

Bank Exam Question Paper Model - 3

1. What is meant by 360 degree appraisal?
 - a. line manager rates subordinates simultaneously
 - b. person himself gives feed back
 - c. senior manager rates all line managers simultaneously
 - d. Where every employee rates another employee chosen at random
 - e. where feedback is obtained from peers, subordinates and supervisors

2. Which of the following problems may result due to skill gaps?
 - a. Delays developing new products.
 - b. Increased business.
 - c. Poor customer service.
 - d. Quality issues.
 - e. None of these

3. Incremental changes are _____.
 - a. more dramatic than radical change
 - b. less dramatic than radical change
 - c. infrequently encountered
 - d. usually very expensive

e. None of above.

4. Which of the following are the primary functions of all organizations?

- a. operations, marketing, and quality
- b. sales, quality control, and operation
- c. advertising, human resources, and finance/accounting
- d. marketing, operations, and finance/accounting
- e. none of the above

5. Which of the following is/are the internal stakeholder group

- a. Debt holders
- b. Customers
- c. Shareholder
- d. Suppliers
- e. a & c only

6. Financial information related to the year ended 31st march 2018. Sales Rs. 80,00,000 Return on net worth 25% Rate of income tax 50% Net Profit to sales ratio 6.25% Cost of goods sold Rs.20,00,000

Interest on Debentures Rs. 50,000

What will be operating expenses and Profit before Interest and Tax for the year 31st march, 2018

- a. 51,30,000 & 10,70,000
- b. 10,00,000 & 52,40,000
- c. 10,50,000 & 49,50,000
- d. 10,50,000 & 60,00,000
- e. 11,70,000 & 52,30,000

7. As per RBI benchmark for allocation of bank credit, women beneficiaries should receive at least ____% of net bank credit.

- a. 2
- b. 5
- c. 10
- d. 8
- e. 1

8. Good luck company produce 1 million units of toys. The annual fixed cost is INR 0.5 million. The per unit variable cost INR 3. Selling price is 50% above unit variable cost. What is the degree of operating leverage?

- a. 1.3
- b. 1.4
- c. 1.5
- d. 1.6
- e. 1.7

9. Which is/are solvency ratios out of following

- a. Gearing ratio
- b. Current ratio
- c. Capital Adequacy ratio
- d. Interest coverage ratio
- e. None of these

10. Which one of the following is a role of board of director?

- a. To define vision mission and values of the company and make necessary changes, as and when required.
- b. To ensure effective communication with the stake holders and monitor the relationship with them.
- c. To give ultimate direction to the company.
- d. To safe-gaurd asset of company
- e. All of the above

11. In _____, bonus paid to a worker is equal to 50% of time saved multiplied by rate per hour.

- a. Hasley Plan
- b. Bedaux Plan
- c. Barth Scheme
- d. Rowan Plan

e. None of these

12. Find the YTM on the bond which pays an annual interest of 12% and has been bought at INR 50 discount. The face value of the bond is INR 1000 and it matures in 5 years.

a. 12.45 %

b. 12.85 %

c. 13.85 %

d. 14.45 %

e. 13.45 %

13. NABARD has been established on the recommendation of

a. Talwar committee

b. Tandon committee

c. Narasimhan Committee

d. Shivaraman committee

e. None of these

14. What do you understand by the term insider trading?

a. is the voluntary release of non public information , as a moral protest , by a member or former member of an organization outside the normal channels of communication to an appropriate audience about illegal and

/or immoral conduct in the organization .

- b. opinion on the future ability of the issuer of a specific fixed income securities to make timely payments on principal and interest thereon
- c. is an illegal practice of buying and selling shares of corporate securities based on fiduciary information, which known only to small group of persons, such as executive and their friends
- d. is trading of shares of company by person who is on roll employee of company
- e. none of these

15. 'Veblen effect' can be defined as practice of giving everyone

- a. Random ratings.
- b. Average ratings.
- c. Low ratings.
- d. High ratings.
- e. None of these

16. Which of the following are to be followed by Commercial Banks for risk management?

- a. Basel II norms
- b. Basel III norms
- c. Basel I norms

- d. Solvency II norms
- e. Solvency I norms

17. Which of the following are quantitative control methods

- a. Bank rate
- b. CRR
- c. Statutory Liquidity ratio
- d. Open market operations
- e. All of the above

18. Contextual leadership _____.

- a. Static approach of leading – believe business environment is not dynamic at all
- b. Believe leader and manager are same
- c. Assumes decreasing complexity up in the organization
- d. Defined plan need to be followed by leader, no need to change their response
- e. stresses that, a leader's responsiveness to the evolving trends

19. The National Housing Bank (NHB) was set up in India as a wholly-owned subsidiary of

- a. Reserve Bank of India

- b. HDFC
- c. State Bank of India
- d. ICICI Bank
- e. None of the above

20. Theory Y given by Douglas McGregor's rest on the belief that managers would assume that employees would:

- a. Dislike work
- b. Need to be controlled
- c. Exercise self direction
- d. Avoid responsibility
- e. It not related to employee at all

21. Which of the following connect all business functions and become the basis for all managerial decisions?

- a. Marketing
- b. Technology
- c. Leadership
- d. motivation
- e. Information

22. Retail Banking means

- a. Credit facilities extended to retail traders
- b. Providing personal banking services directly to the consumers
- c. Collection of large number of dividend/interest warrants
- d. Both of a and b
- e. All of the above

23. _____is popular, internet based modern means of communication.

- a. Tele-call
- b. Fax
- c. Electronic mail
- d. letter
- e. None of these

24. Theory X given by Douglas McGregor's relates relate to:

- a. Maslow's lower level needs.
- b. Maslow's higher level needs.
- c. Maslow's middle level needs
- d. Neither level of Maslow's hierarchy of needs.
- e. Both levels of Maslow's hierarchy of needs.

25. What is the full form of CBS?

- a. Core Banking Solution
- b. Core Banking Software
- c. Core Banking System
- d. Core Banking Service
- e. None of these

26. The Fiscal Responsibility and Budget Management Act, 2003, have which of following objectives

- a. to introduce transparent fiscal management systems in the country
- b. to introduce a more equitable and manageable distribution of the country's debts over the years
- c. to aim for fiscal stability for India in the long run
- d. only a and b
- e. all a, b and c

27. Which one of following PMJDY relates to

- a. Female Education
- b. Food Safety
- c. Literacy
- d. Financial Inclusion

e. none of the above

28. IPO stands for _____

a. Initial payment option

b. Initial public option

c. Initial price offer

d. Interim public offer

e. Initial public offer

29. Well-functioning financial markets promote

a. inflation

b. deflation

c. unemployment

d. growth

e. none of the above

30. Budget deficits are important to monetary authorities because

a. The financing of government budget deficits may affect the conduct of monetary policy.

b. Budget deficits may increase interest rates, putting pressure on the monetary authorities to expand the quantity of money to keep interest rates from rising.

- c. Budget deficits may put pressure on reserve bank to increase the growth rate of the money supply.
- d. Only a and c
- e. All of the above.

31. If the CPI in 2017 is 200, and in 2016 the CPI is 180, the rate of inflation from 2016 to 2017 is

- a. 20%.
- b. 10%.
- c. 0%.
- d. -10%.
- e. -20%.

32. The contingency theory that focuses on the followers' readiness is

- a. Trait theory
- b. Expectancy theory
- c. Hersey and Blanchard's situational leadership theory
- d. Fiedler's contingency theory
- e. Path-goal leadership theory

33. The process of communication is aimed at delivering a clear message from a sender to a receiver, using.....

- a. verbal channels
- b. written channels
- c. Gestural means
- d. Only a & b
- e. all a, b and c

34. Forward contracts are of limited usefulness to financial institutions because of ;

- a. Default risk.
- b. Impossible to hedge risk.
- c. Lack of liquidity.
- d. All three above.
- e. Both (a) and (c) of the above.

35. By hedging a portfolio, a bank manager

- a. Reduces interest rate risk.
- b. Increases reinvestment risk.
- c. Increases exchange rate risk.
- d. Increases the probability of gains.
- e. None of these

36. Communication is used by people to share and analyses the, Thoughts,_____ and ideas.

- a. Information
- b. Data
- c. Skill
- d. Knowledge
- e. All of these

37. Which of the following is not true about Bitcoins?

I. Bitcoins are a digital currency that can be used to buy products and

services without any intermediary.

II. The Indian government and the Reserve Bank of India have issued several warnings against dealing in Bitcoins, the former even comparing it with a Ponzi scheme.

III. India has banned Bitcoins

- a. I Only
- b. III Only
- c. Both I & II
- d. Both II & III
- e. All of the Above

38. Communication is a _____ of giving and receiving information through any number of channels.

- a. one-way process
- b. two-way process
- c. three-way process
- d. multi-way process
- e. All of these

39. Banking Regulation (Amendment) Act, 2017 is majorly focused on to deal with _____

- a. Fixed Assets
- b. Retail Assets
- c. Stressed Assets
- d. Performing Assets
- e. None of these

40. Which of the following categories of body movement is correctly defined?

- a. Emblems are movements that directly translate into words.
- b. Illustrators are movements that are universally recognized across cultures.

- c. Regulators control the rate of speech at which the speakers are talking.
- d. Adaptors are a form of feedback, signalling the listener's disagreement with the speaker.
- e. None of these

41. _____Is also important for instructing employees on certain tasks and projects.

- a. Oral Communication
- b. Report
- c. interview
- d. Written communication
- e. None of these

42. The disadvantage of swaps is that they

- a. lack liquidity
- b. are difficult to arrange for a counterparty
- c. suffer from default risk
- d. Only a and B
- e. all of the above

43. With reference to principles of corporate governance._____ protect shareowners rights, treat all shareholders including minorities, equitably and provide effective redress for violations.

- a. Transparency
- b. Responsibility
- c. Fairness
- d. Accountability
- e. Independence

44. The Reserve Bank relaxed norms for issuance of rupee-denominated overseas bonds, popularly known as Masala bonds, saying they will be treated as _____

- a. Euro Bond
- b. American Depositary Receipt
- c. Global Depositary receipt
- d. External Commercial Borrowings
- e. None of these

45. Financial derivatives include

- a. stocks
- b. bonds
- c. future
- d. debt

e. none of the above

46. What does the governance framework determines

- a. Who the organisation is there to serve
- b. The regulatory framework in which the organisation operates
- c. The legal framework for the administration of the organisation
- d. Who the organisation is there to serve and how the purposes and priorities of the organisation should be decided
- e. All of these

47. Organizations develop through training and development, which bring benefits to employees as well as to the organizations. Which of the following would not be regarded as a common feature that would result from training in today's modern workplace?

- a. Same job as no new skill learned
- b. Improve chances of promotion
- c. Be able to move more easily between jobs and other organizations
- d. Develop a range of transferable skills
- e. None of these

48. Communication sent to the speaker from the listener. These are called...

- a. Feedback
- b. Channels
- c. Encodings
- d. Speaks
- e. Decoding

49. When did the National Bank of Agriculture and Rural Development establish?

- a. July, 1982
- b. July, 1969
- c. June, 1981
- d. June, 1982
- e. July, 1981

50. Using the rule of 144 in how many years INR 10000 will be 40000 @ 6% p.a.

- a. 24
- b. 20
- c. 28
- d. 12
- e. 18