

Banking Awareness Question and Answers

1) In April 1980, ____ banks were nationalized in India?

a. 3

b. 5

c. 6

d. 7

ANSWER: 6

Explanation:

In 1980, to provide government more power and command over credit delivery, six commercial banks in India were nationalized.

Andhra Bank

Corporation Bank

Oriental Bank of Commerce

New Bank of India

Vijaya Bank

Punjab and Sind Bank

Additionally, in 1993, New Bank of India merged with Punjab National Bank (PNB).

2) The liberalization of Indian Banking and Regulation was done based on recommendation of _____?

a. R Gandhi Committee

b. Narasimham Committee

c. Basel Committee

d. Khusro Committee

ANSWER: Narasimham Committee

Explanation:

The Narasimham Committee was established under former RBI Governor M. Narasimham in August 1991 to look into all aspects of the financial system in India.

The report of this committee had comprehensive recommendations for financial sector reforms including the Indian banking sector and capital markets.

3) Name the micro finance company that becomes the first to start operation as a commercial bank?

a. Pay Tm Bank

b. Vodafone m-Pisa Bank

c. Yes Bank

d. Bandhan Bank

ANSWER: Bandhan Bank

Explanation:

Bandhan Bank Ltd. is an Indian banking and financial services company headquartered in Kolkata, West Bengal. Bandhan, which started as a micro-finance company in 2001.

Bandhan received the in-principle approval of the (RBI) for setting up a universal bank in April 2014.

Kolkata-headquartered Bandhan is the first bank to be set up in eastern part of India after Independence.

Bandhan Financial Holdings is owned by Bandhan Financial Services Limited (BFSL), the largest micro finance organization in India.

Bandhan Bank

Tag-line : Aapka Bhala, Sabki Bhalai

Founded : 2001

Headquarter : Kolkata, West Bengal

Current Heads : Ashok Lahiri (Chairman), Chandra Shekhar Ghosh (MD, CEO)

4) In which year was the Bank of Maharashtra established?

a. 1937

b. 1935

c. 1934

d. 1949

ANSWER: 1935

Explanation:

BoM was established in the year 1935.

Bank of Maharashtra is a major public sector bank in India.

Government of India holds 81.61% of the total shares.

It has largest network of branches by any public-sector bank in the state of Maharashtra

BoM - Bank of Maharashtra

Founded : 1935; 81 years ago

Headquarter : Pune, India

Current Head : Ravindra Prabhakar Marathe (Chairman & MD)

5) Which of the following regulates Credit Rating agencies in India?

a. RBI

b. NSE

c. SEBI

d. ICAI

ANSWER: SEBI

Explanation:

SEBI regulates the Credit rating agencies in India.

ICRA Limited (ICRA) is an Indian independent and professional investment information and credit rating agency.

It was established in 1991, and was originally named Investment Information and Credit Rating Agency of India Limited (IICRA India).

It is one of the largest Indian rating company in term of customer base.

ICRA Limited

Founded : 1991

Headquarter : Gurgaon

Current Head : Naresh Takkar (CEO)

6) Who has been appointed as the MD and CEO of Bank of Baroda by the government?

- a. P. S. Jayakumar
- b. Jaykumar Sharma
- c. Shiv Pal Sharma
- d. Ajay Shankar

ANSWER: P. S. Jayakumar

Explanation:

This is the first time the government has chosen the candidate from the private sector to head the Public-Sector Banks.

Bank of Baroda is an Indian state-owned banking and financial services company headquartered in Vadodara (earlier known as Baroda) in Gujarat, India.

It is the second largest bank in India, next to State Bank of India.

Its headquarters is in Vadodara, it has a corporate office in the Bandra Kurla Complex in Mumbai.

BoB - Bank of Baroda

Founded : 20 July 1908; 108 years ago

Founder : Maharaja H. H. Sir Sayajirao Gaekwad III

Headquarter : Vadodara, India

Current Head : P S Jayakumar (MD & CEO)

7) South Indian Bank has its headquarter in which state?

a. Tamil Nadu

b. Kerela

c. Andhra Pradesh

d. Karnataka

ANSWER: Kerela

Explanation:

South Indian Bank Limited (SIB) is a major private sector bank headquartered at Thrissur City in Kerala, India.

Founded : 1929

Headquarter : Thrissur, Kerela

Current Head : Sri. V.G. Mathew (MD & CEO)

Two other major banks with headquarters in Kerala are -

Dhanalakshmi Bank

Founded : 1927

Headquarters : Thrissur, Kerala

Current Head : Sri G. Sreeram (MD & CEO)

Catholic Syrian Bank

Founded : November 26, 1920

Headquarter : Thrissur, Kerala

Current Head : CVR Rajendran (MD & CEO)

8) The first Indian RRB that achieved Core Banking Solution (CBS) in 2011 is _____?

- a. Pallavan Bank
- b. Rushikulya Gramya Bank (RGB)
- c. Allahabad UP Gramin Bank
- d. Bangiya Gramin Vikash Bank

ANSWER: Rushikulya Gramya Bank (RGB)

Explanation:

The Rushikulya Gramya Bank (RGB), a RRB operating in south Orissa, became the first RRB in the state to have placed all its branches on the Core Banking Solutions (CBS) platform.

In 2012, Rushikulya Gramya Bank (RGB) and Utkal Gramya Bank (UGB) were amalgamated to form a new RRB - Utkal Grameen Bank.

The Utkal Grameen Bank will function with its head office at Bolangir under the sponsorship of State Bank of India (SBI).

9) Headquarters of HUDCO is in ____?

- a. Mumbai
- b. New Delhi
- c. Kolkata
- d. Bangalore

ANSWER: New Delhi

Explanation:

The Housing and Urban Development Corporation Limited (HUDCO) is a government-owned corporation in India.

It is under the administrative control of the Ministry of Housing and Urban Poverty Alleviation.

It is mandated with building affordable housing and carrying out urban development.

Dr. M. Ravi Kanth, CMD HUDCO received the Governance Now PSU Award 2016.

The award was presented by Ram Vilas Paswan, Union Minister of Consumer Affairs, Food and Public Distribution and Babul Supriyo, Union Minister of State for Heavy Industries and Public Enterprises.

HUDCO

Founded : April 25, 1970

Headquarters : Mumbai, India

Current Head : Dr. M. Ravi Kanth (CMD)

10) The headquarter of ONICRA is _____.

- a. Mumbai
- b. Gurugram
- c. Hyderabad
- d. Noida

ANSWER: Gurugram

Explanation:

Onicra-leading Credit and Performance Rating agencies in India providing ratings, risk assessment and analytical solutions.

Credit rating agency ONICRA was established in 1993.

It is now Onicra Credit Rating Agency Of India Ltd.

This is a private sector agency set up by Onida Finance.

It has a niche market and provides assessment, grading and rating models for individuals & MSMES (micro, small and medium enterprises).

ONICRA

Founded : 1993

Headquarter : Gurugram, Haryana

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11) The Majority shareholder in CRISIL is _____?

a. Standard and Poors'

b. Fitch Ratings Inc.

c. Moody's

d. Dun and Bradstreet

ANSWER: Standard and Poors'

Explanation:

CRISIL's majority shareholder is Standard & Poor's, a division of McGraw Hill Financial and provider of financial market intelligence.

CRISIL (formerly Credit Rating Information Services of India Limited) is a global analytical company providing ratings, research, and risk and policy advisory services.

CRISIL

Founded : 1987

Headquarters : Mumbai, India

Current Head : Mr. Douglas Peterson (President), Ms. Ashu Suyash (MD & CEO)

12) FATCA stands for

- a. Foreign Account Tax Compliance Act
- b. Foreign Account Trade Company Act
- c. Financial Account Tax Compliance Act

d. Fiscal Account Tax Compliance Act

ANSWER: Foreign Account Tax Compliance Act

Explanation:

The Foreign Account Tax Compliance Act (FATCA) is a 2010 United States federal law to enforce the requirement for United States persons including those living outside the U.S. to file yearly reports on their non-U.S. financial accounts to the Financial Crimes Enforcement Network (FINCEN).

It requires all non-U.S. (foreign) financial institutions (FFIs) to search their records for indicia indicating U.S. person-status and to report the assets and identities of such persons to the U.S. Department of the Treasury

(It is intended to detect and deter the evasion of US tax by US persons who hide money outside the US. FATCA creates greater transparency by strengthening

information reporting and compliance by providing rules around the processes of documenting, reporting and withholding on a payee.)