

Banking Awareness Important Questions – 2

- 1) Which of the following statements about SEBI is **true**?
(A) It regulates both primary and secondary markets in India
(B) It decides the country's monetary policy
(C) It issues currency notes in India
(D) It controls agricultural commodity prices
Correct Answer: A

- 2) BRIC is a group of emerging economies that originally included:
(A) Brazil, Russia, India, China
(B) Bangladesh, Romania, Italy, Canada
(C) Bhutan, Russia, Iran, Cambodia
(D) Brazil, Rwanda, Indonesia, Cyprus
Correct Answer: A

- 3) Which country was later added to BRIC to make it **BRICS**?
(A) Singapore
(B) South Africa
(C) Sri Lanka
(D) Saudi Arabia
Correct Answer: B

- 4) Which organization or person is credited with coining the term BRIC?
(A) World Bank
(B) Goldman Sachs economist Jim O'Neill
(C) IMF
(D) United Nations
Correct Answer: B

- 5) FDI stands for:
(A) Fixed Deposit Interest
(B) Fixed Deposit Investment
(C) Foreign Direct Investment
(D) Future Derivative Investment
Correct Answer: C

- 6) Foreign Direct Investment means:
(A) Investment made by a country's citizens in their own domestic companies
(B) Investment made by an individual or company in one country into business interests located in another country
(C) Government grants to foreign companies

(D) Purchase of foreign currency for tourism

Correct Answer: B

7) In India, FDI policy and approvals are regulated mainly by:

(A) SEBI

(B) RBI and Department for Promotion of Industry and Internal Trade (DPIIT)

(C) IRDAI

(D) Ministry of Tourism

Correct Answer: B

8) In India, the **call money market** is mainly used by:

(A) Commercial banks to manage short-term liquidity needs

(B) Farmers to buy seeds and fertilizers

(C) Corporates to fund mergers and acquisitions

(D) Government to raise long-term capital

Correct Answer: A

9) The interest rate in the call money market is known as:

(A) Repo rate

(B) Call rate

(C) Bank rate

(D) Prime lending rate

Correct Answer: B

10) Which of the following is **true** about the call money market?

(A) It is part of the short-term money market

(B) It provides liquidity adjustment to banks

(C) It operates on an overnight basis for call money

(D) All of the above

Correct Answer: D

11) Which was the **first Indian company** to be listed on NASDAQ?

(A) Reliance

(B) TCS

(C) Infosys

(D) Wipro

Correct Answer: C

12) Infosys was listed on NASDAQ in which year?

(A) 1995

- (B) 1998
- (C) 1999
- (D) 2001

Correct Answer: C

13) NASDAQ is primarily known for listing companies in which sector?

- (A) Agriculture
- (B) Technology
- (C) Heavy engineering
- (D) Textiles

Correct Answer: B

14) Which of the following regulates credit rating agencies in India?

- (A) RBI
- (B) SEBI
- (C) SIDBI
- (D) Ministry of Finance

Correct Answer: B

15) Credit rating agencies in India are registered and monitored by:

- (A) SEBI
- (B) IRDAI
- (C) RBI
- (D) NABARD

Correct Answer: A

16) Credit ratings are primarily used to assess:

- (A) A borrower's repayment capacity and creditworthiness
- (B) Stock market fluctuations
- (C) Inflation rates
- (D) Exchange rate volatility

Correct Answer: A

17) Amitabh Bachchan has been associated as a brand ambassador with which Indian bank?

- (A) State Bank of India
- (B) Punjab National Bank
- (C) IDFC
- (D) Canara Bank

Correct Answer: C

18) The branding line of **Bank of Baroda** is:

- (A) International Bank of India
- (B) India's International Bank
- (C) India's Multinational Bank

(D) World's Local Bank

Correct Answer: B

19) The tagline "**World's Local Bank**" belongs to which bank?

(A) HSBC

(B) Bank of Baroda

(C) Axis Bank

(D) ICICI Bank

Correct Answer: A

20) Bank of Baroda's logo is popularly referred to as:

(A) The Sunrise

(B) The Lotus

(C) The Rising Sun

(D) The Orange Circle

Correct Answer: C

21) The **Baroda Sun** logo symbolizes:

(A) Agricultural growth

(B) Universal warmth and energy

(C) Industrial strength

(D) Stock market growth

Correct Answer: B

22) The **Know Your Customer (KYC)** norms are primarily designed to:

(A) Increase bank profits

(B) Prevent money laundering and identify customers

(C) Provide higher interest on deposits

(D) Reduce ATM withdrawals

Correct Answer: B

23) KYC norms in India are issued and monitored by:

(A) SEBI

(B) RBI

(C) Ministry of Finance

(D) IRDAI

Correct Answer: B

24) In the term **M-Banking**, the letter "M" stands for:

(A) Money

(B) Marginal

(C) Message

(D) Mobile Phone

Correct Answer: D

25) Which of the following is the main advantage of **M-Banking**?

- (A) Allows customers to conduct banking transactions using a mobile device
- (B) Offers higher interest rates on savings accounts
- (C) Eliminates the need for internet connectivity
- (D) Works only at ATM kiosks

Correct Answer: A

26) The **Sub-Prime Crisis** originated due to:

- (i) Mortgage defaults
- (ii) Low-rated, high-risk borrowers
- (iii) Negligence in credit rating

Which option is correct?

- (A) Only (i)
- (B) Only (ii)
- (C) Only (iii)
- (D) All (i), (ii), and (iii)

Correct Answer: D

27) The **financial system** in India consists of:

- (A) Financial institutions, financial markets, financial instruments, and financial services
- (B) Only banks and insurance companies
- (C) Only stock markets
- (D) Only RBI and SEBI

Correct Answer: A

28) Which component of the financial system is mainly concerned with **long-term economic development projects**?

- (A) Government Finance
- (B) Agricultural Finance
- (C) Development Finance
- (D) Industrial Finance

Correct Answer: C

29) Which of the following are included in the **tax revenue** of the Government of India?

- (i) Tax on Income
 - (ii) Tax on Expenditure
 - (iii) Tax on Property or Capital Asset
 - (iv) Tax on Goods and Services
- (A) Both (i) and (iii) only
 - (B) Both (ii) and (iv) only
 - (C) All (i), (ii), (iii), and (iv)

(D) Only (ii), (iii), and (iv)

Correct Answer: C

30) Tax on Goods and Services in India is mainly collected through:

(A) GST

(B) Custom Duty only

(C) Income Tax

(D) Excise on petroleum only

Correct Answer: A

31) Which statement about **SEZs in India** is correct?

(i) They aim to attract foreign investment directly

(ii) They are meant to encourage export-oriented industrial production

(iii) They provide tax incentives to companies operating in them

(A) Only (i) and (ii)

(B) Only (ii) and (iii)

(C) All (i), (ii), and (iii)

(D) Only (i) and (iii)

Correct Answer: C

32) SEZs are primarily created to:

(A) Boost exports and foreign investment

(B) Increase personal tax revenue

(C) Support only rural banking

(D) Reduce imports of petroleum

Correct Answer: A

33) Which group of countries accounts for **almost 50% of global carbon emissions** annually?

(A) US, China, India, South Africa

(B) India, China, Russia, Britain

(C) South Africa, Nepal, Myanmar

(D) US, Russia, China, India

Correct Answer: D