

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

1. What does 'Kite Flying' refers to in the banking terminology?
  - (A) The practice of depositing and withdrawing frequently in a bank account.
  - (B) Opening of multiple accounts with different names by any individual
  - (C) Doing unauthorised business
  - (D) Permitting draws against uncleared cheques**
  - (E) None of these
  
2. After the recommendations of which of the following committees the Universal Banking got its real existence in India?
  - (A) C Rangarajan Committee
  - (B) Narasimham Committee**
  - (C) Rakesh Mohan Committee
  - (D) RH Khan Committee
  - (E) R Chelliah Committee
  
3. The largest bank-Imperial Bank was nationalised in 1955 and rechristened as State Bank of India on the recommendation of which committee.
  - (A) Narsimham Committee
  - (B) Gorewala Committee**
  - (C) K. L. Rekhi Committee
  - (D) R. Chelliah Committee
  - (E) C. Rangarajan Committee
  
4. In India one Rupee Coins and Notes and Subsidiary
  - (a) State Bank of India
  - (b) Central Govt.
  - (c) Reserve Bank of India**
  - (d) Unit trust Bank of India
  
5. The Securities and Exchange Board of India(SEBI) was established in the Year
  - (a) 1992**
  - (b) 1993
  - (c) 1994
  - (d) 1988
  
6. Under which of the following type of account is a specified amount deposited every month for a specified period, says, 12, 24, 36 and 60 months?
  - (a) Fixed Deposit Account
  - (b) Saving Bank Account
  - (c) Current account
  - (d) Recurring Account**
  
7. \_\_\_\_\_ has been declared the first 'total banking state' in India, successfully implementing the total financial inclusion thereby ensuring banking facility to all households.
  - (a) Maharashtra
  - (b) Kerala**
  - (c) Himachal Pradesh
  - (d) Uttarakhand
  
8. \_\_\_\_\_ has become the first state in India to launch RBI's e- payment system for commercial tax payers.
  - (a) Goa
  - (b) Kerala
  - (c) Karnataka**
  - (d) Maharashtra
  
9. As per RBI instructions, places having a population of 2000 and above have to be provided with banking facilities by
  - (a) March 2011
  - (b) March 2012**
  - (c) March 2013
  - (d) March 2015
  
10. Which of the following bank has been included in the second Schedule to the RBI Act, 1934 with effect from 21st August, 2004 and thus is the latest entrant in Indian Banking as a new generation private sector bank?
  - (a) Kotak Mahindra Bank Ltd
  - (b) Yes Bank Ltd**
  - (c) ICICI Bank Ltd
  - (d) HDFC Bank Ltd

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

11. Some banks are financing projects like "Construction Roads/Bridges etc. Financing such projects means banks are helping exactly in —

- (a) Developing Core Sector Industry
- (b) Project Management
- (c) Infrastructural Development**
- (d) Financial Inclusion
- (e) All of these

12. On the recommendation of which committee was NABARD established?

- (a) Shivraman**
- (b) Rangarajan
- (c) Malegam
- (d) Vijay Kelkar

13. RBI was established on \_\_\_\_\_.

- (a) April 1, 1925
- (b) April 1, 1935**
- (c) April 1, 1945
- (d) April 1, 1955

14. Under which act does RBI issue directives to banks?

- (a) PMLA Act, 2002
- (b) RBI Act, 1934
- (c) DICGC Act, 1961
- (d) Banking Regulation Act, 1949**

15. Which of the following certainly is an effort in the direction of Financial Inclusion?

- (a) No-frills Accounts**
- (b) Foreign Currency Accounts
- (c) Internet Banking
- (d) Anywhere Banking
- (e) All of these

16. For which of the following, the Reserve Bank of India has stipulated the maximum capital adequacy requirement?

- (a) Private sector banks

(b) Banks that undertake insurance business

**(c) Local Area Banks**

(d) Scheduled Commercial Banks

(e) None of these

17. When the Reserve Bank of India (RBI) is the lender of last resort, what does it mean?

- (a) RBI advances money to public whenever there is any emergency
- (b) Commercial banks give fund to the RBI
- (c) RBI advances necessary credit against eligible securities**
- (d) All of the above
- (e) None of the above

18. Which of the following conditions must be fulfilled before a bank is included in the Second Schedule to the Reserve Bank of India Act?

- (a) It must be a State co-operative bank or a company as defined in the Companies Act, 1956 or an institution notified by the Central Government in this behalf or a corporation or a company incorporated by or under any law in force in any place outside In
- (b) It must satisfy the Reserve Bank of India that its affairs are not being conducted in a manner detrimental to the interests of the depositors
- (c) It must have a paid-up capital and reserves of an aggregate value of not less than Rs. 5 lakh
- (d) Only (a)
- (e) All of the above**

19. What is macro-economics?

- (a) macro economics deals with economic activities of the level of an economy as a whole**
- (b) it deals with only a segment of an economy
- (c) it deals with both 1 and 2
- (d) none of these

20. Which of the following banks was first to establish merchant banking business in India?

- (a) ABN Amro Bank
- (b) Citibank

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

- (c) HDFC Bank  
(d) Standard chartered  
**(e) Grindlays Bank**
21. Free Trade Refers to  
(a) Free movement of Goods from one country to other.  
(b) Movement of Goods from one Country to another free of cost.  
**(c) Unrestricted exchange of Goods and Services.**  
(d) Tool free of Duty
22. 'Swabhiman', the financial inclusion scheme, comes under the purview of which ministry?  
(a) Ministry of Commerce  
(b) Ministry of Home Affairs  
**(c) Ministry of Finance**  
(d) Ministry of External Affairs
23. A bank draft can be defined as a/an  
(a) Letter from commercial bank  
**(b) Cheque drawn on the bank itself**  
(c) Direction to a banker to collect a customer's debt  
(d) Instruction to dishonour a stop payment
24. The Banking Ombudsman  
(a) is in charge of bank loans for buses  
(b) fixes the rates of interest for loans  
**(c) resolves complaints of customer**  
(d) is the head of all nationalized bank  
(e) None of these
25. Paid-up share capital of Regional Rural Bank is contributed by  
(a) Central Government only  
(b) State Government only  
**(c) Central Government, State Government and the sponsor commercial bank in the ratio of 50: 15 :35 respectively**  
(d) NABARD, the concerned State Government and the sponsor commercial bank in the ratio of 60 : 20 :20 respectively
- (e) All of the above
26. Which public sector bank of India is the first fully Indian bank, established by the Indian national?  
(a) Allahabad Bank  
(b) Central Bank of India  
(c) State Bank of India  
**(d) Punjab National Bank**  
(e) Bank of Baroda
27. In periods of depression when the Reserve Bank of India (RBI) desires to encourage the banking system to create more credit, what it does?  
(a) Permits the Bank Rate to be decided by market forces  
(b) Raises the Bank Rate  
**(c) Reduces the Bank Rate**  
(d) All of the above  
(e) None of the above
28. Which of the following statements are correct with regard to foreign banks operating in India?  
(a) Foreign banks would be permitted to acquire a controlling stake in a phased manner, but only in those private sector banks which are identified by the RBI for restructuring.  
(b) The parent foreign bank of a wholly owned subsidiary would continue to hold 100 per cent equity in the Indian subsidiary for a minimum prescribed period of operation.  
(c) Foreign banks would be allowed to open more than the existing WTO commitment of 12 branches in a year.  
(d) Only (a) & (b)  
**(e) All of the above**
29. In Bank Term Deposit, what is the minimum period of maturity for deposits up to Rs 15 lakh?  
(a) 7days  
**(b) 15 days**  
(c) 1 months  
(d) 3 months

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

(e) 1 year

30. Which of the following terms indicates a mechanism used by commercial banks for providing credit to the government?

- (a) Cash Credit Ratio
- (b) Debt Service Obligation
- (c) Liquidity Adjustment Facility
- (d) Statutory Liquidity Ratio**
- (e) Cash Reserve ratio

31. What is the full form of LAF, the term used in banking world very frequently?

- (a) Legal Adjournment Formality
- (b) Liquid Advance & Finance
- (c) Liquidity Adjustment Facility**
- (d) Late Arrival of Finance
- (e) Local Advance Finance

32. What is the full form of 'CRR' as used in banking sector ?

- (a) Crucial Reserve Rate
- (b) Credit & Reserve Ratio
- (c) Compulsory Return Rate
- (d) Cash Reserve Ratio**
- (e) None of these

33. Which of the following is the correct statement/s about the Automated Teller Machine (ATM):

- (a) ATM is a computer which is dedicated to perform certain specific jobs only
- (b) ATM is totally menu driven which displays instructions to the customer step-by-step for operating the same
- (c) ATM is a user friendly machine and the customer does not require any training to use it
- (d) All of the above**
- (e) None of the above

34. The Indian Rupee is a

- (a) Token coin
- (b) Gold coin

(c) Standard coin

**(d) Standard-token coin**

(e) None of the above

35. What does cheap rate imply ?

- (a) interest are very high
- (b) interest rate are very low**
- (c) interest are medium
- (d) none of these

36. Which of the following is the most volatile foreign capital?

- (a) External commercial Borrowings
- (b) Foreign Direct Investment
- (c) Loans from international financial institutions
- (d) Foreign portfolio investment**
- (e) All of the above

37. Which of the following statements about the Cash Credit and Overdrafts is NOT TRUE?

- (a) In Cash Credit facility, an amount of loan is given to the borrower/businessmen for his working capital needs.
- (b) The rate of interest on over draft credit is somewhat higher than on cash credit.**
- (c) For cash credit, the security offered is current assets of the business.
- (d) Overdraft is a temporary facility.
- (e) For both cash credit and overdrafts, there is an agreed limit.

38. Which of the following terms indicates a mechanism used by commercial banks for providing credit to the government?

- (a) Cash Credit Ratio
- (b) Debt Service Obligation
- (c) Liquidity Adjustment Facility
- (d) Statutory Liquidity Ratio**
- (e) Cash Reserve ratio

39. Number of Central Bank in India

**(a) One**

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

- (b) Two
- (c) Three
- (d) Four

40. If a customer does not get a satisfactory response to his grievance from the bank within \_\_\_\_\_ days, then he can approach the Banking Ombudsman.

- (a) 60
- (b) 90
- (c) 30**
- (d) 15

41. When RBI sells government securities, its result is that

- (a) The liquidity in the banking system increases
- (b) The liquidity in the banking system remains unchanged
- (c) The liquidity in the banking system gets diminished**
- (d) None of the above

42. Universal bank

- (a) is present universally, i.e. in all the countries of the world
- (b) undertakes the work of non-issuing authority, monetary and regulatory authority, banker of the Government and equipment leasing
- (c) understands the functions of a development institution as well as a commercial banks.**
- (d) all the above
- (e) None of these

43. The Signature on a hundred-rupee note is of

- (a) The Governor, Reserve bank of India**
- (b) The Finance minister of India
- (c) Secretary, Finance ministry of India
- (d) President of India

44. Where is the headquarter of the International Monetary Fund (IMF)?

- (a) Geneva

**(b) Washington DC**

- (c) London
- (d) Manila
- (e) Paris

45. NABARD was set up as an apex development bank with a mandate for facilitating credit flow for promotion and development of

- (a) Cottage and village industries
- (b) Handicrafts and other rural crafts
- (c) Agriculture
- (d) Small-scale industries
- (e) All of the above**

46. The land development banks play a crucial role in

- (a) Developing allied activities in rural sector
- (b) The provision of investment credit for agriculture**
- (c) Expanding social forestry
- (d) Providing crop loans to the farmers
- (e) None of the above

47. With a view to facilitate payment of balance in the deposit account to the person named by the depositor without any hassles in the event of death of the account holder, the following facility was introduced for bank accounts in our country?

- (a) Guarantee
- (b) Nomination**
- (c) Registration
- (d) Indemnity
- (e) Will

48. Name the oldest life insurance or country which is setting up its investment arms to ensure compliance with IRDA's regulation not allowing an insurer to outsource the investment function

- (a) postal life insurance**
- (b) life insurance corporation of Indian limited
- (c) sbi life
- (d) oriental insurance company limited
- (e) none of these

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

49. What is a stale cheque?  
 (a) A cheque issued without drawer's signature  
 (b) A cheque with only the drawer's signature  
 (c) **A cheque which has completed three months from its date of issue**  
 (d) A six months post-dated cheque  
 (e) Any one of the above
50. Which of the following organization and headquarters are not correctly matched?  
 (a) Organisation of the Petroleum Exporting Countries-Vinnea  
 (b) Association of South East Asian Nations- Jakarta  
 (c) **World Food Organisation- Paris**  
 (d) BENELUX-Brussels  
 (e) South Asian Regional Association for Regional Corporation-Khatmandu
51. Bank Rate implies the rate of Interest -  
 (a) Paid by the reserve Bank of India on the deposit of Commercial Banks  
 (b) Charged by Banks on Loan and Advances  
 (c) Payable on Banks  
 (d) **At which the Reserve Bank of India discounts the bill of Exchange.**  
 (e) None of these
52. The Usual deposit account of bank are  
 (a) Current account , Electricity account and Insurance Premium Account.  
 (b) Current account , Post Office Saving Bank accounts and term deposit accounts.  
 (c) Loan accounts , Saving bank accounts and term deposit accounts.  
 (d) **Current accounts , Savings bank accounts and term deposit account.**  
 (e) Current Bill accounts and term deposit account.
53. RTGS as well as NEFT uses  
 (a) UTR Number  
 (b) MICR  
 (c) **IFSC**  
 (d) DNS  
 (e) None of these
54. Whenever somebody needs foreign currency against Indian Rupee, banks give equivalent amount of desired currency based on prevalent  
 (a) bank rate  
 (b) currency rate  
 (c) policy rate  
 (d) **exchange rate**  
 (e) base rate
55. Universal Bank is one which  
 (a) is present universally i.e. in all the countries of the world  
 (b) **undertakes the functions of a Development Financial Institution as well as a commercial bank**  
 (c) undertakes the work of note-issuing authority, monetary and regulatory authority, banker of the Government and equipment leasing  
 (d) All of the above  
 (e) None of the above
56. Reserve Bank of India (RBI), with regard to RTGS, has decided that  
 (a) Settlement of transactions of the clearing corporation of India and the stock market would be conducted through RTGS  
 (b) There would be no floor ceiling for routing transactions through RTGS  
 (c) RTGS would be accessible to all retail customers  
 (d) **All of the above**  
 (e) None of these
57. Interest on savings bank account is now calculated by banks on:  
 (a) Maximum balance during the month  
 (b) Minimum balance during the month  
 (c) **Daily product basis**  
 (d) Minimum balance from 7th to the last day of the month



## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

(e) Minimum balance from 10th to last day of the month

58. Which of the following statement is/are correct ?

- (a) bank comes under service sector
- (b) this is regulated by SEBI
- (c) bank can receive both time and demand deposit from public
- (d) only 1 and 3**
- (e) only 1 and 3

59. Many a time we read the newspapers about the 'Indian Depository Receipts'. Which of the following s not correct about the Indian Depository Receipts?

- (a) They are derivative instruments
- (b) They have shares as the underlying assets
- (c) They are non-negotiable financial instruments**
- (d) They are regulated by the RBI as well as SEBI
- (e) All the above are correct

60. The logo OF Bank of Baroda

- (a) Sun of Bank of Baroda
- (b) Baroda Sun**
- (c) Bank of Baroda's Rays
- (d) Sun Light of Bank of Baroda
- (e) None of these

61. Which bank in India performs the duties of Central Bank ?

- (a) Central Bank of India
- (b) State Bank of India
- (c) Reserve Bank of India**
- (d) Above (a) and (c)
- (e) None of these

62. Fixed Deposits and recurring deposits are

- (a) Repayable after an agreed period**
- (b) Repayable on demand
- (c) not Repayable
- (d) Repayable after death of depositors
- (e) Repayable on demand or after an agreed period as per bank choice

63. Which of the following statement is incorrect about SEBI?

- (a) SEBI is a capital market regulator
- (b) SEBI is the mutual fund regulator
- (c) SEBI also regulates the credit rating agencies in India
- (d) None of them is wrong**
- (e) None of the above

64. Union Budget which is presented every year in the parliament is also known as

- (a) Annual Budget
- (b) Common Budget
- (c) General Budget**
- (d) Finance Report of the year
- (e) Statement of Allocation of funds

65. Which of the following statements are correct in regard to foreign banks operating in India?

- (a) The parent foreign bank of a wholly owned subsidiary would continue to hold 100 per cent equity in the Indian subsidiary for a minimum prescribed period of operation
- (b) Foreign banks would be permitted to acquire a controlling stake in a phased manner, but only in those private sector banks which are identified by the Reserve Bank for restructuring
- (c) Foreign banks would be allowed to open more than the existing WTO commitment of 12 branches in a year
- (d) Only (a) and (b)
- (e) All of the above**

66. Biometric ATMs have been introduced by many banks recently, to cater to which type of customers?

- (a) Urban customers
- (b) Non-Resident Indians
- (c) People with dubious characters
- (d) Rural and illiterate people**
- (e) Bank employees

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

67. In the year 1966, the Reserve Bank of India (RBI) set up the All India Rural Credit Review Committee in order to

- (a) Establish Regional Rural Banks
- (b) Establish NABARD
- (c) Reassess the developments that took place in the field of rural credit since 1954, i.e. subsequent to submission of the report of the All India Rural Credit Review Committee.**
- (d) All of the above
- (e) None of the above

68. Which of the following is not correct about the acceptance of deposits by the Non-Banking Financial Companies (NBFCs)?

- (a) Their deposits are not insured.
- (b) The repayment of deposits by NBFCs is guaranteed by the RBI.**
- (c) They should have minimum investment grade credit rating.
- (d) They are allowed to accept/renew public deposits for a minimum period of 12 months and maximum period of 60 months.
- (e) They cannot accept deposits repayable on demand.

69. Which of the following is a capital market instrument?

- (a) Commercial paper
- (b) Negotiable certificate of deposit
- (c) Treasury bill
- (d) All of these
- (e) None of these**

70. Which of the following is/are not the pillar(s) of basel-2 norms?

- (a) minimum capital adequacy
- (b) supervisory review
- (c) market discipline
- (d) all of the above**

(e) None of the above

71. Consider the following statements with reference to shadow Banks.

- a) They do not accept demand deposits and, therefore, are not subject to same regulations.
  - b) They carry less risk of failure.
  - c) They have no access to central bank funds.
- Which of the statements given above is/are correct?
- (a) only A
  - (b) only B and C
  - (c) only A and C**
  - (d) All of the above
  - (e) None of these

72. Global Financial Stability report is published by

- (a) World Bank
- (b) Asian Development Bank
- (c) International Monetary Fund**
- (d) Reserve Bank of India
- (e) None of these

73. Since April 1, 2012 \_\_\_\_\_ has become the validity of cheques and bank drafts.

- (a) 2 months
- (b) 3 months**
- (c) 4 months
- (d) 6 months
- (e) None of these

74. Which of the following is not the name of a bank, functioning in India?

- (a) Dena Bank
- (b) Aegon Religare**
- (c) United Bank of India
- (d) Central Bank of India
- (e) Citi Bank

75. The issued/paid-up capital of a Regional Rural Bank should be

- (a) Rs.5lakh



## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

(b) minimum Rs 25 lac and maximum Rs 100 lac

(c) Rs.80 lac

(d) Rs. 60 lac

(e) None of the above

76. Which of the following is also known as the National Bank?

(a) Reserve Bank of India

(b) Asian Development Bank

(c) State Bank of India

**(d) NABARD**

(e) None of these

77. One of the Following is not a Function of Reserve Bank of India

(a) Issuing Currency Notes

(b) Formulating Monetary Policy

(c) Exercising Control over all Banks in India

**(d) Lending Money to Exporters**

(e) None of these

78. NBFC means

(a) Nationalize Bank for Financial Co-operation

**(b) Non-banking Financial Company**

(c) National Bank for Financial Co-operation

(d) Non-banking Financial Co-operation

(e) None of these

79. The National Housing Bank was set up in India as a wholly-owned subsidiary of which one of the following?

(a) Life Insurance Corporation of India

(b) NABARD

(c) State Bank of India

(d) HDFC

**(e) Reserve Bank of India**

80. \_\_\_\_\_are the beneficiaries of the "Reverse Mortgage Scheme".

(a) Government employees

**(b) Senior citizens**

(c) Unemployed persons

(d) Persons of BPL category

(e) None of these

81. Recently, the Reserve Bank of India (RBI) has announced that it will purchase government securities worth Rs. 10,000 crore through open market operation. The RBI's move aims to

**(a) ease liquidity**

(b) have no effect on liquidity

(c) help raise savings from the general public by the way of issue of equity

(d) tighten liquidity

(e) None of these

82. Which of the following foreign banks has the highest number of branches in India?

(a) Citibank

(b) ABN Amro Bank

(c) HSBC Ltd

**(d) Standard Chartered Bank**

(e) ANZ Grindlays Bank

83. On what basis is Ad Valorem Tax levied?

(a) Volume

**(b) Value**

(c) Imports

(d) Exports

(e) None of these

84. Which of the following is a leading electronic payment technology firm? (The logo of the firm can be seen printed on credit cards/ATM centres etc.)

**(a) Visa**

(b) Max

(c) BSE

(d) Sensex

85. In which city the Bank of International Settlements (BIS) located?

(a) New York

**(b) Basel**

(c) Washington

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

(d) Paris

86. Which of the following instruments of credit control adopted by the Reserve Bank of India (RBI) does not fall within 'general' or 'quantitative' methods of credit control?

- (a) Bank rate
- (b) Open market operations
- (c) Stipulation of certain minimum margin in respect of advance against specified commodities**
- (d) Variable reserve requirements

87. Which of the following bank became the first in India to be fully computerized?

- (a) State Bank of India
- (b) Punjab National Bank
- (c) Bank of Baroda
- (d) Bank of India**

88. Under the 'Swabhiman' above how much population the government has decided to provide banking facilities to unbanked areas?

- (a) 2000**
- (b) 3000
- (c) 4000
- (d) 5000

89. Think about "Swabhimaan" and select the correct statement(s)

1. It is a financial inclusion programme of central govt.
2. It is a social development programme for women.
3. In this programme core households would be provided access to banking services in unbanked areas.

- (A) All is correct
- (B) Only 1 and 3**
- (C) Only 2 and 3
- (D) Only 1 and 2
- (E) None of these

90. Which of the following is not one of the criteria fixed by the RBI on the recommendation of the in-house committee set up for the autonomy of the public sector banks?

- (a) Net owned funds must be more than Rs 500 crore**
- (b) Mandatory capital adequacy requirement of 9%
- (c) Maximum Non-Performing Asset (NPA) limit of 9%
- (d) All of the above are correct criteria

91. RBI was nationalized in the year

- (a) 1949**
- (b) 1952
- (c) 1955
- (d) 1964

92. Which of the following services are regulated by the Telecom Regulatory Authority of India (TRAI)?

- (A) Internet service (B) Cable television (C) Boardcasting (D) Mobile telephony
- (a) only c and d
- (b) only b
- (c) only a ,b and c
- (d) All the above**

93. National income of India is estimated by

- (a) NCAER
- (b) Ministry of Statistics
- (c) Central Statistical Office**
- (d) Ministry of Finance

94. RBI has introduced "Marginal Standing Facility" with the objective of:

- (a) Controlling Inflation
- (b) Containing instability in long term inter-bank rates
- (c) Containing instability in the overnight inter-bank rates**
- (d) All of the above

95. Internal Capital Adequacy Assessment Process is the result of which of the following?

- (A) Basel Accord

## 100 Banking Awareness Questions and Answers for IBPS PO / Clerk

**(B) Basel Accord II**

- (C) Doha Accord
- (D) Ramsar Agreement
- (E) Geneva framework

96. International Finance Corporation (IFC) is considering a women's investment fund that would seek to invest in women owned businesses globally. IFC is investment arm of which of the following?

(A) Bank of Japan

**(B) World Bank**

- (C) International Monetary Fund (IMF)
- (D) Asian Development Bank (ADB)
- (E) None of these

97. The term 'Death Cross' is associated with which of the following?

**(A) Stock Exchange**

- (B) Astronomy
- (C) Christianity
- (D) Defence
- (E) None of these

98. The bank has only one office and it does all the banking/commercial activities like borrowing or lending this one office is called \_\_\_\_\_

- (A) Umbrella Banking
- (B) Union Banking
- (C) Whole sell Banking
- (D) Unit Banking**
- (E) None of these

99. When the rate of inflation increases

- (A) Purchasing power of money increases
- (B) purchasing power of money decreases**
- (C) Value of money increases.
- (D) Amount of money in circulation decreases
- (E) Purchasing power of money remains unchanged.

100. The number of steps taken to improve functioning of banking sector, (SLR and CRR were reduced, Banks were given freedom to open new

branches) based on the recommendation of which committee.

- (A) Rakesh Mohan Committee
- (B) Ramesh Chandra Committee
- (C) Narsimham Committee**
- (D) Usha horat Committee
- (E) Gorewala Committee

