

# National Testing Agency

**Question Paper Name:** Fundamentals of Banking and Insurance  
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## Fundamentals of Banking and Insurance

**Group Number :** 1  
**Group Id :** 41652987  
**Group Maximum Duration :** 0  
**Group Minimum Duration :** 120  
**Revisit allowed for view? :** No  
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**Break time:** 0  
**Group Marks:** 100

## Fundamentals of Banking and Insurance

**Section Id :** 41652987  
**Section Number :** 1  
**Section type :** Online  
**Mandatory or Optional:** Mandatory  
**Number of Questions:** 100  
**Number of Questions to be attempted:** 100  
**Section Marks:** 100  
**Display Number Panel:** Yes  
**Group All Questions:** No

**Sub-Section Number:** 1  
**Sub-Section Id:** 41652990  
**Question Shuffling Allowed :** Yes

**Question Number : 1 Question Id : 4165297056 Question Type : MCQ Option Shuffling : No Display Question Number : Yes**  
**Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Italian word 'Banco' which means

- (a) A Heap
- (b) A Mountain
- (c) A Bench
- (d) All of the options

**Question Number : 2 Question Id : 4165297057 Question Type : MCQ Option Shuffling : No Display Question Number : Yes**  
**Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

A Central Bank enjoys the monopoly of \_\_\_\_\_ on behalf of the government.

- (a) Controller of Credit
- (b) Issuing currency
- (c) Governor Bank
- (d) Banking operation

**Question Number : 3 Question Id : 4165297058 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

In simple term, Bank refers to an Institution that deals in

- (a) CREDIT
- (b) SAVING
- (c) MONEY
- (d) PERSON

**Question Number : 4 Question Id : 4165297059 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Example of Development Bank in India.

- (a) Indian Industrial bank
- (b) Industrial investment Bank of India
- (c) Industrial Credit and investment corporation of India
- (d) Industrial Development Bank of India'

**Question Number : 5 Question Id : 4165297060 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Amount deposited is payable back after its maturity or at the expiry of the period with interest is called

- 
- (a) Term Deposit
  - (b) Saving Deposit
  - (c) No Frill deposit
  - (d) Current Deposit

**Question Number : 6 Question Id : 4165297061 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What are the advantages of Fixed Deposit account?

- (a) Encourages savings habit
- (b) Indirectly boost economic development.
- (c) High interest rate
- (d) All of the options

**Question Number : 7 Question Id : 4165297062 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Commercial Bank is a banker to the -----

- (a) Large Depositors
- (b) Private Companies
- (c) Government
- (d) General Public

**Question Number : 8 Question Id : 4165297063 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following criteria is listed in the II Schedule of Reserve Banks of India Act, 1934.

- (a) Minimum paid up capital Rs. 5 lakhs.
- (b) Any activity of bank will adversely affect the interest of depositors.
- (c) Both A and B
- (d) None of the option

**Question Number : 9 Question Id : 4165297064 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are the secondary functions of commercial banks?

- (a) Collection and Payment of Credit Instrument
- (b) Sale and Purchase of Securities
- (c) Issuing of Gift Cheques
- (d) All of the options

**Question Number : 10 Question Id : 4165297065 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The Bank which offers a wide range of financial services apart from the traditional functions of accepting deposits and granting of loans by commercial banks is called .....

- (a) Retail Banking
- (b) Universal Banking
- (c) Commercial Banking
- (d) Investment Banking

**Question Number : 11 Question Id : 4165297066 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The contribution brought in by the borrower is termed as .....

- (a) Credit
- (b) Money
- (c) Margin
- (d) Cash

**Question Number : 12 Question Id : 4165297067 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

A sustainable way to increase deposits is to look at .....

- (a) Retail deposits
- (b) Urban deposit
- (c) Large Individual Depositors
- (d) The big corporate depositors

**Question Number : 13 Question Id : 4165297068 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following institution does make an attempt to regulate international banking on a global basis.?

- (a) Board for International Settlements
- (b) World International Settlement bank
- (c) Bank for International Settlements
- (d) Society for international settlement

**Question Number : 14 Question Id : 4165297069 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The loss that results from unexpected general market price and interest rate changes.....

- (a) Liquidity risk
- (b) Market risk
- (c) Exchange Risk
- (d) Operational risk

**Question Number : 15 Question Id : 4165297070 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The main function of the IMF is to provide loans to countries experiencing .....  
.....problems.

- (a) Poverty, malnutrition
- (b) Economic Development
- (c) Balance-of-Payment
- (d) Balance-of-Trade

**Question Number : 16 Question Id : 4165297071 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Abbreviation of IBRD

- (a) Industrial Bank for Rural and Development
- (b) Industrial Bank for Reconstruction and Development
- (c) International Bank for Reconstruction and Development
- (d) International Bank for Rural and Development

**Question Number : 17 Question Id : 4165297072 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The person drawing the cheque is called a .....

- (a) Drawer
- (b) Issuer
- (c) Drawee
- (d) Payee

**Question Number : 18 Question Id : 4165297073 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The customers are registered with the banks through.....

- (a) Introduction by third person
- (b) Customer Relation
- (c) Know Your Customer
- (d) Knowledge Your Customer

**Question Number : 19 Question Id : 4165297074 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which Act defines cheque as 'A cheque is a bill of exchange drawn on a specified banker and is expressed to be payable only on demand.' in India.

- (a) Negotiable Instrument Act 1881
- (b) Banking Regulation Act 1949
- (c) Reserve bank of India act 1934
- (d) Non Negotiable Instrument Act 1881

**Question Number : 20 Question Id : 4165297075 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

When a cheque is endorsed after the fulfillment of a condition, it is called as a \_\_\_\_\_ endorsement.

- (a) Special
- (b) Conditional
- (c) Partial
- (d) Bearer

**Question Number : 21 Question Id : 4165297076 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

If the cheque is made payable to self, the drawer himself becomes the \_\_\_\_\_.

- (a) Drawee
- (b) Issuer
- (c) Drawer
- (d) Payee

**Question Number : 22 Question Id : 4165297077 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The statutory protection is available to the collecting banker only if he fulfills which of following conditions?

- (a) Collected crossed cheque only for his customer as an agent – as a holder for value.
- (b) Cheque collected is a crossed cheque
- (c) Collected such crossed cheque in good faith and without negligence.
- (d) All of the options

**Question Number : 23 Question Id : 4165297078 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Presenting and paying banks have an interface/gateway called \_\_\_\_\_.

- (a) Clearing House Interface
- (b) Counter interface
- (c) VOID gateway
- (d) IFSC interface

**Question Number : 24 Question Id : 4165297079 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are the not characteristics of a Central Bank?

- (a) Leader in the money market
- (b) Controller of credit
- (c) Accept deposits from the general public
- (d) Banker of the Government

**Question Number : 25 Question Id : 4165297080 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The Royal Commission of Indian Currency and Finance, popularly known as the \_\_\_\_\_.

- (a) Hilton Young Commission
- (b) Hilton Young Committee
- (c) BR Ambedkar Committee
- (d) HenryRoyal Commission

**Question Number : 26 Question Id : 4165297081 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Imperial bank of India was established by amalgamating which of three Presidency Banks.

- (a) Bengal, Mumbai and Madras
- (b) Bengal, Bombay and Madras
- (c) C Kolkatta, Mumbai and Chennai
- (d) Bengal, Bombay and Chennai

**Question Number : 27 Question Id : 4165297082 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which method of note issue is the RBI currently following?

- (a) Proportional Reserve System
- (b) Maximum Fiduciary Issue System
- (c) Minimum Reserve System
- (d) Bond Deposit System

**Question Number : 28 Question Id : 4165297083 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Banking Company is an organisation which essentially performs which of the following functions?

- (a) Only Accepting deposits from public
- (b) Only Lending of deposits
- (c) Both the above
- (d) None of the option

**Question Number : 29 Question Id : 4165297084 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

When a bank accept deposits, it becomes -

- (a) Creditor
- (b) Beneficiary
- (c) Principal
- (d) Debtor

**Question Number : 30 Question Id : 4165297085 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

When a bank accepts articles for safe custody, its legal position is that of \_\_\_\_\_.

- (a) Bailee
- (b) Custodian
- (c) Bailor
- (d) Lessee

**Question Number : 31 Question Id : 4165297086 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What is meant by Lien -

- (a) Right to buy goods on behalf of customer
- (b) Right to retain goods in possession until debt is discharged
- (c) Right to retain services in possession until debt is discharged
- (d) Right to sell goods in possession

**Question Number : 32 Question Id : 4165297087 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following privileges is/are given to a current bank account-holder?

- (a) Certain Interest Rate on deposits
- (b) Overdraft facilities
- (c) Unlimited number of withdrawal
- (d) B and C

**Question Number : 33 Question Id : 4165297088 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

If minimum balance is not maintained in the Savings Bank accounts

- (a) Banks levy specific charges
- (b) Banks close the account
- (c) Banks do not levy any charges
- (d) Banks impose restrictions on operation of the account

**Question Number : 34 Question Id : 4165297089 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

When the Reserve Bank of India lends money to commercial banks, the rate of interest it charges for lending is known as '\_\_\_\_\_'.  
\_\_\_\_\_

- (a) RBI Rate
- (b) Lending Rate
- (c) Reverse Repo Rate
- (d) Bank Rate

**Question Number : 35 Question Id : 4165297090 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Overdraft facility is available to \_\_\_\_\_ holders who operate their account through cheques.

- (a) NRI account
- (b) Saving account
- (c) Current account
- (d) Business account

**Question Number : 36 Question Id : 4165297091 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The Creditworthiness of borrower is judged by the banker on the basis of his \_\_\_\_\_.

- (a) Only character
- (b) Only capacity
- (c) Only capital
- (d) All of the options

**Question Number : 37 Question Id : 4165297092 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Cash credit is a system of lending under which \_\_\_\_\_.

- (a) The borrower has the option to withdraw the funds as and when required and to the extent of his needs.
- (b) The borrower has the option to repay the funds as and when required and to the extent of his needs.
- (c) The lender has the option to withdraw the funds as and when required and to the extent of his needs.
- (d) The borrower has the no option to withdraw the funds based on requirement and need.

**Question Number : 38 Question Id : 4165297093 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Funds provided by the bank to an entity for a specific purpose, to be repayable after a short duration is known as \_\_\_\_\_.

- (a) Cash Credit
- (b) Advances
- (c) Loan
- (d) Overdraft

**Question Number : 39 Question Id : 4165297094 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What are the Advantages of Personal Loans?

- (a) Unsecured Loan.
- (b) Less Processing Time.
- (c) Minimum Paperwork.
- (d) All of the options

**Question Number : 40 Question Id : 4165297095 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The Reserve Bank of India (RBI) allows banks to lend up to \_\_\_\_\_ of the value of demat shares.

- (a) 50%
- (b) 55%
- (c) 65%
- (d) 75%

**Question Number : 41 Question Id : 4165297096 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What are the Advantages of Electronic Banking?

- (a) Unsafe
- (b) Fast and saves time
- (c) Increases Inefficiency
- (d) Not Reliable

**Question Number : 42 Question Id : 4165297097 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Abbreviation of IMPS

- (a) Interbank Mobile Payment Service
- (b) Interbank Money Payment Service
- (c) International Mobile Payment Service
- (d) Interbank Mobile Payment Scheme

**Question Number : 43 Question Id : 4165297098 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are the functions of a full-fledged ATM?

- (a) Utility payments
- (b) Request for a cheque book
- (c) Both the above
- (d) None of the option

**Question Number : 44 Question Id : 4165297099 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are the advantages of Virtual Banking?

- (a) Operation cost per unit is less
- (b) No need to visit bank premises
- (c) Customer can easily transfer funds
- (d) All of the options

**Question Number : 45 Question Id : 4165297100 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are not the advantages of Electronic Fund Transfer System?

- (a) Complex Accounting
- (b) Improved efficiency
- (c) Reduced administrative cost
- (d) Improved security



**Question Number : 46 Question Id : 4165297101 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Reduced administrative cost

- (a) Unreadable
- (b) Cripting
- (c) Encryption
- (d)Deencryption

**Question Number : 47 Question Id : 4165297102 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Negotiable" means \_\_\_\_\_.

- (a) Transferable by Demand
- (b) Not Transferable by Delivery
- (c) Transferable by Delivery
- (d)Transferable by Mail

**Question Number : 48 Question Id : 4165297103 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following are the Characteristics of Negotiable Instrument?

- (a) Freely transferrable
- (b) Payable to order or bearer
- (c) Holder"s title free from all defects
- (d)All of the options

**Question Number : 49 Question Id : 4165297104 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

With \_\_\_\_\_ type of smart cards, reader can read the data without direct contact with reader.

- (a) Pen drive
- (b) USB card
- (c) Contactless card
- (d)Contact card

**Question Number : 50 Question Id : 4165297105 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What is/are the limitations of Biometric system?

- (a) Gives correct result in all the time.
- (b) Face recognition in case of old aged person
- (c) Iris scan requires proper training
- (d)B and C

**Question Number : 51 Question Id : 4165297106 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ is also known as integrated circuit card.

- (a) Passbook
- (b) Smart card
- (c) PAN card
- (d)Plastic card

**Question Number : 52 Question Id : 4165297107 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ is the world's first decentralized digital currency.

- (a) Euro
- (b) Bitcoin
- (c) Litecoin
- (d) Ripple Monetary system

**Question Number : 53 Question Id : 4165297108 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The ATM's are handled by non bank entities and does not have any bank logo on it, so these are known as

- 
- (a) Red label ATM's
  - (b) Brown label ATM's
  - (c) Green label ATM's
  - (d) White label ATM's

**Question Number : 54 Question Id : 4165297109 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Transfer of money from one customers account to another, within the same bank or across multiple banks, with the use of internet service is called

- (a) Money Transfer
- (b) Electronic Fund Transfer
- (c) E-Money Transfer
- (d) Electronic Financial Transaction

**Question Number : 55 Question Id : 4165297110 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Damage of \_\_\_\_\_ card leads to the permanent loss of money.

- (a) Stored value
- (b) PAN
- (c) ATM
- (d) Credit

**Question Number : 56 Question Id : 4165297111 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

A Blockchain is a \_\_\_\_\_, \_\_\_\_\_ that chronologically records transactions in near real time.

- (a) Digital, immutable, undistributed ledger
- (b) Virtual, immutable, distributed ledger
- (c) Digital, mutable, distributed ledger
- (d) Digital, immutable, distributed ledger

**Question Number : 57 Question Id : 4165297112 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/are the advantages given by Insurance?

- (a) Provides Steadiness and Stability
- (b) Increase Risk taking Ability
- (c) Reduces Risk taking Ability
- (d) A and B

**Question Number : 58 Question Id : 4165297113 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is a cost of insurance to society?

- (a) Protection from loss
- (b) Devices that prevent loss
- (c) Indifference to loss
- (d) Investments that insurance company makes

**Question Number : 59 Question Id : 4165297114 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What is Significance of the insurance from the individual or family perspective ?

- (a) Safety & Security
- (b) Awareness & Conservation of Health
- (c) Increase in Goodwill
- (d) All of the options

**Question Number : 60 Question Id : 4165297115 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Health insurance is the part of .....

- (a) Life insurance
- (b) Fire insurance
- (c) Miscellaneous insurance
- (d) All of the options

**Question Number : 61 Question Id : 4165297116 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What is the meaning of the term risk?

- (a) Doubt concerning the outcome of a situation
- (b) The possibility of an unfortunate occurrence
- (c) Unpredictability
- (d) All of the options Answer D

**Question Number : 62 Question Id : 4165297117 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Fire, theft, earthquake or death of a person are the examples of .....

- (a) Financial risk
- (b) Pure risk
- (c) Static risk
- (d) Non-financial risk

**Question Number : 63 Question Id : 4165297118 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The loss results from dishonest tendencies in the character of the insured person is .....hazard.

- (a) Moral
- (b) Personal
- (c) Physical
- (d) Occupational

**Question Number : 64 Question Id : 4165297119 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Arrange steps of Risk Management Process in it's correct order.

- (a) Reduce-Avoid-Retain-Transfer
- (b) Avoid-Transfer-Reduce-Retain
- (c) Avoid-Reduce-Retain-Transfer
- (d) Avoid-Reduce-Retain-Transfer

**Question Number : 65 Question Id : 4165297120 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The principle of indemnity is applicable to \_\_\_\_\_ only.

- (a) Property insurance.
- (b) Life insurance
- (c) Proximate cause
- (d) Personal accident insurance

**Question Number : 66 Question Id : 4165297121 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/ are the examples of breach in the principle of utmost good faith.

- (a) Misinterpretation of information
- (b) Non-disclosure
- (c) Fraudulent behaviour
- (d) All of the options

**Question Number : 67 Question Id : 4165297122 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Insurance company will cover which of the following event? A Disability due to self-inflicted injuries

- (a) Disability due to self-inflicted injuries
- (b) Smuggled goods
- (c) Traffic offense fines
- (d) Hut of a farmer

**Question Number : 68 Question Id : 4165297123 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ is the immediate or actual cause of loss under an insurance policy.

- (a) Principle of Subrogation
- (b) Proximate Cause
- (c) Tort
- (d) Peril

**Question Number : 69 Question Id : 4165297124 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Principle of Uberrimae fidei (a Latin term) means the \_\_\_\_\_.

- (a) Principle of Indemnity
- (b) Principle of contribution
- (c) Principle of Utmost Good Faith
- (d) Principle of Subrogation

**Question Number : 70 Question Id : 4165297125 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

According to the \_\_\_\_\_, when the insured is compensated for the losses due to damage to his insured property, then the ownership right of such property shifts to the insurer.

- (a) Principle of Subrogation
- (b) Principle of Utmost Good Faith
- (c) Principle of Indemnity
- (d) None of the option

**Question Number : 71 Question Id : 4165297126 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Principle of contribution is applicable in all the types of insurance contracts except \_\_\_\_\_insurance.

- (a) Marine
- (b) Miscellaneous
- (c) Fidelity
- (d) Life

**Question Number : 72 Question Id : 4165297127 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Except life insurance the maximum term of other insurance is \_\_\_\_\_.

- (a) 12 months
- (b) 36 months
- (c) 12 years
- (d) 24 months

**Question Number : 73 Question Id : 4165297128 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

A Contract of insurance is a contract whereby one party undertakes, in return of a consideration called

\_\_\_\_\_.

- (a) EMI
- (b) Premium
- (c) Payment
- (d) Loan

**Question Number : 74 Question Id : 4165297129 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Under \_\_\_\_\_ plan, the sum assured is paid only on the death of the insured during the period specified.

- (a) Term Insurance
- (b) Pure Endowment
- (c) Money-back
- (d) None of the option

**Question Number : 75 Question Id : 4165297130 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ Policies cover for financial losses due to damage to property arising out of fire, explosion, riot, typhoon, storms, strikes etc.

- (a) Fidelity insurance
- (b) Fire insurance
- (c) Aviation insurance
- (d) Health insurance

**Question Number : 76 Question Id : 4165297131 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ Plans are essentially life insurance plans where the premiums are invested in the capital markets and the returns are therefore linked to the performance of the specific fund and the overall market

- (a) Capital market Insurance
- (b) Money-back Insurance
- (c) General insurance
- (d) Unit Linked Insurance

**Question Number : 77 Question Id : 4165297132 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

\_\_\_\_\_ is the process which involves a determination of whether a given application for insurance will be accepted or not.

- (a) Insurance
- (b) Claim settlement
- (c) Underwriting
- (d) None of the option

**Question Number : 78 Question Id : 4165297133 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Find correct order of the steps involved Claim settlement process.

- (a) Accident–Injury–Claim–Compensation
- (b) Accident–Claim–Compensation
- (c) Injury–Claim–Compensation
- (d) Accident–Claim–Compensation against Injury

**Question Number : 79 Question Id : 4165297134 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

If the life insurance policy had been financed through a HUF then at the time of claim settlement the money will be paid to\_\_\_\_\_.

- (a) Son of the deceased
- (b) Karta of the HUF
- (c) Wife of the deceased
- (d) None of the option

**Question Number : 80 Question Id : 4165297135 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/are the essential documents required at the time of marine cargo claim presentation?

- (a) Final settlement of claim against the carrier
- (b) Accident Report
- (c) Survey and loss assessment
- (d) Copy of notice of claim against the carrier

**Question Number : 81 Question Id : 4165297136 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What is a proposal?

- (a) A request for an insurance
- (b) An offer to enter into a contract.
- (c) Both a request and an offer to enter an insurance contract.
- (d) None of the option

**Question Number : 82 Question Id : 4165297137 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

“Actuary” means a person skilled in determining

- (a) Designing and pricing of policies
- (b) Finance Modeling
- (c) Risk analysis
- (d) All of the options

**Question Number : 83 Question Id : 4165297138 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

An actuary has expertise in the fields of .....

- (a) Economics, statistics and mathematics
- (b) Mathematics and statistics only
- (c) Economics and statistics only
- (d) Mathematics and economics only

**Question Number : 84 Question Id : 4165297139 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/are the Skills required for an Actuary?

- (a) Math and Numeracy Skills
- (b) Knowledge of Business and Finance
- (c) Communication and Interpersonal Skills
- (d) All of the options

**Question Number : 85 Question Id : 4165297140 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

A creative aspect of the work of actuaries is .....

- (a) Limited
- (b) Forecasting of future contingent events
- (c) Not important for insurance companies
- (d) Unlimited

**Question Number : 86 Question Id : 4165297141 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Domestic liberalization, which consists of relaxing restrictions on .....

- (a) Production and investment,,
- (b) Prices and increasing the role of market
- (c) Guiding resource allocation
- (d) All of the options

**Question Number : 87 Question Id : 4165297142 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What are the Challenges faced by insurance sector?

- (a) Expectations of the Consumers
- (b) Premium on Customer Service
- (c) Consumer Education
- (d) All of the options

**Question Number : 88 Question Id : 4165297143 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

As mortality rate comes down, consumers expect .....

- (a) Reduction in the premium of insurance products
- (b) Reduction in services
- (c) Reduction in products offered
- (d) Reduction in bank participation in insurance business

**Question Number : 89 Question Id : 4165297144 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Abbreviation of DICGC

- (a) Deposit investment and Credit Guarantee Company
- (b) Doha industrial Credit Guarantee Corporation
- (c) Deposit insurance and Credit Guarantee Corporation
- (d) Deposit insurance and Credit Guarantee Company

**Question Number : 90 Question Id : 4165297145 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The high powered committee set up in 1993 to examine the structure of insurance industry was headed by

- 
- (a) Rangarajan
  - (b) R. N. Malhotra
  - (c) R. M. Mahotra
  - (d) Bimal Jalan

**Question Number : 91 Question Id : 4165297146 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/ are the advantage of nationalisation of banks in India?

- (a) Promote culture
- (b) High Employment Opportunity
- (c) It decreases Economic growth
- (d) Created Government Monopoly

**Question Number : 92 Question Id : 4165297147 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

In India, General Crossing is defined under Section \_\_\_\_\_ of the Negotiable Instruments Act 1881.

- (a) 123
- (b) 132
- (c) 140
- (d) 109

**Question Number : 93 Question Id : 4165297148 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Challenges of Electronic Banking are -----

- (a) Reliability
- (b) Safety and Security
- (c) Privacy risk
- (d) All of the options

**Question Number : 94 Question Id : 4165297149 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Automated Teller Machine to perform which of the following types of transactions.

- (a) Money Transfer
- (b) Open or withdraw a fixed deposit
- (c) Cash Deposit
- (d) All of the options

**Question Number : 95 Question Id : 4165297150 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**



Which of the following statement is true?

- (a) Premium rates are high.
- (b) Premium is the status insured acquires after purchase of insurance
- (c) Premium is the amount paid by the insured to the insurer.
- (d) Premium is the amount paid by the insurer after the contingency

**Question Number : 96 Question Id : 4165297151 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

What are the exclusions from the claim in personal accident insurance?

- (a) Deliberate injuries
- (b) Injury occasioned by or due to pregnancy
- (c) Medical or surgical treatment
- (d) All of the options

**Question Number : 97 Question Id : 4165297152 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/are affect the Claim Settlement Ratio for Insurance Company?

- (a) Fraudulent Claims
- (b) Incomplete Documentation
- (c) Misrepresentation at the Proposal Stage
- (d) All of the options

**Question Number : 98 Question Id : 4165297153 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

The relationship between a banker and his customer should be based upon .....

- (a) Credit by customer
- (b) Mutual trust
- (c) Day to day transactions
- (d) Trust on Government

**Question Number : 99 Question Id : 4165297154 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Abbreviation of IRDAI

- (a) Insurance Regulatory and Development Authority of India
- (b) Investments Regulatory and Development Authority of India
- (c) Industrial Rural and Development Authority of India
- (d) Insurance Regulatory and Development Agreement

**Question Number : 100 Question Id : 4165297155 Question Type : MCQ Option Shuffling : No Display Question Number : Yes Single Line Question Option : No Option Orientation : Vertical**

**Correct Marks : 1 Wrong Marks : 0**

Which of the following is/are the objectives of setting up of Payments Banks in India.

- (a) Organised Industries
- (b) Large Business Houses
- (c) High Income Households
- (d) Remittance services to migrant labour workfo