

BANKING AWARENESS

Multiple Choice Questions

Set-1

Topics Covered

1. History of Banking
2. Reserve Bank of India
3. NABARD
4. IRDA
5. BIS
6. International Organizations

HISTORY OF BANKING

1. First Bank established in India was:
(a) Bank of India (b) Bank of Hindustan (c) General Bank of India (d) None of The Above
2. Bank of Hindustan was established in ____:
(a) 1700 (b) 1770 (c) 1780 (d) None of The Above
3. Which among the following is correct regarding Bank of Hindustan:
(a) The bank was established at Calcutta under European management.
(b) It was liquidated on 1829 - 32.
(c) Both of Above
(d) None of The Above
4. ____ bank was established in 1786:
(a) General Bank (b) Reserve Bank of India (c) Bank of Bengal (d) None of The Above
5. The Largest and Oldest Bank, still in existence is:
(a) Punjab National Bank (b) Reserve Bank of India (c) State Bank of India (d) None of The Above
6. Which among the following is correct:
(a) State Bank of India originated as the Bank of Calcutta in June 1806.
(b) "Bank of Calcutta" was renamed as "Bank of Bengal".
(c) Both of Above (d) None of The Above
7. Which among the following banks form the "Imperial Bank of India" in 1921:
(a) Bank of Bombay (b) Bank of Madras (c) Bank of Bengal (d) All of the Above
(e) None of The Above
8. Reserve Bank of India was established under which among the following act:
(a) Reserve Bank of India Act 1930 (b) Reserve Bank of India Act 1921
(c) Reserve Bank of India Act 1934 (d) None of The Above
9. RBI was established in:
(a) 1 April, 1940 (b) 1 April, 1935 (c) 1 April 1948 (d) None of The Above
10. In which year, SBI was given control of 8 state associated banks under the State Bank of India (Subsidiary Banks) Act, 1959:
(a) 1965 (b) 1975 (c) 1960 (d) None of The Above
11. When was the first nationalization of many banks were conducted:
(a) 19 August, 1969 (b) 19 October, 1969 (c) 19 July, 1969 (d) None of The Above
12. How many banks were nationalized as on 19 July, 1969:
(a) 15 (b) 13 (c) 14 (d) None of The Above
13. Second Time Nationalization of more than 5 banks were conducted in:
(a) 1975 (b) 1980 (c) 1985 (d) None of The Above
14. In 1980, how many banks were nationalized:
(a) 5 (b) 7 (c) 6 (d) None of The Above
15. Scheduled Banks are classified into:
(a) State Bank of India and Its Associates (b) Nationalized Banks
(c) Regional Rural Banks (RR(B)) (d) Foreign Banks
(e) All of the Above

Reserve Bank of India Special

16. Which of the following is correct:
(a) Reserve Bank of India Act, 1935 (b) Reserve Bank of India Act, 1934
(c) Reserve Bank of India Act, 1930 (d) None of These
17. The Central Office of the Reserve Bank was initially established in ____:
(a) Indore (b) Delhi (c) Calcutta (d) None of These
18. The Central Office of the Reserve Bank of India is now located at:
(a) Mumbai (b) Hyderabad (c) New Delhi (d) None of These
19. The Central Office of the Reserve Bank was permanently moved to Mumbai in ____:
(a) 1934 (b) 1937 (c) 1935 (d) None of These
20. Which among the following is correct about The Central Office of RBI:
(a) Where Governor Sits (b) Where only Policies are formulated

- (c) Both of Above (d) None of These
21. When RBI came into existence on 1-4-1935, it was:
(a) Privately Owned (b) Governmental Owned
(c) Privately + Governmental Owned (d) None of These
22. Reserve Bank is fully owned by the Government of India since nationalization in:
(a) 1950 (b) 1949
(c) 1965 (d) None of These
23. Management of RBI consists of (Regarding Governor and Deputy Governors):
(a) 1 Governor + 3 Deputy Governor (b) 1 Governor + 4 Deputy Governor
(c) 1 Governor + 5 Deputy Governor (d) None of These
24. Current Governor of RBI is:
(a) Arundhati Bhattacharya (b) Raghuram Rajan
(c) U. K. Sinha (d) None of These
25. BFS stands for:
(a) Bureau of Financial Supervision (b) Board for Financial Supervision
(c) Bi-Lateral Financial System (d) None of These
26. The BFS was constituted in:
(a) December 1994 (b) November 1994
(c) September, 1994 (d) None of These
27. Which among the following is correct about objectives of BFS:
(a) To undertake consolidated supervision of the financial sector
(b) Financial Sector comprising commercial banks, financial institutions and non-banking finance companies
(c) Both of Above
(d) None of These
28. The BFS's board member are appointed for term of :
(a) 2 years (b) 3 years
(c) 4 years (d) None of These
29. The member of BFS board is chaired by:
(a) Any Deputy Governor (b) Governor
(c) Deputy Governor appointed by Governor (d) None of These
30. 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
- NABARD SPECIAL**
31. NABARD stands for:
(a) National Bank for Agriculture and Research Development
(b) National Bank for Analysis of Rural Development
(c) National Bank for Agriculture and Rural Development
(d) None of The Above
32. 'NABARD' came into existence on:
(a) 8th July, 1982 (b) 19th July, 1982
(c) 12th July, 1982 (d) None of The Above
33. 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
34. 'NABARD' was dedicated to which among the following Prime Ministers:
(a) Gulzari Lal Nanda (b) Indira Gandhi
(c) Shri Lal Bahadur Shastri (d) None of The Above
35. 'NABARD' was dedicated to the service of the nation by the late Prime Minister Smt. Indira Gandhi on:
(a) 5 November, 1982 (b) 10 November, 1982
(c) 1 December, 1982 (d) None of The Above
36. NABARD was set up with an initial capital of _____:
(a) Rs. 50 Crore (b) Rs. 100 Crore
(c) Rs. 200 Crore (d) None of The Above

37. Chairman of 'NABARD' is:
(a) Manish Kumar Bhanwala (b) Harsh Kumar Bhanwala
(c) Sanjay Kumar Bhanwala (d) None of The Above
38. Headquarter of 'NABARD' is located at:
(a) Mangalore, Karnataka (b) Mumbai, Maharashtra
(c) New Delhi (d) None of The Above
39. NABARD was established on the recommendations of :
(a) Shivaraman Committee (b) Malhotra Committee
(c) Kumarmangalam Committee (d) None of The Above
40. _____ is the apex institution in the country which looks after the development of the cottage industry, small industries, village industries and other rural industries:
(a) NABARD (b) SEBI
(c) SIDBI (d) None of The Above
41. NABARD was set up essentially as a development bank for promoting:
(a) Agriculture Development only (b) Rural Development only
(c) Both of The Above (d) None of The Above
42. 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
43. Which among the following functions of NABARD is incorrect:
(a) Providing finance and also refinance for production and marketing in the rural areas
(b) Coordination and advising the operations of institutions engaged in rural credit
(c) Promoting research in agriculture and rural development
(d) All of The Above
(e) None of The Above
44. CSR stands for:
(a) Customer Satisfaction Responsibility (b) Corporate Social Responsibility
(c) Corporate Social Reforms (d) None of The Above
45. 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

IRDA

46. IRDAI stands for:
(a) Insurance Regulatory and Development Authority of India
(b) Investment Regulatory and Development Authority of India
(c) Insurance Reforms and Development Authority of India
(d) None of The Above
47. Headquarter of IRDAI is located at:
(a) Hyderabad (b) New Delhi
(c) Mumbai (d) None of The Above
48. IRDAI is an autonomous body set up under the _____:
(a) IRDA Act, 1999 (b) IRDA Act, 2000
(c) IRDA Act, 1995 (d) None of The Above
49. Which among the following is correct about IRDA's mission:
(a) To protect the interest of policy holders (b) To regulate and develop the insurance industry
(c) Both of Above (d) None of The Above
50. Chairman of IRDAI is:
(a) Ujwal Bir Singh (b) Rakesh Sethi
(c) T.S. Vijayan (d) None of The Above
51. Initially, head office of IRDAI was at:
(a) Delhi (b) Mumbai
(c) Gujarat (d) None of The Above
52. Head office of IRDAI was transferred from Delhi to Hyderabad in _____:

- (a) 2002 (b) 2004 (c) 2001 (d) None of The Above
53. Now the FDI limit in insurance sector is _____:
(a) 47% (b) 49% (c) 50% (d) None of The Above
54. Who announced the term insurance repository system in India:
(a) Prime Minister (b) Finance Minister (c) T.S. Vijayan (d) None of The Above
55. 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
56. In 1818, _____ company was established:
(a) Oriental Life Insurance Company (b) Britain Insurance Company
(c) Standard Insurance Company Limited (d) None of The Above
57. Oriental Life Insurance company was established at:
(a) Delhi (b) Lahore
(c) Calcutta (d) None of The Above
58. An Ordinance was issued on _____ nationalizing the Life insurance sector:
(a) 19 July, 1956 (b) 19 January, 1956
(c) 2 October, 1956 (d) None of The Above
59. Life Insurance Corporation (LIC) was came into existence in _____:
(a) 1955 (b) 1956
(c) 1957 (d) None of The Above
60. Which among the following is correct about LIC's absorption:
(a) 154 Indian insurers (b) 16 non - Indian Insurers and 75 provident societies
(c) 245 Indian and foreign insurers in all (d) All of The Above
(e) None of The Above
61. BIS stands for:
(a) Bank Information Settlements (b) Bank for International Standardization
(c) Bank for International Settlements (d) None of The Above
62. Head office of BIS is situated at:
(a) Geneva, Switzerland (b) Basel, Switzerland
(c) Amsterdam, Netherlands (d) None of The Above
- (Point to be Remember - Geographical name of Netherlands is Holland Like India is Bharat)
63. The Two representative offices of BIS are situated at:
(a) Hong Kong and Mexico City (b) New Delhi and Islamabad
(c) Washington D.C. and Nairobi (d) None of The Above
64. Which among the following is mission of BIS:
(a) fostering discussion and facilitating collaboration among central banks
(b) supporting dialogue with other authorities that are responsible for promoting financial stability
(c) carrying out research and policy analysis on issues of relevance for monetary and financial stability
(d) acting as a prime counter party for central banks in their financial transactions
(e) Serving as an agent or trustee in connection with international financial operations
(f) All of the Above
65. Actually BIS was established on:
(a) 17 May, 1930 (b) 17 May, 1931 (c) 17 May, 1932 (d) None of The Above
66. The number of central banks which are member of BIS are _____:
(a) 70 (b) 60 (c) 80 (d) None of The Above
67. Which among the following is not the member of BIS:
(a) Sri Lanka (b) Pakistan (c) Nepal (d) Bangladesh
(e) All of The Above
68. BIS was established due to:
(a) The Bretton Woods Conference of 1930 (b) The Hague Agreements of 1930
(c) Both of The Above (d) None of The Above
69. SDR stands for:

- (a) Specific Draft Rights (b) Special Deposits Rights
(c) Special Drawing Rights (d) None of The Above
70. Since _____, the BIS has published its accounts in terms of special drawing rights (SDRs):
(a) 2005 (b) 2004
(c) 2006 (d) None of The Above
71. _____ is known as bank for central banks:
(a) BIS (b) World Bank (c) IMF (d) None of The Above
72. Which among the following is correct about BIS:
(a) BIS does not provide financial services to Individuals
(b) BIS does not provide financial services to Corporations
(c) BIS was created to administer the transaction of monies according to the Treaty of Versailles
(d) All of The Above
(e) None of The Above
73. General Manager of BIS is:
(a) Christine Medeleine Odette Lagarde (b) Jaime Caruana
(c) Jim Yong Kim (d) None of The Above
74. In _____ the Basel Committee on Banking Supervision proposed a new capital adequacy framework to replace the current Basel Accord:
(a) June, 1999 (b) June, 2000
(c) June, 2001 (d) None of The Above
75. After replacing the current Basel Accord in June 1999 which was the new pillar for proposed framework:
(a) Minimum Capital Requirements (b) Supervisory Review
(c) Market Discipline (d) All of The Above
(e) None of The Above

INTERNATIONAL ORGANIZATIONS

76. GATT stands for:
(a) General Agreement on Tariffs, Tradition and Trade (b) General Agreement on Tradition and Trade
(c) General Agreement on Tariffs and Trade (d) None of The Above
77. Now, headquarter of WTO is located at:
(a) Washington. D.C. (b) Geneva, Switzerland
(c) Willington, New Zealand (d) None of The Above
78. Headquarter of World Bank is situated at:
(a) Washington D.C. (b) Jeneva (c) Luanda (d) None of The Above
79. The number of member nations of WTO as on April, 2015 were:
(a) 161 (b) 151
(c) 171 (d) None of The Above
80. Which among the following is not an agency of United Nations:
(a) International Monetary Fund (b) International Bank for Reconstruction and Development
(c) World Trade Organization (d) None of The Above
81. First Indian Train having ISO 9001 certificate runs between _____:
(a) Hazrat Nizammuddin - Agra Cantt (b) Hazrat Nizammudin Habeebganj (Bhopal)
(c) Delhi - Kolkata - Mumbai - Kota (d) None of The Above
82. "Food for Work Program" was renamed as _____:
(a) RLEGP (b) IRDP (c) NREP (d) MNP
(e) None of The Above
83. Which sector has the maximum quantum of disguised unemployment in India:
(a) Agriculture (b) Industry (c) Trade (d) Transport
(e) None of The Above
84. Golden Bond Scheme was introduced introduced in the budget proposal of _____:
(a) 1991 - 92 (b) 1992 - 93 (c) 1993 - 94 (d) 1994 - 95
(e) None of The Above
85. The Headquarter of SIDBI is located at:
(a) Lucknow (b) New Delhi (c) Mumbai (d) Bangalore
(e) None of The Above
86. Industrial Reconstruction Bank of India (IRBI) was established in:
(a) 1975 (b) 1985 (c) 1990 (d) 1992

- (e) None of The Above
87. IMF was established on:
(a) 30 November, 1948 (b) 27 December, 1945
(c) 19 July, 1947 (d) None of The Above
88. Headquarters of IMF is located at:
(a) Washington D.C. (b) Geneva (c) London (d) None of The Above
89. Which among the following is correct:
(a) IMF was formed in 1944 at the Bretton Woods Conference.
(b) IMF came into formal existence in 1945 with 29 member countries.
(c) Both of The Above
(d) None of The Above
90. _____ was the first country to borrow from IMF:
(a) France (b) India (c) Germany (d) None of The Above

Continue to next chapter

7. National Housing Bank
8. Credit/Debit Cards
9. Fiscal Policy
10. ATM
11. Banking OMBUDSMAN
12. Letter of Credit
13. WTO