

## CBOU QUESTION PAPER - I

1. Know Your Customer norms call upon the banks for
  - a. Identity of the customers
  - b. Address of the customers
  - c. Monitoring of accounts
  - d. All these \*
  - e. A and b only
2. Salaried employees are classified as \_\_\_\_\_ risk customers.
  - a. Low risk \*
  - b. Medium risk
  - c. High risk
  - d. No such stipulations for deposit accounts
3. For accounts classified as "NEW", \_\_\_\_\_ of Rs. 25000 and above has to be authorized by the Manager of the department / Branch in-charge.
  - a. Cash withdrawals
  - b. Cash deposits
  - c. All debits \*
  - d. All credits
  - e. All credits and debits
  - f. Any of these at the discretion of the Branch in-charge
4. \_\_\_\_\_ size photograph of the depositors is to be obtained in the case of all current accounts and SB account -
  - a. Passport size
  - b. Stamp size
  - c. A or b \*
  - d. No photograph need to be obtained now
5. As per Right to Information Act, all account opening forms pertaining to closed accounts are to be preserved for
  - a. 5 years
  - b. 8 years
  - c. 20 years \*
  - d. 21 years
6. Revival / closure of zero balance account should be carried out every year in the month of
  - a. May
  - b. August
  - c. October \*
  - d. January
7. Savings Bank accounts will be classified as in-operative, if there are no operations in the account for a period of
  - a. 3 months
  - b. 6 months
  - c. One year
  - d. Two years \*
8. Unclaimed deposits are to be transferred to HO as at
  - a. 31 March
  - b. 30 June
  - c. 30 September
  - d. 31 December \*

9. Whenever employees pass their own cheques (when there are no other supervisors available), entry is to be made in a note book with details. This note book is to be verified by the Inspecting Officers and to be initialled for
  - a. On the commencing date of inspection
  - b. On the concluding date of inspection
  - c. Each entry recorded \*
  - d. Each page
10. Transactions pertaining to the employees accounts, reflected in exceptional transactions report is to be reviewed by the Branch in-charge, on a
  - a. Daily basis \*
  - b. Weekly basis
  - c. Fortnightly basis
  - d. Monthly basis
11. Protection to the paying banker for crossed order cheques is extended by \_\_\_\_\_ of the N.I. Act.
  - a. 10
  - b. 85 \*
  - c. 128
  - d. 131
12. The most important requirement in a special crossing is
  - a. The words "not negotiable" and the name of the bank between two parallel transverse lines
  - b. The name of the bank between two parallel transverse lines
  - c. Two parallel transverse lines
  - d. The name of the bank \*
  - e. All these
13. Cash cheques of Rs. \_\_\_\_\_ and above are to be verified under ultra violet lamp.
  - a. 10000
  - b. 5000
  - c. 1000 \*
  - d. At the discretion of the passing official
14. While passing cash cheques, if the amount exceeds Rs. \_\_\_\_\_, the identity of the payee should be established.
  - a. 1000 \*
  - b. 5000
  - c. 10000
  - d. 25000
15. The essential ingredients of money laundering are
  - a. A crime has been committed
  - b. There are proceeds of gains from that
  - c. There is a transaction put through in respect of such gains
  - d. Any of these
  - e. All these - a to c \*
  - f. A and c only
16. Branch has to affix a rubber stamp on the cheque book as under: "Dishonour of a cheque valuing Rupees one crore and above on \_\_\_\_\_ occasions during the financial year will attract stoppage of cheque book facility and closure of the account."
  - a. One

- b. Two
  - c. Three
  - d. Four \*
17. In respect of cash instruments exceeding Rs. 50000, Special Assistants should verify
- a. Instruments in all respects
  - b. Posting of entries
  - c. Balance in the account
  - d. Stop payment instructions
  - e. Verification of signature
  - f. All these
  - g. A to d \*
18. When a minor is admitted to the benefits of a partnership, for the debts of the firm,
- a. He is not liable
  - b. His share in the firm is liable \*
  - c. He is personally liable
  - d. His other assets are liable
19. Minor, on his attaining majority, and willing to continue as a partner, becomes liable to the firm, from the date of his
- a. Completing 18 years
  - b. Giving public notice of becoming a partner
  - c. Admission to the benefits of the partnership \*
  - d. Completing 21 years
20. Cheques bearing non existent date, viz., 31 September
- a. Cheque cannot be paid
  - b. Cheque can be paid on the last day of that month \*
  - c. Cheque can be paid on the last working day of that month
  - d. Cheque should be paid on the first day of the next month only
21. Maximum permissible quantum of exchange that can be released for studies abroad is \_\_\_\_\_ per academic year.
- a. USD 25000
  - b. USD 50000
  - c. USD 100000 \*
  - d. No ceiling
22. NRE-KDR can be accepted for a maximum period of
- a. 3 years
  - b. 5 years
  - c. 7 years
  - d. 10 years \*
23. Importer-Exporter code number is given to the exporter by
- a. RBI
  - b. DGFT \*
  - c. ECGC
  - d. EXIM Bank
24. At the time of retiring of Import bill under Foreign Import Letter of Credit, the importer has to submit
- a. Form A 4
  - b. Form A 2
  - c. Form A 1 \*
  - d. Form A 1 and A 2

25. Delinking of Import sight bill without forward contract will be done at
- TT selling rate
  - Bills selling rate
  - Ongoing bills selling rate \*
  - TT buying rate
26. The farmer holding 2.5 acres of land will be classified as
- Small farmer
  - Marginal farmer \*
  - Big farmer
  - Medium farmer
27. Apiculture refers to
- Rearing of fish
  - Growing of silk worms
  - Bee keeping \*
  - Rearing of goats
28. Sericulture refers to
- Rearing of fish
  - Growing of silk worms \*
  - Bee keeping
  - Rearing of goats
29. Under back end subsidy system, disbursement of bank loan should be
- Full project cost including subsidy \*
  - Full project cost less subsidy
  - Full project cost disbursed and subsidy adjusted to loan
  - At the discretion of the branch
30. For repayment of loan after lock-in period but before the due date of the loan under back end subsidy
- Borrower is not entitled for subsidy
  - Subsidy will be paid pro rata \*
  - Subsidy will be released at the discretion of DCC
  - Borrower is eligible for full subsidy
31. To be classified under priority sector, the maximum number of vehicles owned by a SRTO should not exceed \_\_\_\_\_ vehicles.
- 5
  - 6
  - 10
  - No restriction \*
32. Price Stabilization Fund scheme applies to the growers of
- Coffee
  - Tea
  - Rubber
  - Tobacco
  - All these \*
  - A, b, c, only
33. Price stabilization Fund scheme is operative for \_\_\_\_\_ years from 2003-04.
- 20
  - 15
  - 10 \*
  - 5

34. Pisciculture loan is granted for the purpose of
- Bee keeping
  - Fisheries \*
  - Goat rearing
  - Duck rearing
35. Target for agricultural advances of a nationalized bank is
- 10 % of the total advances
  - 18 % of the total advances \*
  - 18 % of the priority sector advances
  - 10 % of the net advances
36. "NIL" margin provision is extended to all agricultural loans uptoRs.
- 10000
  - 25000
  - 50000
  - 1 lakh \*
37. Investment promotion scheme is extended for
- Acquiring lands for cultivation
  - Acquiring lands for digging of wells
  - Development of wastelands in non forest areas \*
  - Acquiring lands for construction of godowns
38. For investment promotion scheme, minimum land area should be
- 3 hectares
  - 4 hectares\*
  - 5 hectares
  - No minimum stipulation
39. Obtaining of bills / vouchers / receipts can be waived for development loans upto
- Rs. 25000
  - 50000
  - 1 lakh
  - 2 lakhs \*
40. Crop loans can be granted to
- Owner cultivator
  - Tenant cultivator
  - Share cropper
  - All these \*
  - A & b only
41. Cash and kind component for rainfed crops should be disbursed as
- 60 % cash and 40 % kind \*
  - 50 % each
  - 40 % cash and 60 % kind
  - 75 % cash and 25 % kind
42. Scale of finance for crop loans is fixed by
- Lead bank Section
  - Block Level Bankers Committee
  - District Technical Committee \*
  - State Level Bankers Committee

43. Disbursement for oil engines loan to be made
- After sanction duly getting proforma invoice
  - After ensuring supply of pumpset to the borrower
  - After ensuring supply of pumpset to the borrower and a certificate to the effect from the dealer \*
  - After ensuring that the pumpset is ready for delivery
44. In case of tractor loans, the applicant should have atleast \_\_\_\_\_ acres
- 4 \*
  - 8
  - 12
  - 16
45. Under ALLHV, periodical verification of RC books has to be done
- Every half year during June and December
  - Every half year during April and October
  - Every year during April \*
  - Every year during December
46. Floor limits are fixed for the
- Individual cardholders of Cancard
  - Member establishments \*
  - Corporate card holders of cancard
  - Business cardholders
47. Banker's general lien does not extend to the following:
- Term deposits
  - Safe custody articles \*
  - Gold jewellery, after closure of the Gold loan
  - Credit balance in the loan accounts
  - All these
  - None of these
48. If a Court order is served on the branch, before settling a nomination claim, payment of claim amount will be
- To the legal heirs of the deceased
  - To be made as per Court order \*
  - As per the Nomination registered
  - To the nominee and the legal heirs of the deceased, jointly
49. Returns on complaints has to be submitted
- Half yearly - June & December
  - Quarterly - April, July, October, January
  - Calendar quarterly \*
  - Half yearly - March & September
50. Surprise verification of cash, where the branch in-charge is not a first key holder, is to be done by
- Branch in-charge every month \*
  - Controlling office staff quarterly
  - Branch in-charge and the controlling office every alternate month
  - Branch in-charge every quarterly
51. For demand drafts for Rs. 10 lacs and above, issuing branch has to send confirmatory information to the drawee branch by
- Registered post A/D

- b. By telegram
  - c. By telegram or by courier \*
  - d. By ordinary post
52. Issue of demand draft should be by debiting the customers account, if the demand draft amount is
- a. Rs. 50000 and above \*
  - b. 25000 and above
  - c. 20000 and above
  - d. 100000 and above
53. Safe custody service rendered by the Bank is under the contract of
- a. Bailment \*
  - b. Lease
  - c. Agency
  - d. Indemnity
54. Physical verification of jewel loan packets is to be done as at the last
- a. Friday - June and December \*
  - b. Friday - March and September
  - c. Day - June and December
  - d. Day - March and September
55. Section 131 deals with
- a. Protection to paying banker
  - b. Protection to collecting banker \*
  - c. Presumptions to negotiable instruments
  - d. Protection to the payee against the drawer
56. Collection of advance rent from SDL hirers can be for \_\_\_\_\_ years rent.
- a. One
  - b. Two
  - c. Three \*
  - d. four
57. The permissible advance rent collected for SDL, should be kept in
- a. Sundry liabilities
  - b. Term deposits \*
  - c. Inoperative SB
  - d. Sundry deposits
58. JanashreeBimaYojana is a group insurance scheme for
- a. All borrowers
  - b. For persons living below poverty line
  - c. For persons living below poverty line in rural / urban areas \*
  - d. For persons living below poverty line in SC / ST community
59. Eligibility of age group under JanashreeBimayojana is
- a. 18 to 65 years
  - b. 18 to 60 years
  - c. 18 to 59 years \*
  - d. 18 to 55 years
60. If the net HO balance is in debit, the branch is considered as
- a. Lending branch to HO

- b. Borrowing branch from HO
  - c. The branch to receive IBA
  - d. The branch to get BAR
  - e. A and c \*
  - f. B and d
61. Transfer Price Mechanism will be calculated on HO balance
- a. By branches and confirmed by CO
  - b. By branches and confirmed by CO
  - c. By CO on the basis of average net HO balance \*
  - d. By branches and confirmed by HO
62. A truncated cheque is defined in
- a. RBI Act
  - b. N I Act \*
  - c. Information Technology Act
  - d. All these
63. A cheque is presented in clearing drawn on the account of a Company, signed by the authorized signatory, as a director. Bank receives the information that the director has passed away.
- a. The cheque can be passed \*
  - b. The cheque can be passed after confirmation from legal heirs
  - c. The cheque can be passed after confirmation from the nominee
  - d. The cheque has to be returned
64. A bill is drawn in Chennai for sales, on a trader in Ludhiana but payable at Bangkok. The bill is
- a. An inland bill \*
  - b. Foreign bill
  - c. Accommodation bill
  - d. Any of these
65. Instruments covered by Central Stamp duty are
- a. Letter of Credit
  - b. Bill of Lading
  - c. Share transfer
  - d. Debentures
  - e. Proxy
  - f. Insurance policy
  - g. All these \*
  - h. A, c, e, f only
  - i. B, c, d only
66. Time limit prescribed for registration under Registration Act is
- a. 1 month
  - b. 2 months
  - c. 3 months
  - d. 4 months \*
67. Operational risk arises from
- a. Human error
  - b. Breakdown in internal control
  - c. Technical error
  - d. Default of the borrower
  - e. All these



- f. A, b, c only \*
68. As per Right to Information Act, the register of mortgages should be preserved for a period of
- 21 years
  - 20 years
  - Permanently \*
  - 8 years
69. Our banks NEFT gateway is
- Clearing Section, Bangalore
  - Clearing Section, Chennai
  - Clearing Section, Kolkatta
  - Clearing section, New Delhi
  - Clearing Section, Mumbai \*
  - All these
70. Revocation of payment order under NEFT can be done at
- Sending branch
  - Service branch of the sending bank
  - RBI, NEFT Centre
  - Beneficiary bank
  - Any of these
  - None of these \*
71. In balance sheet analysis, diversion means
- Long term sources used for long term use
  - Short term sources used for long term use \*
  - Short term sources used for short term use
  - Long term sources used for short term use
72. Limitation for selling pledged goods is within
- 3 years from the date of pledge letter
  - 30 years from the date of pledge letter
  - No limitation for sale, but filing suit for deficit amount should be within 3 years of pledge letter / last AOD \*
  - 12 years from the date of pledge letter
73. Maximum loan under Education Loan for studies abroad is
- Rs. 5 lacs
  - 7.5 lacs
  - 10 lacs
  - 15 lacs
  - 20 lacs \*
74. Cash budget system of assessment of working capital limit can be permitted to the borrowers, at their option, enjoying working capital limits of
- Above Rs. 25 crores \*
  - Above Rs. 50 crores
  - Above Rs. 60 crores
  - Above Rs. 100 crores
75. Where loan agreement is executed by an illiterate, witnessing is to be obtained
- separately from a person signing in English
  - from a person who is conversant with the language of the document \*
  - from a person well-known to the bank
  - from the Officer of Advances section in the branch

76. Solvency Certificate is issued to the contractors
- On the basis of the volume of past work orders handled
  - On the basis of their present net worth \*
  - On the basis of the work orders on hand to be executed
  - A or b whichever is lower
  - B or c whichever is lower
77. When education loan is granted during the minority of the student, on his / her attaining majority
- A letter of confirmation to be obtained from him declaring that the loan is binding \*
  - A letter of confirmation to be obtained as above duly signed by him and parent / guardian
  - Fresh loan papers have to be executed by him
  - Fresh loan papers have to be executed by him jointly with his parents
78. BASE RATE is
- The minimum rate fixed by RBI for granting advances to banks
  - The minimum rate at which banks lend to first class borrowers \*
  - The rate notified by IBA for lending by the banks
  - The minimum rate fixed by RBI for advances of Rs. 5 lakh and above
79. Current Liabilities are those
- Which are payable within 3 months
  - Payable within 12 months from the date of balance sheet \*
  - Payable within 12 months from the date of liability
  - Which are otherwise called term liabilities
80. Canara Mortgage loans can be extended upto \_\_\_\_\_ % of the value of the property offered as security.
- 75 %
  - 60 %
  - 50 % \*
  - 80 %
81. Borrowal accounts with liability of \_\_\_\_\_ shall be taken up for verification of signs of quick mortality.
- Above Rs. 5 lacs \*
  - Above Rs. 7.5 lacs
  - Above Rs. 10 lacs
  - Above Rs. 15 lacs
82. Maximum loan under Canara Rent scheme will be \_\_\_\_\_ % of gross monthly rent receivable for the unexpired period less tax deducted at source and rent advance.
- 50 %
  - 60 %
  - 75 % \*
  - 80 %
83. Borrowal accounts identified for scrutiny for quick mortality will be those accounts becoming NPA within \_\_\_\_\_ months from the date of first disbursement of limits for the first time
- 12 months \*
  - 24 months

- c. 36 months
  - d. 27 months
84. Tangible networth of a business means
- a. Share capital
  - b. Share capital plus all reserves less intangible and fictitious assets
  - c. Share capital plus free reserves less intangible and fictitious assets \*
  - d. Share capital plus net profit
85. Current Ratio is found out by
- a. Current liabilities divided by Current assets
  - b. Current assets divided by current liabilities \*
  - c. Current assets less stock divided by current liabilities less bank borrowings
  - d. Total assets divided by total liabilities
86. Current Assets are defined as
- a. Those assets forming part of the production cycle
  - b. Those assets which are realizable in cash within 12 months
  - c. Both a and b \*
  - d. All assets of the unit
87. Debt Equity Ratio is found out as a proportion of
- a. Total outside liabilities with equity
  - b. Long term liabilities (Debt) with equity \*
  - c. Current liabilities with equity
  - d. Total liabilities with total assets
88. Debtors Velocity Ratio is found by
- a. Sundry Debtors plus bills receivable divided by Sales X 365 \*
  - b. Sundry Debtors divided by Purchases X 365
  - c. Sundry debtors divided by Sundry Creditors X 365
  - d. Sundry Debtors divided by inventory X 365
89. Bank guarantees issued in lieu of cash deposit or earnest money by customers are called
- a. Financial guarantee \*
  - b. Performance guarantee
  - c. Deferred Payment Guarantee
  - d. Statutory guarantee
90. Advising bank's responsibility in LC is
- a. To inform issuing bank as to whom to issue LC
  - b. To advise the buyer the dispatch of documents by the seller
  - c. Inform the beneficiary / seller about the opening of LC \*
  - d. All these
91. When the LC specifies the bank that is to negotiate the bills drawn under the LC, then that bank is also called \_\_\_\_\_ bank.
- a. Confirming
  - b. Reimbursing
  - c. Nominated \*
  - d. Notifying
92. In a bills co-acceptance facility, the banker who co-accepts becomes
- a. Collecting bank

- b. Advancing bank
  - c. Surety to the bill \*
  - d. Any of these
93. When LIC policy is accepted as security by the bank and registered with LIC, the bank becomes
- a. Assignor
  - b. Assignee \*
  - c. Attorney
  - d. All these
  - e. A & b
  - f. B & c
94. Mortgage is defined under
- a. Contract Act
  - b. N I Act
  - c. T P Act \*
  - d. All these
95. Limitation period for filing suit for sale of mortgaged property is
- a. 3 years
  - b. 12 years \*
  - c. 21 years
  - d. 30 years
96. Limitation period for enforcement of a personal guarantee obtained by our bank is
- a. 3 years from the date of execution
  - b. 12 years from the date of execution
  - c. 3 years from the date of demand made by the bank / revocation by the guarantor \*
  - d. No limitation period is applicable for this type of transaction
97. An acknowledgement of debt drawn abroad and received in India should be stamped
- a. Within 4 months
  - b. Within 3 months \*
  - c. Immediately on receipt
  - d. Within 2 months
98. Hypothecation is defined in
- a. Contract Act
  - b. N I Act
  - c. T P Act
  - d. SARFAESI Act \*
  - e. All these
  - f. A & d
  - g. None of these
99. Manohar has given the personal guarantee favouring our bank, on behalf Raman, on 1.8.2010. The branch has invoked the guarantee on 1.10.2011. The last date for filing suit is
- a. 1.8.2013
  - b. 1.10.2014 \*
  - c. 30.09.2014
  - d. 31.7.2013

100. For secured overdraft of Rs. 1 crore, under Canara Trade Scheme, value of EMT property should be not less than \_\_\_\_\_ % of the loan amount.

- a. 100 %
- b. 125 %
- c. 150 %
- d. 133 % \*