- (b) Currency futures Trading
- (c) Equity futures Trading
- (d) Derivative futures Trading
- (e) All of these

## **4. Money laundering means-**

- (a) Hiding of income source mainly to avoid income Tax
- (b) Money acquired through criminal source.
- (c) Money acquired from undisclosed sources and deposited in foreign banks
- (d) Process of conversion of money obtained illegally to appear to have originated from legitimate sources
- (e) Money acquired from drug trafficking

## **5. Bank branches which can undertake foreign exchange business directly are known as in foreign exchange.**

- (a) Authorized dealers
- (b) Foreign dealers
- (c) Overseas branches

- (d) Approved dealers
- (e) Exchange branches

**6. Which of the following represents correct meaning of 'REPO RATE'?**

- (a) Rate on which RBI sells Government Securities to Banks
- (b) Rate for borrowing rupees by banks from RBI
- (c) Rate offered by banks to their prime customers
- (d) Rate applicable for grant of priority sector loans
- (e) None of these

**7. When a banker talks about CDR ,what is he talking about?**

- (a) Corporate Debt Restructuring
- (b) Corporate Debt Rollover
- (c) Company Debt Rollover
- (d) Corporate Deposit Restructuring
- (e) Company Deposit Re-structuring

**8. Savings bank accounts are opened by-**

- (a) Trading entities, manufacturing entities and individuals for savings purposes
- (b) Traders and manufactures for business purposes
- (c) Individuals for savings purposes
- (d) Limited companies and partnerships for savings purposes
- (e) Cooperative banks for savings

**9. Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) are terms most closely related to which of the following industries/markets?**

- (a) Capital market
- (b) Banking industry
- (c) Commodities market
- (d) Money Market
- (e) Mutual fund industry

**10. What is maximum period for which domestic term deposits are normally accepted by banks in our country?**

- (a) 3 years

- (b) 5 years
- (c) 7 years
- (d) 10 years
- (e) 12 years

[Click Here For Answers](#)

- 1)3
- 2)3
- 3)1
- 4)4
- 5)5
- 6)2
- 7)1
- 8)3
- 9)2
- 10)4

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## **Banking Awareness MCQ-7 For SBI PO/Syndicate Bank Exam**

**1. Which of the following statement is true?**

- (1) Banks cannot accept demand and time deposits from public.
- (2) Banks can accept only demand deposits from public.
- (3) Banks can accept only time deposits from public.
- (4) Banks can accept both demand and time deposits from public.
- (5) Banks can accept demand and time deposits only from government.

**2. Which of the following is the correct statement?**

- (1) State bank of india is the sole authority to issue and

manage currency in india.

(2) A Nationalized bank is the sole authority to issue and manage currency in india.

(3) A cooperative bank is the sole authority to issue and manage currency in india.

(4) RBI is the sole authority to issue and manage currency in india.

(5) None of these

**3. Accounts are allowed to be operated by cheques in respect of**

(1) Both Savings bank accounts and fixed deposit accounts

(2) Savings bank accounts and current accounts

(3) Both Savings bank accounts and loan accounts

(4) Both Savings bank accounts and cash accounts only.

(5) Both Current accounts and fixed deposit accounts.

**4. Many times we read a term CBS used in banking operations.**

**What is the full form of the letter 'C' in the term 'CBS'?**

(1) Complete

(2) Credit

(3) Continuous

(4) Core

(5) None of these

**5. Which of the following schemes is launched specifically for helping senior citizens to avail loan by mortgage of their residential property?**

(1) English mortgage scheme

(2) Senior Capital loan scheme

(3) Reverse Mortgage loan scheme

(4) Senior Citizen personal loan scheme

(5) None of these

**6. SEBI is a**

(1) Advisory body (2) Statutory body

(3) Constitutional body

(4) Non-statutory body

(5) Registered as a Society

**7. A WorldWide financial messaging network which exchanges messages between banks and financial institutions is known as-**

- (1) CHAPS
- (2) SWIFT
- (3) NEFT
- (4) SFMS
- (5) CHIPS

**8. Which among the following schemes is related exclusively to Financial inclusion?**

- (1) Swawlamban
- (2) Swadeshi
- (3) Swabhiman
- (4) SGSY
- (5) None of these

**9. For which one of the following reasons Basel II norms are to be followed by commercial Banks?**

- (1) Risk management
- (2) Adoption of international accounting standards
- (3) Restriction on bonus payments to bank executives
- (4) Transparency in disclosures
- (5) None of these

**10. What is the full form of term LIBOR as used in financial/banking sectors?**

- (1) Local Indian Bank offered Rate
- (2) London- India Bureau of Regulations
- (3) Liberal international Bank official Ratio
- (4) London Inter Bank offered Rate
- (5) None of these

[Click Here For Answers](#)

- 1)5
- 2)4
- 3)2



- 4)4
  - 5)3
  - 6)4
  - 7)2
  - 8)4
  - 9)1
  - 10)4
- 

## Banking Awareness MCQ-6 For Indian/Syndicate Manipal PO Exam

a)How many times has financial emergency been declared in India so far ?

- (1) 5 times
- (2) 4 times
- (3) Once
- (4) Never
- (5) None of these

b)What is the full form of 'CORE' in core banking services ?

- (1) Channel of Rupee Exchange.
- (2) Customer Online Realtime Exchange.
- (3) Centralized Online Rupee Exchange.
- (4) Centralized Online Realtime Exchange.
- (5) Customer Online Rupee Exchange.

c)What is the full form of NSDL?

- (1) National Securities Depository Limited
- (2) National Securities Demanding Liability
- (3) National Sample Depository Limited

(4) National Sample Driven Land

(5) None of these

d) Which of the following Negotiable Instruments can be crossed to the banks ?

(1) Cheques

(2) Bills of Exchange

(3) Drafts

(4) All of above

(5) None of these

e) Floating Exchange Rate is also referred to as \_\_\_\_\_

(1) Real Exchange Rate

(2) Controlled Exchange Rate

(3) Fixed Exchange Rate

(4) Flexible Exchange Rate

(5) None of these

f) Which one of the following is not a method of credit control ?

(1) Bank Rate

(2) Credit Deposit Ratio

(3) Cash Reserve Ratio

(4) Statutory Liquidity Ratio

(5) None of these

g) When the government imposes physical and monetary controls to check open inflation, It is known as \_\_\_\_.

(1) Mark-up Inflation

(2) Demand pull Inflation

(3) Creeping Inflation

(4) Suppressed Inflation

(5) None of these

h) Which of the following institution is considered as ' soft loan window' ?

(1) IMF

- (2) IBRD
- (3) IDA
- (4) IFC
- (5) None of these

i) Who formulates the Monetary policy in India ?

- (1) Planning commission
- (2) Finance ministry
- (3) RBI
- (4) SEBI
- (5) None of these

j) FCNR accounts can be opened and maintained as \_\_\_\_\_

- (1) Savings Bank Account
- (2) Term Deposit Accounts
- (3) Recurring Deposits
- (4) Current Accounts
- (5) None of these

[Click Here For Answers](#)

- a) 4
  - b) 4
  - c) 1
  - d) 2
  - e) 4
  - f) 2
  - g) 4
  - h) 3
  - i) 3
  - j) 3
-

# Banking Awareness MCQ-5

1)The Deputy Governor in charge of banking regulation and supervision, is

nominated as the \_\_\_\_\_ of the (BFS) board:

- a) Head
- b) Vice-Chairman
- c) President
- d) None of These

2)The main function of NABARD is to provide refinance for rural credit

disburse by the \_\_\_\_\_ and other financial institutions as may be approved by the

Reserve Bank of India:

- a) State Co-operative Banks
- b) The Regional Rural Banks
- c) State Co-operative Banks and The Regional Rural Banks
- d) None of The Above

3)NHB has been established with an objective to:

- a) Operate as a principal agency to promote housing finance institutions
- b) promote housing finance institutions both at local and regional levels
- c) provide financial and other support incidental to such institutions and for matters connected therewith
- d) All of The Above

4)Business Credit Cards are:

- a) Specialized credit cards issued in the name of a registered business
- b) can be used only for business purpose.
- c) Both of The Above
- d) None of The Above

5)Fiscal Policy deals with the \_\_\_\_\_and \_\_\_\_\_decisions of the government:

- a) Incomes and Expenditures
- b) Taxation and Expenditures
- c) Trading and Expenditures
- d) None of These

6)If budget constraint stands in present value terms, then fiscal policy may be considered as\_\_\_\_\_:

- a) Stagnant
- b) Sustainable
- c) Escaped
- d) None of These

7)Fiscal Policy is composed of several parts which includes:

- a) Tax Policy and Expenditure Policy
- b) Investment or Disinvestment Strategies
- c) Debt or Surplus Management
- d) All of the Above

8)White Label ATM means:

- a) The ATM that does not have any bank logo.
- b) The ATM carries logo of RBI
- c) Both of Above
- d) None of These

9)Banking Ombudsman is appointed by \_\_\_\_\_:

- a) Central Finance Minister
- b) Reserve Bank of India
- c) SEBI
- d) None of The Above

10)Slogan of Axis Bank is:

- a) Badhti Ka Naam Zindagi
- b) Good People to Bank with
- c) Hum Hai Na
- d) None of These

**Answers :**

- 1)b
- 2)c
- 3)d
- 4)c
- 5)b
- 6)b
- 7)d
- 8)a
- 9)b
- 10)a

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## **Banking Awareness MCQ-4**

1)Banking Ombudsman is appointed by

- a) SEBI
- b) NABARD
- c) RBI
- d) None of these

2)Bank deposits that can be withdrawn without notice are called :

- a) Demand Deposits
- b) Fixed Deposits
- c) On Demand and Time Deposits
- d) Basic Savings Deposits

3)Mutilated Notes are ?

- a) Notes which are in pieces and/or of which the essential portions are missing
- b) Any bank note, which is wholly or partially, obliterated, shrunk
- c) Notes which are washed, altered or indecipherable

d) Notes which are wholly or partially, obliterated, shrunk, washed, altered or indecipherable

4)FCCB stands for:

- a) Finance and Currency Controller Board
- b) Foreign Currency Convertible Bond
- c) Foreign Collection for Cash Board
- d) None of these

5)Those amounts due to vendors or suppliers that must be paid within one year is known as:

- a) Loan Advances
- b) Accounts Payable
- c) Creditors
- d) Debtors

6)The maximum compensation by Banking Ombudsman for a complaint is:

- a) Rs.1 lakh
- b) Rs.2 lakh
- c) Rs.5 lakh
- d) Rs.10 lakh

7)A money deposited in a bank that cannot be withdrawn for a preset fixed period of time is known as:

- a) Checking Account
- b) Term Deposit
- c) No Frills Account
- d) None of These

8)RBI is lender of last resort which reveals:

- a) RBI advances money to public whenever there is any emergency
- b) Commercial banks give fund to the RBI
- c) RBI advances necessary credit against eligible securities to financial institutions
- d) All of the above

9)The securitization and Reconstruction of Financial Assets and Enforcement of Securities

Interest Act (SARFAESI) meant recovery of loans which have become NPA is not applicable

to:

- a) Financial Institutes of Government
- b) Non – Banking Financial Companies
- c) Small & Cooperative Banks
- d) None of These

10)"Microcredit" refers to:

- a) Installments given by farmers against loans
- b) Small credit given to poor
- c) Credit given by government to improve industrialization
- d) None of These

**Answers:**

- 1)c
  - 2)a
  - 3)a
  - 4)b
  - 5)b
  - 6)d
  - 7)b
  - 8)c
  - 9)b
  - 10)b
-



# Banking Awareness MCQ-3

1) To solve the problems of Balance of Payments of member countries is function of:

- a) World Bank
- b) IMF
- c) GATT
- d) None of these

2) The instrument can not be presented for the payment in the Clearing House is:

- a) Fixed Deposit Receipt
- b) Dividends
- c) Demand Drafts
- d) None of these

3) TRIPS and TRIMS are associated with which of following organization:

- a) WTO
- b) IMF
- c) IDA
- d) None of these

4) "Overdrafts" covered under which of following function:

- a) Accepting Deposits
- b) Advancing of Loans
- c) Both of Above
- d) None of these

5) NDTL stands for:

- a) Net Demand and Time Liabilities
- b) Non Demat Terrific Liabilities
- c) National Demand for True Liabilities
- d) None of these

6) Which of the following bank is the first universal bank established in the country:

- a) SBI

- b) PNB
- c) ICICI Bank Limited
- d) None of these

7)When the computers are not functioning in a bank, it is called:

- a) Auto Default
- b) Computer Risk
- c) Operational Risk
- d) None of these

8)When RBI desires to restrict expansion of credit it raises the:

- a) Bank Rate
- b) SLR
- c) Both SLR and Bank Rate
- d) None of these

9)When a Bank returns a cheque unpaid, it is called:

- a) Dishonor of the Cheque
- b) Cheque Bounce
- c) Both Dishonor and Bounce of the Cheque
- d) None of these

10)Commercial Paper is a:

- a) Unsecured Money Market Instrument
- b) Secured Money Market Instrument
- c) Both Secured and Unsecured Instrument
- d) None of these

**Answers:**

- 1)b
- 2)a
- 3)a
- 4)b
- 5)a
- 6)c

- 7)c
  - 8)a
  - 9)a
  - 10)a
- 

## Banking Awareness MCQ-2

- 1)The Headquarter of SIDBI is located at:
  - a) Lucknow
  - b) New Delhi
  - c) Mumbai
  - d) None of The Above
  
- 2)\_\_\_\_\_was the first country to borrow from IMF:
  - a) France
  - b) India
  - c) Germany
  - d) None of The Above
  
- 3)National Housing Bank is wholly owned by \_\_\_\_\_, which contributed the entire paid-up capital:
  - a) Securities and Exchange Board of India
  - b) Reserve Bank of India
  - c) State Bank of India
  - d) None of The Above
  
- 4)Credit Cardholders normally must pay for credit card purchases within \_\_\_\_\_days of purchase:
  - a) 30 days
  - b) 15 days
  - c) 45 Days
  - d) None of The Above
  
- 5)Which among the following is correct about the Grace Period:

- a) the time in which cardholders has to pay the balance before interest is assessed on the outstanding balance
- b) Grace period may vary, but usually range from 20 to 55 days depending on the type of credit card and the issuing bank
- c) All of The Above
- d) None of The Above

6) NPCI stands for:

- a) National Commission for Payment Information
- b) National Payment Corporation of India
- c) National Payment Commission of India
- d) None of The Above

7) Fiscal Sustainability is essential to:

- a) Motivate both public and private sector to grow
- b) Allows governments to be autonomous to witness excellent economic growth in the long run.
- c) Consider both revenue collections and potential variation in expenditure patterns so that demand may be fulfilled in the long run.
- d) All of the Above

8) FRBM stands for:

- a) Fiscal Revenue Budget Management
- b) Fiscal Responsibility and Budget Management
- c) Fiscal Reforms and Budget Management
- d) None of These

9) \_\_\_\_\_ are on going expenditure not covered under the 5 – year plans:

- a) Plan Expenditure
- b) Non Plan Expenditure
- c) Both of Above
- d) None of These

10) Which among the following definitions are correct:

- a) Online ATMS – These ATMs are connected to the bank's database at all times and provide real time transactions online. The withdrawal limits and account balances are constantly monitored by the bank.
- b) Offline ATMs – These ATMs are not connected to bank's database hence they have a predefined withdrawal limit fixed and you can withdraw that amount irrespective of the balance in your account.
- c) Both of the Above
- d) None of These

**Answers:**

- 1)a  
2)a  
3)b  
4)a  
5)c  
6)b  
7)d  
8)b  
9)b  
10)c

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## **Banking Awareness MCQ-1**

- 1)In which year Punjab National Bank was established ?
- a) 1880  
b) 1894  
c) 1900

d) None of these

2)Regulatory Authority for Regional Rural Bank is of:

- a) Sponsor Bank
- b) State Government
- c) RBI and NABARD
- d) None of these

3)EBT stands for

- a) Electronic Beginning Transaction
- b) Electronic Benefit Transfer
- c) Electric Belated Transfer
- d) None of these

4)The instrument can not be presented for the payment in the Clearing House is:

- a) Fixed Deposit Receipt
- b) Dividends
- c) Demand Drafts
- d) None of these

5)Reserve Bank of India relies on data submitted by Banks and quality of data is of great importance.

In order to meet the need for correct and consistent data, RBI has initiated the project on ADF. What is the full form of ADF?

- a) Automated Data Flow
- b) Automatic Document Feeder
- c) Automatically Defined Function
- d) Automatic Direction Finder

6)When the exchange rate is adjusted so that an identical good in two different countries has the same price when expressed in the same currency. It is called\_\_\_\_\_.

- a) Purchasing Power Parity
- b) Bank Rate
- c) Wage Rate
- d) Exchange Rate

7) ARDC stands for:

- a) Agriculture Refinance and Development Corporation
- b) Agriculture Research and Development Commission
- c) Agriculture Research and Development Corporation
- d) None of The Above

8) CSR stands for:

- a) Customer Satisfaction Responsibility
- b) Corporate Social Responsibility
- c) Corporate Social Reforms
- d) None of The Above

9) Which among the following is considered as 100% CSR company:

- a) SDB (Small Development Banks)
- b) NABARD
- c) RRBs (Regional Rural Banks)
- d) None of The Above

10) Insurance Repository is:

- a) It is a facility to help policy holders.
- b) It provides the facility, buy and keep insurance policies in electronic form rather than as a paper document
- c) Insurance repositories like share depositories or mutual fund transfer agencies will hold electronic records of insurance policies issued to individuals and such policies are called “electronic policies” or “e – policies”
- d) All of The Above

Answers:

- 1) b
- 2) c
- 3) b
- 4) a
- 5) a

6) a

7) a

8) b

9) b

10) d