

**Q Who is the Governor of Reserve Bank Of India?**

**Ans.** Shri.D. Subba Rao is the governor of Reserve Bank of India.

**Q Who is the Chairman and Managing Director of syndicate bank?**

**Q Who are the Executive Directors of the syndicate bank?**

**Q Who are the board of directors of syndicate bank?**

**Q Where is the head office of syndicate bank?**

**Q What is the Business Growth of the syndicate bank for second quarter 2008?**

**Q What services syndicate bank provides to customers?**

**Ans.**

1. Internet Banking.
2. Cash Management Services.
3. DeMAT Services.
4. NRI Services.
5. Flexi Fixed Deposit Services.
6. Tax Saving Term Deposit Services.
7. Real Time Gross Settlement System (RTGS).
8. National Electronic Funds Transfer(neft).

**Q. What are most popular 2008 Events?**

**Q. What are most popular 2009 Current Events?**

**Q. List Council of Ministers**

**What is a bank?**

A bank is a financial institution whose primary activity is to act as a payment agent for customers and to borrow and lend money. It is an institution for receiving, keeping, and lending money

**What is the activity of Banks?**

Banks act as payment agents by conducting checking or current accounts for customers, paying cheques drawn by customers on the bank, and collecting cheques deposited to customers' current accounts. Banks also enable customer payments via other payment methods such as telegraphic transfer, EFTPOS, and ATM.

Banks borrow money by accepting funds deposited on current account, accepting term deposits and by issuing debt securities such as banknotes and bonds. Banks lend money

by making advances to customers on current account, by making installment loans, and by investing in marketable debt securities and other forms of money lending.

Banks provide almost all payment services, and a bank account is considered indispensable by most businesses, individuals and governments. Non-banks that provide payment services such as remittance companies are not normally considered an adequate substitute for having a bank account.

Banks borrow most funds from households and non-financial businesses, and lend most funds to households and non-financial businesses, but non-bank lenders provide a significant and in many cases adequate substitute for bank loans, and money market funds, cash management trusts and other non-bank financial institutions in many cases provide an adequate substitute to banks for lending savings to.

### **What is Banking Business?**

“Banking Business” means the business of receiving money on current or deposit account, paying and collecting cheques drawn by or paid in by customers, the making of advances to customers, and includes such other business as the Authority may prescribe for the purposes of this Act.

### **What is Accounting for Bank Accounts?**

Bank statements are accounting records produced by banks under the various accounting standards of the world. Under GAAP and IFRS there are two kinds of accounts: **debit** and **credit**. Credit accounts are Revenue, Equity and Liabilities. Debit Accounts are Assets and Expenses. This means you credit accounts to increase their balances and you debit accounts to increase their balances.

This also means you debit your savings account every time you deposit money into it (and the account is normally in deficit) and you credit your credit card account every time you spend money from it (and the account is normally in credit).

However, if you read your bank statement, it will say the opposite- that you have credited your account when you deposit money and you debit when you withdraw it. If you have cash in your account you have a positive or credit balance and if you are overdrawn it will say you have a negative or a deficit balance.

The reason for this is because the bank, and not you, has produced the bank statement. Your savings might be your assets, but it is the bank's liability, so your savings account is a liability account which is a credit account and should have a positive credit balance. Your loans are your liabilities but the bank's assets so they are debit accounts which should have a negative balance. Below where bank transactions, balances, credits and debits are discussed, they are done so from the viewpoint of the account holder which is traditionally what most people are used to seeing.

## **What is SLR?**

Every bank is required to maintain at the close of business every day, a minimum proportion of their Net Demand and Time Liabilities as liquid assets in the form of cash, gold and un-encumbered approved securities. The ratio of liquid assets to demand and time liabilities is known as Statutory Liquidity Ratio (SLR). Present SLR is 24%. (reduced w.e.f. 8/11/2008, from earlier 25%) RBI is empowered to increase this ratio up to 40%. An increase in SLR also restricts the bank's leverage position to pump more money into the economy.

## **What is SLR ? (For Non Bankers)**

SLR stands for Statutory Liquidity Ratio. This term is used by bankers and indicates the minimum percentage of deposits that the bank has to maintain in form of gold, cash or other approved securities. Thus, we can say that it is ratio of cash and some other approved to liabilities (deposits) It regulates the credit growth in India.

## **What are Repo rate and Reverse Repo rate?**

**Repo (Repurchase) rate** is the rate at which the RBI lends short-term money to the banks. When the repo rate increases borrowing from RBI becomes more expensive. Therefore, we can say that in case, RBI wants to make it more expensive for the banks to borrow money, it increases the repo rate; similarly, if it wants to make it cheaper for banks to borrow money, it reduces the repo rate

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*Thus, we can conclude that Repo Rate signifies the rate at which liquidity is injected in the banking system by RBI, whereas Reverse repo rate signifies the rate at which the central bank absorbs liquidity from the banks.*

## **What is the difference between Bank Rate and Repo Rate?**

### **Bank Rate vs Repo Rate**

Bank Rate is the rate at which RBI allows finance to commercial banks in India. There are different types of refinance that can be availed by banks and these are linked to Bank Rate. Thus, banks can borrow at this rate only to the extent of their eligibility for refinance.

On the other hand, Repo is a money market instrument, which enables collateralized short term borrowing and lending through sale/purchase operations in debt instruments. Under a repo transaction, a holder of securities sells them to an investor with an agreement to repurchase at a predetermined date and rate. In the case of a repo, the forward clean price of the bonds is set in advance at a level which is different from the spot clean price by adjusting the difference between repo interest and coupon earned on the security. In the money market, this transaction is nothing but collateralized lending as the terms of the transaction are structured to compensate for the funds lent and the cost of the transaction is the repo rate. Thus, a bank can borrow under repo provided he has the extra securities which it can lend temporarily to RBI for borrowing short term funds.

### **What is relation between Inflation and Bank interest Rates?**

Now days, you might have heard lot of these terms and usage on inflation and the bank interest rates. Bank interest rate depends on many other factors, out of that the major one is inflation. Whenever you see an increase on inflation, there will be an increase of interest rate also.

### **How many types of banks there are?**

Banks' activities can be divided into retail banking, dealing directly with individuals and small businesses; business banking, providing services to mid-market business; corporate banking, directed at large business entities; private banking, providing wealth management services to high net worth individuals and families; and investment banking, relating to activities on the financial markets. Most banks are profit-making, private enterprises. However, some are owned by government, or are non-profits.

Central banks are normally government owned banks, often charged with quasi-regulatory responsibilities, e.g. supervising commercial banks, or controlling the cash interest rate. They generally provide liquidity to the banking system and act as the lender of last resort in event of a crisis.

### **Type of Retail Banks**

- Commercial bank: the term used for a normal bank to distinguish it from an investment bank. After the Great Depression, the U.S. Congress required that banks only engage in banking activities, whereas investment banks were limited to capital market activities. Since the two no longer have to be under separate ownership, some use the term "commercial bank" to refer to a bank or a division of a bank that mostly deals with deposits and loans from corporations or large businesses.
- Community Banks: locally operated financial institutions that empower employees to make local decisions to serve their customers and the partners
- Community development banks: regulated banks that provide financial services and credit to under-served markets or populations.
- Postal savings banks: savings banks associated with national postal systems.
- Private Banks: manage the assets of high net worth individuals.

- Offshore Banks: banks located in jurisdictions with low taxation and regulation. Many offshore banks are essentially private banks.
- Savings bank: in Europe, savings banks take their roots in the 19th or sometimes even 18th century. Their original objective was to provide easily accessible savings products to all strata of the population. In some countries, savings banks were created on public initiative, while in others socially committed individuals created foundations to put in place the necessary infrastructure. Now a days, European savings banks have kept their focus on retail banking: payments, savings products, credits and insurances for individuals or small and medium-sized enterprises. Apart from this retail focus, they also differ from commercial banks by their broadly decentralized distribution network, providing local and regional outreach and by their socially responsible approach to business and society.
- Building societies and Lands banks: conduct retail banking.
- Ethical banks: Banks that prioritize the transparency of all operations and make only what they consider to be socially-responsible investments.
- Islamic banks: Banks that transact according to Islamic principles.

### **Types of investment banks**

- Investment banks "underwrite" (guarantee the sale of) stock and bond issues, trade for their own accounts, make markets, and advise corporations on capital markets activities such as mergers and acquisitions.
- Merchant banks were traditionally banks which engaged in trade finance. The modern definition, however, refers to banks which provide capital to firms in the form of shares rather than loans. Unlike venture capital firms, they tend not to invest in new companies.

### **What is Bank Crisis?**

Banks are susceptible to many forms of risk which have triggered occasional systemic crises. Risks include liquidity risk (the risk that many depositors will request withdrawals beyond available funds), credit risk (the risk that those who owe money to the bank will not repay), and interest rate risk (the risk that the bank will become unprofitable if rising interest rates force it to pay relatively more on its deposits than it receives on its loans), among others.

Banking crises have developed many times throughout history when one or more risks materialize for a banking sector as a whole. Prominent examples include the U.S. Savings and Loan crisis in 1980s and early 1990s [10] the Japanese banking crisis during the 1990s, the bank run that occurred during the Great Depression, and the recent liquidation by the central Bank of Nigeria, where about 25 banks were liquidated.[citation needed]

Numerous banks have suffered as a result of the Sub prime mortgage crisis, which has occurred on a global scale, affecting investment banks such as Lehman Brothers in the USA and retail banks such as Northern Rock in the UK. In January 2009, several major

UK banks such as Lloyds TSB and Barclays Bank, suffered severe falls in their London stock exchange share prices as a result of a drop in investor confidence of the true asset values of those banks.

### **What are the commercial roles of the Banks?**

However the commercial role of banks is wider than banking, and includes:

- However the commercial role of banks is wider than banking, and includes:
- issue of banknotes (promissory notes issued by a banker and payable to bearer on demand)
- processing of payments by way of telegraphic transfer, EFTPOS, internet banking or other means
- issuing bank drafts and bank cheques
- accepting money on term deposit
- lending money by way of overdraft, installment loan or otherwise
- providing documentary and standby letters of credit (trade finance), guarantees, performance bonds, securities underwriting commitments and other forms of off balance sheet exposures
- safekeeping of documents and other items in safe deposit boxes
- currency exchange
- sale, distribution or brokerage, with or without advice, of insurance, unit trusts and similar financial products as a 'financial supermarket'

### **What are the Economic functions of Banks?**

The economic functions of banks include:

1. Issue of money, in the form of banknotes and current accounts subject to cheque or payment at the customer's order. These claims on banks can act as money because they are negotiable and/or repayable on demand, and hence valued at par and effectively transferable by mere delivery in the case of banknotes, or by drawing a cheque, delivering it to the payee to bank or cash.
2. netting and settlement of payments -- banks act both as collection agent and paying agents for customers, and participate in inter-bank clearing and settlement systems to collect, present, be presented with, and pay payment instruments. This enables banks to economize on reserves held for settlement of payments, since inward and outward payments offset each other. It also enables payment flows between geographical areas to offset, reducing the cost of settling payments between geographical areas.
3. Credit intermediation -- banks borrow and lend back-to-back on their own account as middle men
4. Credit quality improvement -- banks lend money to ordinary commercial and personal borrowers (ordinary credit quality), but are high quality borrowers. The improvement

comes from diversification of the bank's assets and the banks own capital which provides a buffer to absorb losses without defaulting on its own obligations. However, since banknotes and deposits are generally unsecured, if the bank gets into difficulty and pledges assets as security to try to get the funding it needs to continue to operate, this puts the note holders and depositors in an economically subordinated position.

5. Maturity transformation -- banks borrow more on demand debt and short term debt, but provide more long term loans. In other words; banks borrow short and lend long. Bank can do this because they can aggregate issues (e.g. accepting deposits and issuing banknotes) and redemptions (e.g. withdrawals and redemptions of banknotes), maintain reserves of cash, invest in marketable securities that can be readily converted to cash if needed, and raise replacement funding as needed from various sources (e.g. wholesale cash markets and securities markets) because they have a high and more well known credit quality than most other borrowers.

### **Tele Banking System**

#### **Q: 1: Tell me about Tele Banking System?**

**Ans:** The Bank Offers 24 \* 7 Tele Banking Services which can be availed by Customers of all CBS branches of Bank through Tele Banking City Servers installed at 20 major cities across India. By using this wonderful & convenient Technology which uses Interactive Voice Response system (IVR), you can have Anytime, Anywhere (24 \* 7) access to your different Accounts. You can inquire about your Account balances and also have general information about bank's various product and services.

#### **Q: 2: What is IVR System?**

**Ans:** Tele Banking is based on an Interactive Voice Response System (IVR). This technology helps the Customer to understand and execute the various options available in the Tele Banking system by pressing keys of the Telephone instrument.

#### **Q: 3: What Services are Offered in Tele Banking System?**

**Ans:** (A) General Information For Public Enquiry about (1) Domestic Term Deposit Rates (2) Domestic Term Deposit rates for Senior Citizens (3) NRE & FCNR Rates (4) Daily Forex rates (5) Bank's various retail products (6) Detail of ATM Locations (7) Bank's working hours & Holiday enquiry. (B) Account related Information - Uses Customer Number & PIN For Authorisation (1) Account Balance Enquiry (2) Enquiry about last five transactions (3) Account Statement for a given period through FAX, Another Fax and Email options. (4) Cheque Status Enquiry.

#### **Q: 4: How I can avail Tele Banking Services?**

**Ans:** The Bank is offering Tele Banking Services, a 24 \* 7 hours service, totally free of costs for its esteemed Customers. To avail the Tele Banking services, you need to submit duly filled-in Tele Banking form to your Branch. Kindly collect your secret PIN letter from the Branch after 4-5 working days. After receiving the secret PIN number from branch, you can enjoy our Tele Banking services from anywhere\* anytime by just moving your fingers on your Telephone instrument.

**Q: 7: How I can use Tele Banking Services?**

**Ans:** Language Selection:- The Customer can interact with the TeleBanking system by selecting one of the four languages viz. 1. Hindi 2. English 3. Tamil 4. Bengali. When you dial the nearest City's TeleBanking Phone number, then after the recorded welcome message, you need to select the language to interact with TeleBanking system. Next you need to select either the option of 'Account Related Information' to access your accounts Or you can choose the General Information option. To Access the "Account Related Information", you must enter your Customer ID and the secret PIN (which is being issued to you by the bank). Key-in the various numbers on your keypad, for the services of your choice as directed by the IVR System. During the Interaction session, you can Press/ dial 9 to repeat the previous menu, 0 for main menu and # to quit the TeleBanking system.

**Q: 8: What is Customer-Id and PIN?**

**Ans:** Customer-id is a unique Numeric Code allotted by the Computerized System to identify the Customer and its details such as Customer name, addresses and various types of accounts the Customer is operating with the Bank viz. SB A/c., Overdraft A/c., Current Account etc. All the personal details of the Customers are accessed using this Customer-ID. The Personal Identification Number (called PIN), is a four digit number generated by the Tele Banking system, which a customer needs along with the Customer-ID number in order to access Tele Banking system. The PIN is issued by the Bank and sent to a customer through sealed PIN mailers.

**Q: 9: What is the Security in Tele Banking System?**

**Ans:** The Customers who have opted for Tele Banking system are issued secret PINs by the Bank which are sent through sealed PIN Mailers. When Customer uses the Tele Banking system first time, he is forced to change the PIN number to keep its secrecy. He further has the option of changing the PIN number as and when required by him. This enhances the security feature of this facility.

**Q: 11: What should I do, if I have forgotten my PIN number?**

**Ans:** Re-Issuance of Personal Identification PIN: - In case Customer forgets his secret PIN, he needs to give written request to the concerned branch for re-issuance of PIN. The branch thereafter forwards the request to Tele Banking Cell at Head Office for re-issuance of PIN for the Customer.

**Automated Teller Machine**

**Q: What is an ATM?**

**A:** An Automated Teller Machine (ATM) is a device that allows card-holding customer to perform broad range of routine banking transactions without interacting with a human teller.

**Q: What are the types of ATMs?**



**Ans:**

1. Touch Screen: Customers can touch the screen to choose options.
2. Key Operated: The keys border the screen and customers choose options these keys.
3. Motorized: In this machine the card is carried by the motor to card reader and the transaction takes place when the card is inside the machines.
4. Dip Card: The customer has to insert and remove the card and do the transaction when the card is out of machine. Out of this syndicate bank have only (b), (c) & (d) types of ATMs.

**Q: To whom are the ATM cards not issued?**

**Ans:** ATM Cards are not issued to minors below the age of 14 years, account operated jointly and illiterate customers.

**Q: What is Mini Statement?**

**Ans:** It is statement of account showing last 10 transactions, in the account.

**Q: What happens if wrong entry of PIN is given?**

**Ans:** In case PIN is entered wrongly thrice in succession, the ATM card operations will be blocked for 24 hours, although the ATM Card will not be captured instead it gets ejected from the card reader slot. After 24 hours the operations through the same card is allowed.

**Q: What is to be done if one forgets his PIN or PIN is lost?**

**Ans:** Duplicate PIN can be issued on receipt of written request from card holder. The cardholder need to submit written request to his/her branch.

**Q: Does Bank bears any liability for unauthorized use of the Card?**

**Ans:** No. The responsibility is solely vested with the cardholder.

**Q: How many accounts can be linked to one syndicate bank Debit Card?**

**Ans:** At present three accounts can be linked to one syndicate bank Debit card.

**Q: Can Customer/cardholder withdraw from ATMs other than syndicate bank own ATMs using syndicate bank Debit card?**

**Ans:** Apart from syndicate bank's own Networked ATM customer/cardholder can use ATMs of other banks who are member of MITR/NFS/VISA. 'MITR' Group have 5 other Banks i.e. PNB, Indian Bank, Karur Vysya Bank, IndusInd Bank, UCO Bank.

**Q: How many ATMs are deployed by syndicate bank and whether these ATMs allow transactions to accepts cardholders of other banks also?**

**Ans:** There are 800 ATMs deployed by syndicate bank. All these ATMs allow cash withdrawal and balance inquiry to cardholders of other banks who are member of MITR/NFS/VISA.

## **NET BANKING**

**Q1 .What is Internet Banking?**

**Ans:** - Internet Banking enables a customer to perform basic banking transactions through PC or laptop located anywhere in the globe.

**Q2. What is special about Internet Banking?**

**Ans:-** It is available 24 hours a day, 365 days a year and you can operate your account anytime / anywhere at your convenience.

**Q3. What are the facilities/services available through Internet Banking?**

**Ans:** - Services offered through Oriental Banks Net Banking

1. Account Related Operations for all the accounts in the CBS branches
  - Online Balance Inquiry on Accounts.
  - View last (n) transactions.
  - Statement of Account for given range of Dates, Amount and Cheques.
2. Fund Transfer Operations
  - Fund Transfer to own accounts within the Bank.
  - Fund Transfer to other Customers account(s) within the Bank.
  - NEFT - Fund Transfer to other Banks account(s).
3. Payments
  - Bill Payments - BSES, MTNL, LIC of India, Vodafone etc.
  - Scheduled repetitive bill payments.
  - External payments viz. IRCTC (For Railway Reservation), E-Seva.
  - Fund Transfer Facility for Sharekhan.com, DB (International) Ltd. etc.
4. Mails
  - Customer can send mails for clarification of various queries and receive certain information from the bank.
5. Activity:
  - You can inquire your various financial and non-financial activities performed during a period of time.
6. Customize
  - You can customize your various information like Change your passwords, Add Nick names to your accounts, Change Date Format, Amount format etc.

#### **Q 4. What is RTGS?**

**Ans.** Real Time Gross Settlement System (RTGS) is a modern, robust, integrated payment and settlement system. RTGS is a system whereby the Banks and Financial Institutions maintaining accounts with RBI can transfer funds to one another on an immediate, final and irrevocable basis during business hours.

The Facility can be used for Fund Transfer to other Bank on behalf of the customers. This is R41 transaction and funds are transferred by debiting customer's account to the destination account of other participating bank directly without any manual intervention. For this purpose correct destination account number and IFSC code of the destination bank / branch is required from the customer availing this facility.

#### **Q:1 What is NEFT System?**

**Ans:** National Electronic Funds Transfer (NEFT) system is a nation wide funds transfer system to facilitate transfer of funds from any bank branch to any other bank branch.

#### **Q:2 Are all bank branches in the system part of the funds transfer network?**

**A:** No. As on July 20, 2008, 46363 branches of 87 banks are participating. Steps are being taken to widen the coverage both in terms of banks and branches.

#### **Q:3 Whether the system is centre specific or have any geographical restriction?**

**A:** No, there is no restriction of centers or of any geographical area inside the country. The system uses the concept of centralized accounting system and the bank's account that is sending or receiving the funds transfer instructions, gets operated at one centre, viz, Mumbai only. The individual branches participating in NEFT could be located any where across the country, as detailed in the list provided on our website.

#### **Q:4 What is the funds availability schedule for the beneficiary?**

**A:** The beneficiary gets the credit on the same Day or the next Day depending on the time of settlement.

#### **Q:5 How does the NEFT system operate?**

**A: Step-1:** The remitter fills in the NEFT Application form giving the particulars of the beneficiary (bank-branch, beneficiary's name, account type and account number) and authorizes the branch to remit the specified amount to the beneficiary by raising a debit to the remitter's account. (This can also be done by using net banking services offered by some of the banks.)

**Step-2:** The remitting branch prepares a Structured Financial Messaging Solution (SFMS) message and sends it to its Service Centre for NEFT.























