

SSR DEGREE COLLEGE (A) NIZAMABAD
II-SEM INTERNAL-I EXAMINATIONS
B & FS
QUESTION BANK

UNIT-I: INTRODUCTION:

A. Multiple Choice Questions (10 MCQs)

1. Which of the following is a primary function of a commercial bank?

- a) Locker facility
- b) Accepting deposits
- c) Collection of dividends
- d) Issuing shares

Answer: b) Accepting deposits

2. E-banking means:

- a) Banking through cheques
- b) Banking through post offices
- c) Banking through internet
- d) Banking through cash only

Answer: c) Banking through internet

3. Mobile banking services are mainly provided through:

- a) ATM
- b) Internet café
- c) Mobile phone
- d) Passbook

Answer: c) Mobile phone

4. Core banking enables:

- a) One-branch banking
- b) Only rural banking
- c) Anywhere and anytime banking
- d) Only savings accounts

Answer: c) Anywhere and anytime banking

5. Bancassurance is a combination of:

- a) Bank and stock market
- b) Bank and insurance
- c) Bank and mutual fund
- d) Bank and RBI

Answer: b) Bank and insurance

6. Banking Ombudsman is appointed by:

- a) Government of India
- b) Commercial banks
- c) RBI
- d) SEBI

Answer: c) RBI

7. Reserve Bank of India was established in:

- a) 1930
- b) 1935
- c) 1947
- d) 1949

Answer: b) 1935

8. Which of the following is a tool of monetary policy?

- a) Income tax
- b) Repo rate
- c) Sales tax
- d) GST

Answer: b) Repo rate

9. NABARD mainly provides credit for:

- a) Large industries
- b) Foreign trade
- c) Agriculture and rural development
- d) Urban housing

Answer: c) Agriculture and rural development

10. SIDBI supports the development of:

- a) Large industries
- b) Small-scale industries
- c) Agriculture only
- d) Foreign banks

Answer: b) Small-scale industries

B. Fill in the Blanks (10 Questions)

1. The Reserve Bank of India was nationalized in the year _____.

Answer: 1949

2. Banking services through the internet are called _____ banking.

Answer: E-banking

3. RBI acts as the _____ of banks.

Answer: Banker's bank

4. The policy used to control money supply is called _____ policy.

Answer: Monetary

5. Banking Ombudsman resolves complaints of _____.

Answer: Bank customers

6. NABARD was established in the year _____.

Answer: 1982

7. RRBs mainly serve _____ and semi-urban areas.

Answer: Rural

8. Core banking provides _____ banking facilities.

Answer: Anywhere / Anytime

9. SIDBI stands for Small Industries Development Bank of _____.

Answer: India

10. Accepting deposits and granting loans are _____ functions of commercial banks.

Answer: Primary

UNIT-II: BANKER AND CUSTOMER RELATIONSHIP

A. Multiple Choice Questions (10 MCQs)

1. A banker is a person who:

- a) Only gives loans
- b) Accepts deposits and lends money
- c) Issues shares
- d) Collects taxes

Answer: b) Accepts deposits and lends money

2. A customer is a person who:

- a) Visits a bank once
- b) Has an account or regular dealings with a bank
- c) Works in a bank
- d) Borrows money only

Answer: b) Has an account or regular dealings with a bank

3. The banker-customer relationship is mainly:

- a) Social
- b) Political

- c) Legal and contractual
 - d) Religious
- Answer:** c) Legal and contractual

4. KYC stands for:

- a) Know Your Customer
 - b) Keep Your Cash
 - c) Know Your Credit
 - d) Keep Your Customer
- Answer:** a) Know Your Customer

5. In case of deposit, the bank is a:

- a) Creditor
 - b) Trustee
 - c) Debtor
 - d) Agent
- Answer:** c) Debtor

6. While collecting cheques, a bank acts as:

- a) Debtor
 - b) Creditor
 - c) Agent
 - d) Trustee
- Answer:** c) Agent

7. A minor's bank account is operated by:

- a) Bank manager
 - b) Friend
 - c) Guardian
 - d) Minor only
- Answer:** c) Guardian

8. Which document is required to open a partnership firm account?

- a) Memorandum of Association
 - b) Partnership deed
 - c) Sale deed
 - d) Share certificate
- Answer:** b) Partnership deed

9. A company account is opened after submitting:

- a) Partnership deed
- b) Board resolution
- c) Will

d) Income certificate

Answer: b) Board resolution

10. Clubs and non-trading institutions must submit:

a) Passport

b) Rules and bye-laws

c) Driving licence

d) Share application

Answer: b) Rules and bye-laws

B. Fill in the Blanks (10 Questions)

1. A banker accepts deposits from the _____.

Answer: Public

2. The relationship between banker and customer is _____ in nature.

Answer: Contractual

3. KYC norms are issued by the _____.

Answer: RBI

4. When money is deposited, the bank becomes a _____.

Answer: Debtor

5. A bank acts as a trustee when it keeps _____ in safe custody.

Answer: Valuables

6. A minor cannot be held _____ for overdrafts.

Answer: Liable

7. A married woman can open a bank account in her _____ name.

Answer: Own

8. Partners are _____ and severally liable for firm's debts.

Answer: Jointly

9. A company comes into existence after getting a certificate of _____.

Answer: Incorporation

10. Clubs and institutions are examples of _____ customers.

Answer: Non-trading

III. Descriptive Questions

1. Explain the **functions of commercial banks** in detail.
2. Discuss the **emerging trends in commercial banking in India** with special reference to e-banking, mobile banking and core banking.
3. Explain the **organization, management, objectives and functions of the Reserve Bank of India**.
4. Define banker and customer. Explain the **relationship between banker and customer**.
5. Explain the **general and special features of banker–customer relationship**.