

Bank of Baroda po exam – General Socio Economic & Banking Awareness model paper – Held on October 5th 2008.

General Socio-Economic & Banking Awareness :

1. RBI's open market operation transactions are carried out with a view to regulate—

- (A) Liquidity in the economy
- (B) Prices of essential commodities
- (C) Inflation

(D) Borrowing power of the banks

(E) All the above

2. When more than one banks are allowing credit facilities to one party in coordination with each other under a formal arrangement, the arrangement is generally known as—

(A) Participation

(B) Consortium

(C) Syndication

(D) Multiple banking

(E) None of these

3. Open market operations, one of the measures taken by RBI in order to control credit expansion in the economy means —

(A) Sale or purchase of Govt. securities

(B) Issuance of different types of bonds

(C) Auction of gold

(D) To make available direct finance to borrowers

(E) None of these

4. The bank rate means—

(A) Rate of interest charged by commercial banks from borrowers

(B) Rate of interest at which commercial banks discounted bills of their borrowers

- (C) Rate of interest allowed by commercial banks on their deposits
- (D) Rate at which RBI purchases or rediscounts bills of exchange of commercial banks
- (E) None of these

5. What is an Indian Depository Receipt ?

- (A) A deposit account with a Public Sector Bank
- (B) A depository account with any of Depositories in India
- (C) An instrument in the form of depository receipt created by an Indian depository against underlying equity shares of the issuing company
- (D) An instrument in the form of deposit receipt issued by Indian depositories
- (E) None of these

6. An instrument that derives its value from a specified underlying (currency, gold, stocks etc.) is known as—

- (A) Derivative
- (B) Securitisation Receipts
- (C) Hedge Fund
- (D) Factoring
- (E) Venture Capital Funding

7. Fiscal deficit is—

- (A) total income less Govt. borrowing
- (B) total payments less total receipts
- (C) total payments less capital receipts
- (D) total expenditure less total receipts excluding borrowing

(E) None of these

8. In the Capital Market, the term arbitrage is used with reference to—

(A) purchase of securities to cover the sale

(B) sale of securities to reduce the loss on purchase

(C) simultaneous purchase and sale of securities to make profits from price

(D) variation in different markets

(E) Any of the above

9. Reverse repo means—

(A) Injecting liquidity by the Central Bank of a country through purchase of Govt. securities

(B) Absorption of liquidity from the market by sale of Govt. securities

(C) Balancing liquidity with a view to enhancing economic growth rate

(D) Improving the position of availability of the securities in the market

(E) Any of the above

10. The stance of RBI monetary policy is—

(A) inflation control with adequate liquidity for growth

(B) improving credit quality of the Banks

(C) strengthening credit delivery mechanism

(D) supporting investment demand in the economy

(E) Any of the above

11. Currency Swap is an instrument to manage—

- (A) Currency risk
- (B) interest rate risk
- (C) currency and interest rate risk
- (D) cash flows in different currencies
- (E) All of the above

12. 'Sub-prime' refers to—

- (A) lending done by banks at rates below PLR
- (B) funds raised by the banks at sub-Libor rates
- (C) Group of banks which are not rated as prime banks as per Banker's Almanac
- (D) lending done by financing institutions including banks to customers not meeting with normally required credit appraisal standards
- (E) All of the above

13. Euro Bond is an instrument—

- (A) issued in the European market
- (B) issued in Euro Currency
- (C) issued in a country other than the country of the currency of the Bond
- (D) All of the above
- (E) None of these

Bank of Baroda po exam papers question 14 to 25

14. Money Laundering normally involves—

- (A) placement of funds
- (B) layering of funds
- (C) integration of funds

(D) All of (A), (B) and (C)

(E) None of (A), (B) and (C)

15. The IMF and the World Bank were conceived as institutions to—

(A) strengthen international economic co-operation and to help create a more stable and prosperous

global economy

(B) IMF promotes international monetary cooperation

(C) The World Bank promotes long term economic development and poverty reduction

(D) All of (A), (B) and (C)

(E) None of (A), (B) and (C)

16. Capital Market Regulator is—

(A) RBI

(B) IRDA

(C) NSE

(D) BSE

(E) SEBI

17. In the term BRIC, R stands for—

(A) Romania

(B) Rajithan

(C) Russia

(D) Regulation

(E) None of these

18. FDI refers to—

(A) Fixed Deposit Interest

(B) Fixed Deposit Investment

(C) Foreign Direct Investment

(D) Future Derivative Investment

(E) None of these

19. What is Call Money ?

(A) Money borrowed or lent for a day or over night

(B) Money borrowed for more than one day but upto 3 days

(C) Money borrowed for more than one day but upto 7 days

(D) Money borrowed for more than one day but upto 14 days

(E) None of these

20. Which is the first Indian company to be listed in NASDAQ ?

(A) Reliance

(B) TCS

(C) HCL

(D) Infosys

(E) None of these

21. Which of the following is the Regulator of the credit rating agencies in India ?

(A) RBI

- (B) SBI
- (C) SIDBI
- (D) SEBI
- (E) None of these

22. Who is Brand Endorsing Personality of Bank of Baroda ?

- (A) Juhi Chawla
- (B) Kiran Bedi
- (C) Amitabh Bachchan
- (D) Kapil Dev
- (E) None of these

23. The branding line of Bank of Baroda is—

- (A) International Bank of India
- (B) India's International Bank
- (C) India's Multinational Bank
- (D) World's local Bank
- (E) None of these

24. The logo of Bank of Baroda is known as—

- (A) Sun of Bank of Baroda
- (B) Baroda Sun
- (C) Bank of Baroda's Rays
- (D) Sunlight of Bank of Baroda

(E) None of these

25. Which of the following statements(s) is/are True about the exports of China which is a close competitor of India ?

(i) China's economic success is basically on the fact that it exports cheaper goods to rich nations like the USA, etc.

(ii) In the year 2007 China's exports became almost 40% of its GDP.

(iii) When compared to India China's share in the World Exports is more than 30% whereas India's share is mere 6% of the global exports.

(A) Only (i)

(B) Only (ii)

(C) Both (i) and (ii)

(D) All (i), (ii) and (iii)

(E) None of these

Bank of Baroda po exam papers – Answers from 1 to 25 are as follows.

1. (E) 2. (B) 3. (A) 4. (D) 5. (C)

6. (C) 7. (D) 8. (C) 9. (A) 10. (E)

11. (D) 12. (D) 13. (C) 14. (D) 15. (D)

16. (E) 17. (C) 18. (C) 19. (A) 20. (D)

21. (D) 22. (E) 23. (B) 24. (B) 25. (C)