

- a) Speculative demand
c) Harmonic Mean
- b) Transaction demand
d) Composite Mean
- (8) The Good which an individual or society should have on the basis of a concept of need rather than the ability or willingness to pay is known as
- a) Merit Good
c) Capital good
- b) Investment Good
d) Public Good
- (9) Whose signature do you find to be there in printed notes of India?
- a) Governor of RBI
c) Finance Minister of the Country
- b) Finance Minister of the State
d) Speaker of the Lok Sabha
- (10) Which Banking company has partnered with American Express to offer its premium products on American Express network?
- a) SBI Cards
c) ICICI
- b) Indian Bank
d) Axis
- (11) Which country is to provide USD 1.9 million to support informal sector and micro enterprises in India?
- a) Japan
c) USA
- b) UK
d) China
- (12) What is the prompt repayment incentive (PRI) rate per annum provided to farmers, for short term loans up to Rs. 3 lakh?
- a) 0.02
c) 0.04
- b) 0.03
d) 0.06
- (13) The measure for Inequality is known as
- a) Converse Theorem
c) Euler Theorem
- b) Gini Coefficient
d) none of these
- (14) A bank is called as —Scheduled Bank when
- a) Its business has crossed Rs. 1000 crore mark
c) Its branch network is over 100
- b) It is included in the second Schedule of the RBI Act
d) none of these
- (15) Public utilities like electricity supply and health care services practice
- a) second degree price discrimination
c) third degree price discrimination
- b) first degree price discrimination
d) fourth degree price discrimination
- (16) Product Differentiation in health services are practiced by
- a) Monopsony
c) Monopolistic Competition
- b) Monopoly
d) Duopoly
- (17) The minimum reserve deposit ratio of the banking system is determined from time to time by the
- a) State Bank of India
c) CBI
- b) AXIS Bank Ltd
d) Reserve Bank of India
- (18) The National Audit Authority is controlled by
- a) Finance Secretary
c) Comptroller and Auditor General
- b) Information and Broadcasting Minister
d) none of these
- (19) The Reports of Audit is discussed in the Parliament by
- a) Reserve Bank Of India
- b) Public Accounts Committee

- c) Defence Ministry
- (20) The RBI acts as a banker's bank. This means
- a) Other banks retain their deposits with RBI
- b) RBI lends funds to the commercial banks in times of need
- c) RBI advises commercial banks on monetary policy
- d) All of these
- (21) Which bank in India became the first bank to open its branch in China?
- a) IDBI
- b) HDFC
- c) SBI
- d) PNB
- (22) An instrument of demand management which seeks to influence the level of economic activity through control of taxation and government expenditure
- a) Liquidity trap
- b) Fiscal Policy
- c) Monetary Policy
- d) None of these
- (23) Which of the following plays central role in money market?
- a) RBI
- b) SBI
- c) FBI
- d) BI
- (24) Inflation makes
- a) future rupees less valuable than present rupees
- b) future rupees more valuable than present rupees
- c) future rupees equal to present rupees
- d) None of these
- (25) Which one of the following is a function of money?
- a) Medium of Exchange
- b) Transfer of value
- c) Store of Value
- d) all of these
- (26) The full form of FII is
- a) Foreign Intent Invention
- b) Forced Foreign Intention
- c) Foreign Institutional Investment
- d) None of these
- (27) Notable Financial Scam in the decades of the 1990's included
- a) Harshad Mehta
- b) Ketan Parekh
- c) Both
- d) none of these
- (28) Punjab National Bank was established in _____
- a) 1881
- b) 1894
- c) 1913
- d) 1917
- (29) What is 'fiat money'?
- a) The currency is backed by Government Guarantee
- b) The currency is backed by tangible assets
- c) The currency is backed by gold reserves
- d) The currency is backed by budgetary support
- (30) Who sets up 'Base Rate' for Banks?
- a) Individual Banks Board
- b) Interest Rate Commission of India
- c) RBI
- d) None of these
- (31) Which of the following are benefited through the Reserve mortgage scheme?
- a) Government employees
- b) Minors
- c) Senior citizens
- d) All of these
- (32) Whom with Primary Dealers deal in both primary and secondary markets?

- a) Corporate Bonds
c) Equities
- b) Debentures
d) Government Securities
- (33) What is the full form of IRR?
a) Internal Rate of Return
c) Internal Rate of Ratio
- b) Internal Reserve Ratio
d) Internal Recession Rate
- (34) Which among the following made the initial contribution for setting up Financial Inclusion Fund and Financial Inclusion Technology Fund?
a) Government of India, NABARD and RBI
c) SIDBI, Government of India and IDBI Bank
- b) NABARD, UTI and RBI
d) SIDBI, NABARD and UTI
- (35) Which one of the following is known as the real return to the investor getting reduced due to sudden rise in the prices of the commodities?
a) Cost risk
c) Market risk
- b) Demand risk
d) Systemic risk
- (36) The opportunity cost of a good is
a) the last time in finding it
c) the expenditure on the good
- b) the quantity of the other good sacrificed to the another unit of that good
d) the loss of interest in using savings
- (37) Electronic Payment system used for crediting salary is known as _____.
a) ECS Debit
c) NEFT
- b) ECS Credit
d) RTGS
- (38) What does NEFT stands for?
a) National Economic Fund Transfer
c) National Electronic Fund Transfer
- b) National Electron Fund Tenor
d) None of them
- (39) The Bank which initiates ECS credit is known as _____ Bank
a) Sponsor Bank
c) Beneficiary Bank
- b) Destination Bank
d) Merchant bank
- (40) All except one is associated with direct financing
a) One financial claim contract
c) Small denomination financial claim
- b) A broker, dealer or investment banker
d) Government and business borrower dominated
- (41) Money market is an important financial market because
a) Money market is the world's liquidity market
c) The government finances most of the credit needs in the money market
- b) It is the market in which central bank conducts monetary policy
d) All of these
- (42) Which was the second bank in India with limited liability?
a) Punjab National Bank
c) New Bank of India
- b) Imperial Bank of India
d) State Bank of India
- (43) Which type of deposits gives highest rate of interest?
a) Recurring deposit
c) Fixed deposit
- b) Current deposit
d) None of these
- (44) Indian Financial System Code is
a) Alpha numeric 11 digit code
- b) Numeric code 11 digit code

- c) Alpha numeric 8 digit code
d) Numeric code 8 digit code
- (45) Which is the costliest mode of payments?
a) Cheque
b) Demand Draft
c) RTGS
d) NEFT
- (46) Assignment of Life Insurance Policy can be done only for _____ for money or Money's worth.
a) Payment
b) Consideration
c) Premium
d) Receipt
- (47) The issue of having regular income during old age is taken care off by _____ Policies
a) Endowment
b) Benefit
c) Annuity;
d) Regular Income
- (48) The first step towards taking a Life Insurance Policy to fill up a _____ form providing requisite information about the person desirous of taking the policy.
a) Application
b) Proposal;
c) Word
d) Project
- (49) In respect of Annual Policy under Marine Insurance the sum insured should not be less than
a) 10000
b) 100000
c) 5000
d) 20000
- (50) Oudh Commercial Bank was founded in _____.
a) 1913
b) 1917
c) 1894
d) 1881
- (51) When was the Oriental Life Insurance Company established?
a) 1818
b) 1834
c) 1907
d) 1938
- (52) When was the General Insurance Council formed?
a) 1938
b) 1957
c) 1973
d) 1971
- (53) When was general insurance business nationalised?
a) 1938
b) 1971
c) 1973
d) 1993
- (54) When was the Insurance Regulatory and Development Authority constituted?
a) 1938
b) 1971
c) 1993
d) 1999
- (55) In pursuance of which one of the following was the General Insurance Corporation of India was formed?
a) General Insurance Business (Nationalisation) Act, 1972
b) Insurance Act, 1938
c) Insurance Amendment Act, 2002
d) IRDA Act 1999
- (56) Ratemaking is
a) a request for insurance, which can be oral or written
b) the process of establishing rates for each class of insurance.
c) applying the established rate to a specific item
d) related to the character of the insured.

ms that are to be insured.

(57) What is the main objective of IRDA Regulations 2000?

- a) Protection of Insurance Company
- b) Protection of policyholder and development of orderly growth of insurance business
- c) Protection of insurance intermediaries
- d) To earn for the Government

(58) In accidental death claim what reports are required to be submitted by the beneficiary?

- a) Certificate of cremation or burial
- b) treating physician's certificate
- c) Inquest report of the Govt. agency
- d) all of these

(59) Identify the correct statement

- a) Risk retention would mean absence of possibility of loss or damage
- b) The event of loss is insignificant
- c) Assets are covered by insurance
- d) The owner of assets is prepared to accept the uninsured risks and its effects

(60) State the correct statement

- a) Survey and inspection of property is essential before acceptance of risk to assess the risk for rating purpose
- b) To find out the true value of asset
- c) To find out how the asset came into the owner's possession
- d) To know whether any other property in the neighbourhood can be insured