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

2. 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
3. Who will settle the grievances of customers in banks?
   a) Reserve Bank of India
   b) State Bank of India
   c) Local Courts
   d) Ombudsman

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

5. When was Ombudsman Scheme first introduced?
   a) November 2006
   b) October 1981
   c) June 1995
   d) January 1998
6. When was Reserve Bank of India established?
   a) 1920  
   b) 1925  
   c) 1935  
   d) 1948

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

8. When was Indian Banking Act came into force?
   a) 1948  
   b) 1949  
   c) 1950  
   d) 1951
9. 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

10. When was Imperial Bank was changed as State Bank of India?
    a) January 1\textsuperscript{st} 1935
    b) February 26\textsuperscript{th} 1947
    c) July 1\textsuperscript{st} 1955
    d) July 1\textsuperscript{st} 1959

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

   Which of the above banks were nationalized first?
    a) 10    b) 12    c) 14    d) 16
12. How many Banks were in second phase of Nationalization?
   a) 4  
   b) 5  
   c) 6  
   d) 7

13. 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

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

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SPACE FOR ROUGH WORK

A
15. 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

16. When was Lead Bank Scheme introduced?
   a) 1967  b) 1968  c) 1969  d) 1974

17. What is CRR?
   a) Cash Reserve Ratio
   b) Current Ratio Rate
   c) Review Report
   d) Credit Rating Record
18. Interest rates being charged by Banks in India have shown _________ trending recent year.
   a) Falling  b) Rising  c) Stable  d) Volatile

19. The first development financial institution in India that has got merged with a bank is
   a) IDBI  b) ICICI  c) IDFC  d) UTI

20. 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

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

22. 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

23. Arbitrage is
   a) Buying and selling in two markets simultaneously
   b) A rate of interest
   c) A fee
   d) Arbitrage is a dispute
24. 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

25. 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
26. Full form of SLR
   a) Statutory Liquidity Ratio
   b) State Level Recovery
   c) Sundry Leverage Ratio
   d) State Liquidity Ratio

27. C.R.A. in Banking parlance stands for
   a) Credit Rating Association
   b) Credit Rating Agency
   c) Credit Risk Assessment
   d) None of these

28. E.P.S. in share market stands for
   a) Earnings Per Share
   b) Electronic Payment System
   c) Employee Pension Scroll
   d) None of these
32. Who is the Present Governor of RBI?
   a) Urjit Patel
   b) Y. V. Reddy
   c) Ranga Reddy
   d) None of these

33. 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
34. Minimum period of a Certificate of Deposit is:
   a) 15 days  
   b) 30 days  
   c) 10 days  
   d) 7 days  

35. A customer has been defined in:
   a) Banking Regulation Act  
   b) Negotiable Instruments Act  
   c) Anti-Money Laundering Act  
   d) KYC guidelines

36. Which bank in India ranks number one in terms of market capitalization?
   a) SBI  
   b) ICICI  
   c) UTI  
   d) IDBI
37. RBI pays interest on CRR balances of banks at
   a) Bank Rate  
   b) Repo Rate  
   c) Bank rate minus 2%  
   d) Zero %  

38. What does the letter 'S' denote in the term IFSC ?
   a) Subscriber  
   b) State  
   c) System  
   d) Source  

39. What is the full form of CBS ?
   a) Core Banking Solution  
   b) Core Banking Software  
   c) Core Banking System  
   d) Core Banking Service  

40. 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  

SPACE FOR ROUGH WORK
PART – B

Answer all questions. Each question carries two marks. (15 x 2 = 30)

41. 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

42. Which one of the following set up score banking infrastructure for rural banks?
   a) IBA  
   b) NABARD  
   c) RBI  
   d) SIDBI
43. Which organization provides credit history of the borrowers?
   a) CIBIL  
   b) CII  
   c) FRBI  
   d) IRDA

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

45. 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
46. 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

47. Which of the following NBFC converted itself into a Commercial Bank?

a) Tata Finance
b) Reliance Capital Trust
c) Birla Mutual
d) Kirloskar Mahindra

d) Both (a) and (b)
49. 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

50. 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
51. Which is the instrument used by RBI under general credit control?
   a) CRR
   b) SLR
   c) Bank Rate
   d) Exchange control

52. 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