

Banking System

1. Which is the largest commercial bank of the country?

- a) Bank of India
- b) Canara Bank
- c) State Bank of India
- d) Union Bank of India

ANSWER: c) State Bank of India

2. The subsidiary banks attached to the State Bank are:

- (i) State Bank of Bikaner and Jaipur (ii) State Bank of Hyderabad
- (iii) State Bank of Indore
- (iv) State Bank of Mysore (v) State Bank of Patiala (vi) State Bank of Saurashtra
- (vii) State Bank of Travancore

- (a) only (i) , (v), and (vi)
- (b) only (ii), (iii), (iv), and (vii)
- (c) All the above
- (d) None of the above

ANSWER: (c) All the above

3. The RBI sanctioned the amalgamation of the Centurion Bank with the HDFC Bank on _____.

- a) May 23, 2008
- b) August 13, 2008
- c) June 30, 2009
- d) March 31, 2009

ANSWER: a) May 23, 2008

4. Which one of the subsidiary banks was merged with the State Bank of India on August 13, 2008?

- a) State Bank of Hyderabad
- b) State Bank of Indore
- c) State Bank of Mysore
- d) State Bank of Saurashtra

ANSWER: d) State Bank of Saurashtra

5. According to which issue of guidelines did the RBI grant approval for the setting up of 13 new privately-owned domestic banks?

- a) April, 1980
- b) March, 1971
- c) January, 1993
- d) September, 1993

ANSWER: c) January, 1993

6. The new privately-owned domestic banks that started functioning with the approval of the RBI as per the issue of guidelines in January 1993 include:

- (i) UTI Bank Ltd. (Registered Office : Ahmedabad)
- (ii) IndusInd Bank Ltd. (Pune)
- (iii) ICICI Bank Ltd. (Baroda)
- (iv) Global Trust Bank Ltd. (Secunderabad)
- (v) HDFC Ltd. (Mumbai)
- (vi) Centurion Bank Ltd. (Since amalgamated with HDFC Bank in 2008) (Panaji)
- (vii) Bank of Punjab Ltd. (Chandigarh)
- (viii) Times Bank Ltd. (Faridabad)
- (ix) IDBI Bank Ltd. (Indore)

(x) Development Credit Bank Ltd. (Mumbai)

(a) both (i) and (viii)

(b) only (ii), (iii), (iv), (v), (vi), (vii), (ix), and (x)

(c) None of the above

(d) All the above

ANSWER: (d) All the above

7. When did the nationalisation of major banks happen?

a) June, 1951

b) June, 1961

c) June, 1969

d) July, 1969

ANSWER: d) July, 1969

8. Deposits mobilised by the banks are utilised for.

(i) loans and advances

(ii) investment in government and other approved securities in fulfilment of liquidity stipulation

(iii) investment in commercial paper, shares, debentures up to stipulated ceilings

(a) only (i)

(b) both (ii) and (iii)

(c) All the above

(d) None of the above

ANSWER: (c) All the above

9. When did the Government initiate the process of amalgamation of RRBs in a phased manner?

a) September, 2005

b) March, 2009

- c) June, 2009
- d) March, 2010

ANSWER: a) September, 2005

10. When did the National Housing Bank start its operations?

- a) July, 1982
- b) July, 1988
- c) April, 1980
- d) March, 1971

ANSWER: b) July, 1988

11. When did the government acquire RBI's shareholding (72.5%) in NABARD?

- a) May, 2008
- b) June, 2008
- c) August, 2008
- d) March, 2009

ANSWER: b) June, 2008

12. When did the Government of India set up the Export-Import Bank of India?

- a) January, 1982
- b) January, 1993
- c) March, 1971
- d) June, 1969

ANSWER: a) January, 1982

13. Which bank had the highest concentrations of operations overseas in 2010?

- a) Bank of Baroda
- b) Bank of India

- c) State Bank of India
- d) Union Bank of India

ANSWER: a) Bank of Baroda

14. When did the Government of India appoint a committee under the chairmanship of Shri M.Narasimham to strengthen the banking system?

- a) May, 2006
- b) April, 1998
- c) December, 1997
- d) September, 2005

ANSWER: c) December, 1997

15.The Reserve Bank of India was established on _____.

- a) April 1, 1935
- b) July 12, 1982
- c) May 26, 2006
- d) September 30, 2005

ANSWER: On April 1, 1935

16.Which of the following is true about the functions performed by RBI -

- (i) It is the Bank of Issue
 - (ii) It acts as banker to the Government
 - (iii) It is the banker of other banks
 - (iv) It regulates the flow of credit
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- (a) Both (i) and (ii)
 - (b) Both (iii) and (iv)

- (c) All the Above
- (d) None of the above

ANSWER: (c) All the Above

17. India is a member of the International Monetary Fund since _____.

- a) 1934
- b) 1935
- c) 1947
- d) 1949

ANSWER: c) 1947

18. When did the Reserve Bank of India notify the draft regulations relating to the Credit Information Companies (Regulation) Act, 2005?

- a) April 5, 2006
- b) May 26, 2006
- c) June 29, 2007
- d) September 30, 2005

ANSWER: a) April 5, 2006

19. When did the Centre acquire the Reserve Bank of India's entire 59.73% equity stake in the State Bank of India (SBI) at over Rs. 35,531 crore in New Delhi?

- a) April 5, 2006
- b) May 26, 2006
- c) June 29, 2007
- d) September 30, 2005

ANSWER: c) June 29, 2007

20. According to which guidelines did the Government pick up the entire SBI shares held by the RBI?

- a) National Stock Exchange of India
- b) Securities Commission
- c) Financial Regulations
- d) Securities and Exchange Board of India (SEBI)

ANSWER: d) Securities and Exchange Board of India (SEBI)