

Bank Probationary Officers

Solved Sample Question Paper (Financial and General Awareness)

1. When did Regional Rural Banks start functioning in India?

- (A) 1975
- (B) 1947
- (C) 1956
- (D) 1960

2. Who was the Chairman of the Sixth Central Pay Commission?

- (A) Justice B. N. Srikrishna
- (B) Prof. Ravindra Dholakia
- (C) J. S. Mathur
- (D) Sushma Nath

3. The 11th Five Year Plan is termed as plan for.

- (A) India's Health
- (B) Eradication of poverty from India
- (C) India's Education
- (D) Development of Rural India

4. Which of the following correctly describes what sub-prime lending is?

- (1) Lending to the people with less than ideal credit status.
- (2) Lending to the people who are high value customers of the banks.
- (3) Lending to those who are not a regular customer

- (A) Only 1
- (B) Only 2
- (C) Only 3
- (D) All

5. The actual return of an investor is reduced sometimes as the prices of the commodities go up all of a sudden. In financial sector this type of phenomenon is known as:

- (A) Probability risk
- (B) Market risk
- (C) Inflation risk
- (D) Credit risk

6. Which of the following is the limitation of the ATMs owing to which people are required to visit branches of the bank?

- (1) It does not accept deposits.
- (2) It has a limited cash disbursement capacity.
- (3) Lack of human interface.

- (A) Only (1)
- (B) Only (2)
- (C) Only (3)
- (D) All**

7. The World Development Report 2009 is released by which of the following Organisations?

- (A) UNESCO
- (B) ADB
- (C) IMF
- (D) World Bank**

8. Which of the following statements is/are TRUE about the Lehman Brothers Holdings Inc. which was in news sometimes back?

- (1) The US government provided a US\$ 7000 million bailout package to the company.
- (2) The company filed for bankruptcy in a court in New York.
- (3) The company is now out of financial crisis and is busy in its restructuring so that it can start afresh.

- (A) Only (1)
- (B) Only (2)**
- (C) Only (3)
- (D) All

9. The Reserve Bank of India has recently issued guidelines to banks on Pillar 2 of Basel II framework. Pillar 2 deals with which of the following?

- (1) Better human resource management
- (2) Adequate capital to support risks
- (3) Better profitability with minimum number of employees

- (A) Only (1)
- (B) Only (2)
- (C) Only (3)
- (D) None of these**

10. The World Investment Report 2008 was released in September 2008. This report is published every year by:

- (A) Government of India
- (B) World Trade Organisation (WTO)
- (C) Asian Development Bank (ADB)
- (D) United Nations Conference on Trade and Development (UNCTAD)**

11. As we all know some new initiatives were introduced in the area of Fiscal Management by the government of India. Which of the following acts was passed a few years back to keep a

check on the fiscal indiscipline on macroeconomic parameters?

- (A) FERA
- (B) FRBMA**
- (C) FEMA
- (D) Public Debt Act

12. Which of the following has the sole right of issuing paper notes in India?

- (A) Union Government
- (B) Reserve Bank of India**
- (C) Ministry of Finance
- (D) Supreme Court

13. Decision taken at Bretton Woods Conference led to the formation of

- (A) IDA
- (B) IMF**
- (C) ADB
- (D) IFC

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

- (A) bearer cheques
- (B) credit cards**
- (C) demand drafts
- (D) gift cheques

15. Euro is the currency of European Union. When did it come into being?

- (A) 1999**
- (B) 1995
- (C) 2000
- (D) 2001

16. Which is the largest commercial bank in India?

- (A) Reserve Bank of India
- (B) State Bank of India**
- (C) ICICI Bank
- (D) Bank of India

17. The Bank of Calcutta, Bank of Bombay and Bank of Madras were merged in 1921 to form

- (A) Reserve Bank of India
- (B) Imperial Bank of India**
- (C) Bank of India
- (D) Union Bank of India

18. In India, income tax is levied by

- (A) Union Government**
- (B) State Governments
- (C) Ministry of Finance

(D) RBI

19. The Reserve Bank of India was nationalized in?

(A) 1947

(B) 1948

(C) 1950

(D) 1956

20. What is a Bank which has capital and reserves of over Rs. 5 lakhs called?

(A) National Bank

(B) Cooperative Bank

(C) Scheduled Bank

(D) Unscheduled Bank