

Principles And Practices of Banking - JAIIB

Timing: 3 Hours

Question : 100

1. Banking operations in India are governed mainly by _____ Act and _____ Act and the regulator of banks _____.
 - a. Banking Regulation Act, NI Act, RBI
 - b. RBI Act, NI Act, RBI
 - c. Banking Regulation Act, RBI Act, RBI
 - d. Banking Regulation Act, RBI Act, SEBI
2. Banking means acceptance of _____ for the purpose of lending and _____ u/s _____ of Banking Regulation Act:
 - a. Deposits, investments, 6 (c) (i)
 - b. Deposits, investments, 5 (b)
 - c. Deposits, investments, 5 (c)
 - d. Deposits, investments, 5 (d)
3. Which of the following is helping the banking system in sharing the information about the credit history of households:
 - a. Banking codes and standard Board of India
 - b. Credit Information Bureau India Limited
 - c. CRISIL
 - d. All the above
4. A bank purchases a commercial complex from XYZ in realization of loan. What is the disposal period RBI discretion to extend the said disposal period u/s _____ of Banking Regulation Act:
 - a. 7 years, 5 years, Sec 9
 - b. 7 years, 7 years, Sec 9
 - c. 5 years, 7 years, Sec 6 (1)
 - d. 5 years, 5 years, Sec 6 (1)
5. Private banks and foreign banks are regulated by _____ Act for their constitution and _____ Act and _____ Act for their business of Banking:
 - a. Companies Act, NI Act, RBI Act
 - b. NI Act, B R Act, RBI Act
 - c. Companies Act, B R Act, RBI Act
 - d. Companies Act, B R Act, NI Act
6. Which of the following cannot be included in value added services that are offered under wholesale banking by banks:
 - a. Derivative desk
 - b. Letter of credit
 - c. Employee trust

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- d. Channel financing
7. U/s 22 of RBI Act, RBI (which of the following is not correct)
- Has authority to issue and manage currency of India
 - Issues bank notes and currency notes
 - Can issue bank notes having denomination Rs.2 to Rs.10000
 - The bank notes are legal tender at any place in India.
8. Govt. regulates the banking system by affecting the decision making by RBI since (a) Govt. holds the entire share capital of RBI (b) Govt. can give direction to RBI u/s 7 (1) of RBI Act. (c) Govt. has absolute powers over the banking system:
- A to c all correct
 - A and b only are correct
 - B and c only are correct
 - A and c only are correct
9. A _____ is a type of transferable financial instrument traded on a local stock exchange of a country but represents a security issue by a foreign publicly listed company:
- Depository receipt
 - Derivative
 - Option
 - Participatory notes
10. Any transfer of shares in a banking company which exceeds ____ % of paid up capital of the bank requires acknowledgment by _____ before registration of in the books of the company:
- 5%, SEBI
 - 5%, RBI
 - 10%, RBI
 - 10%, Company Law Board
11. Authorized capital of a nationalized bank cannot be less than Rs. _____ cr:
- 100cr
 - 500cr
 - 1000cr
 - 3000cr
12. Customer is defined as per provisions of:
- Indian Contract Act
 - Negotiable instrument Act
 - General Clauses Act
 - KYC Guidelines
13. A bank which is authorized by the issuing company to issue depository receipts against issue of foreign currency convertible depository receipts against issue of foreign currency convertible bonds or ordinary shares of the issuing company, is called
- Overseas depository bank
 - Inland depository bank

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- c. Custodian bank
 - d. Authorized bank
14. Bank's obligation to pay the cheque drawn by the customer u/s 31 if NI act exists, In which of the following circumstances:
- a. When the amount in words and figures differs
 - b. When there is notice of death of the customer
 - c. When an attachment order has been received
 - d. When the signatures of the drawer are genuine but differ
15. Bankers' obligation to maintain secrecy of customer's account is (which of the following is not correct):
- a. As per provision of Banking Companies (Acquisition & Transfer of Undertakings) Act 1967
 - b. As per implied contract between bank and customer
 - c. It continues during currency of the account and also after closure
 - d. none of the above
16. Issue of securities in the primary market is subject to fulfillment of a no. of requirement stipulated by:
- a. SEBI
 - b. IRDA
 - c. RBI
 - d. All the above
17. Definition of the term 'banking' is as per Section 5 (b) of the which of the following:
- a. Banking Companies (Acquisition and transfer of Undertakings) Act
 - b. Banking Regulation Act
 - c. RBI Act
 - d. NI Act
18. U/s 171 of Indian Contract Act, the general lien is available to (a) banker (b) wharfingers (c) factors (d) attorneys of High Court provided there is no agreement to the contrary:
- a. A, b and d only
 - b. B, c and d only
 - c. A, b and c only
 - d. A to d all
19. Which of the following statement regarding a broker is not true:
- a. He is a member of stock exchange
 - b. He is registered with SEBI
 - c. A sub-broker is affiliated to a member of recognized stock exchange and registered with SEBI
 - d. None of the above
20. First item on the debit side of the account is discharged reduced by the first item on the credit side in the chronological order as per which of the following:
- a. Rule of appropriation

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- b. Rule in Clayton case
 - c. Right of set off
 - d. Banker's general lien
21. Which among the following is not an essential features of a mandate:
- a. It is given on a simple paper
 - b. It does not require registration with any Govt. authority
 - c. In joint accounts and in partnership it should be signed by all account holders / all partners.
 - d. It should be properly stamped
22. A bond issued at a discount and repaid at its face value is called, a _____ bonds:
- a. Coupon bond
 - b. Convertible bond
 - c. Commercial bond
 - d. Zero coupon bond
23. An attachment order of Rs.40000 on a partnership firm is received; whose current account shows a balance of Rs.4000. The individual accounts of the partners A,B and C are showing credit balance of Rs.20000, Rs.17000 and Rs.1250 respectively. To meet the payment stated in the order, how much amount will be payable from A's account?
- a. Rs.16250
 - b. Rs.17750
 - c. Rs.18750
 - d. Rs.40000
 - e. Rs.19750
24. Your branch receives a garnishee order. It attaches all sums owing or accruing due to Mr. Ashok and Mr. Anand. There is no account at the branch in the joint names of Mr. Ashok and Anand. But they maintain their individual accounts. Under these circumstances:
- a. The court should be advised that there is no account in the joint names of Ashok and Mr. Anand. Hence, the garnishee order can not be given effect to.
 - b. The garnishee order will attach the individual accounts of Mr.Ashok and Mr. Anand as they are jointly and severally liable for the joint debt.
 - c. The matter should be referred to the court for clarification
 - d. Since the order is not applicable, the bank need not take any action thereon.
25. Security receipt is issued by the _____ to a qualified institutional buyer in pursuance to a securitization program:
- a. Central Govt.
 - b. Securitization Companies
 - c. Rated companies
 - d. All the above
26. Which of the following instrument has three parties i.e.drawer, payee and drawee, to the instrument:
- a. Bill of exchange and cheque

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- b. Bill of exchange and promissory note
 - c. Promissory note and cheque
 - d. Promissory note and demand draft
27. Which of the following is not a feature of an 'account payee crossing':
- a. It is defined as per Section 130 of NI Act
 - b. Its payee is holder only
 - c. It can be endorsed and transferred any no. of times
 - d. All the above
28. Which of the following is not a function of SEBI:
- a. To regulate securities market
 - b. To protect the interest to investors in securities
 - c. To promote the development of securities market
 - d. None of the above
29. Which among the following is a false statement:
- a. Signature of the payee or endorsee for negotiation of the cheque is called endorsement
 - b. Endorsement can be only on the back side or separate sheet of paper called allonge
 - c. A cheque can be endorsed for any number of times
 - d. Endorsement is possible on bill of exchange, promissory note and cheque.
30. Which of the following endorsements match their description:
- a. Pay to X Rs.10000 and Y Rs.2000 (the cheque is for Rs.12000)- partial endorsement
 - b. Pay to X only-restricted endorsement
 - c. Pay to X when he returns from UK-conditional endorsement
 - d. Pay to X without my responsibility – sans recourse endorsement
31. The mechanism for pooling resources from the public by issuing units to them and investing the funds, so collected in securities in accordance with objectives disclosed in an document, is called
- a. Public issue
 - b. Mutual fund
 - c. Securitization
 - d. Initial public offering
32. A cheque is a dated January 12,2016 and presented for payment by the payee on April 13,2016. The paying bank returns the cheque stating that it is stale. Which among the following is not correct in this connection:
- a. The term 'stale' is defined in NI Act Section 138
 - b. The cheque becomes stale after 3 months from date of its issue
 - c. The term 'stale' is used as a matter of practice
 - d. A stale cheque can be revalidated with fresh validity up to 3 months
33. A post-dated cheque is returned by the bank without payment because, the bank is exposed to the following risk (a) customer dies before date of the cheque (b) if garnishee order is received before date of the cheque (c) if payment is stopped by the drawer before date of the cheque (d) if another cheque is returned for insufficiency of funds, after date of the post-dated cheque

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- a. A, b and c are correct
 - b. A to d all are correct
 - c. A, c and d only are correct
 - d. B, c and d are correct
34. In a gilt fund, the mutual funds make investment in:
- a. Govt. securities
 - b. Corporate securities
 - c. Corporate debt
 - d. Govt. and corporate debt
35. Bank B made payment of a cheque with following endorsements. In which of these cases the payment will not be deemed to be a payment in due course:
- a. Endorsement by X the payee, in favour of Mr. Y and the cheque has not negotiable crossing.
 - b. Endorsement by X, to Y, Y to Z and Z to A
 - c. Endorsement by Renu wife of Mr. Sunil Kumar, while the cheque is in favour of Mrs. Sunil Kumar
 - d. Endorsement by X the payee in favour of Mr. Y while the cheque is having payee's account crossing
36. Bank B makes payment of the following cheque. For which of these the bank will not get protection:
- a. A cheque with one endorsement as forged endorsement
 - b. A bearer cheque bearing an endorsement in favour of X while payment is received by Y without endorsement from X
 - c. A cheque the amount of which has been filled by the payee and was left blank by the drawer
 - d. A cheque having amount in words as Rs:five thousand while amount in figures was left blank
37. For collection of which of the following, the collecting bank will get protection:
- a. A cheque that does not bear any crossing before it is handed over to the bank. Bank puts its own stamp to present the cheque for clearing
 - b. A cheque, as first deposit in the newly opened account after complying with KYC guidelines
 - c. A cheque written in two inks, two handwritings and two scripts
 - d. All the above
38. The legal status of a mutual fund is in the form of a
- a. Partnership firm
 - b. Proprietorship
 - c. Joint stock company
 - d. Trust
39. Which of the following is not correct in the context of dishonor of cheque for insufficiency of funds:
- a. To file the suit, holder is required to give a notice to drawer within 30 days of receipt of information about dishonor

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- b. To file the suit, the holder is to give notice to draw to make payment within 30 days of receipt of notice by drawer
 - c. Court can impose fine up to double the amount of cheque on the drawer
 - d. Drawer can be imprisoned up to 2 years, if found guilty
40. In which of the following situations, the bank can favorably accommodate the customer:
- a. Mr. Suresh, a valued customer comes to obtain payment of a cheque drawn in his favour and crossed by him, by mistake and now demands cash payment.
 - b. Mr. Phadke, comes with a cheque in favour of his wife and crossed account payee, for credit to his account. His wife has endorsed the cheque in his favour
 - c. A cheque dated June 12,2004 is presented for payment on Dec 12,2004 as Dec 11,2004 was a Sunday
 - d. A cheque in which date, amount and payee's name is left blank by the drawer and is completed by Mr. Dinesh, who demands its payment
41. Who fixes the insurance premium rates for some of the general insurance products:
- a. SEBI
 - b. Insurance Regulatory & Development Authority
 - c. Tariff Advisory Committee
 - d. All the above
42. Obtaining introduction from the existing customer for opening a new deposit account is essential (a) to get protection u/s 131 of NI Act against conversion (b) to prevent money laundering (c) to comply with KYC directives of RBI
- a. None of the above
 - b. A and b only
 - c. B and c only
 - d. A and c only
43. Which of the following correct with regard to a minor:
- a. A minor is a person if less than 21 years of age where the guardian is appointed by a court
 - b. A minor can open a bank account under provisions of Indian Contract Act with the provision that no transaction should result in debit balance in his account
 - c. A minor can open a self operated bank account because he can draw a cheque and has been permitted to open the account by RBI also
 - d. Loan given to minor for necessities is recoverable from him personally
44. Insurance policy taken by a business firm on the life of very important person to protect the firm against financial loss, is called
- a. Master policy
 - b. Keyman policy
 - c. VIP Protection policy
 - d. Umberrima fides
45. In the following situations, which decision taken by a bank is not correct, in case of an insolvent customer:

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- a. A cheque signed by the insolvent person as drawer is presented for payment and bank returns it unpaid
 - b. Insolvent person comes to open a new deposit account and bank refuses to open the account
 - c. An insolvent person comes as payee of a cheque and bank refuses to pay to him
 - d. None of the above
46. To address customer grievances in respect of insurance contract on personal lives, there is an institution called _____:
- a. Insurance Ombudsman
 - b. Insurance regulator
 - c. Insurance Intermediary
 - d. Insurance Regulatory and development Authority
47. Karta in a HUF does not have which of the following authority:
- a. To manage the business or property
 - b. To raise loan to run the family business and create charge on HUF assets to a secure such loan
 - c. To appoint agent that may be one of the coparceners or even outside
 - d. None of the above
48. Which of the following is not a correct statement in the context of registration of a partnership firm:
- a. Provisions for registration of a firm are u/s 58 of Indian Partnership Act
 - b. Registration of a firm is optional and not compulsory
 - c. If a firm is not registered, neither it can file suit in its own name, nor anyone else can file suit on this firm
 - d. If a firm is registered, it can file suit in its own name and suit can be filed on the firm by others, whether registers or unregistered.
49. The minimum capital to start a new Insurance company in India is:
- a. Rs.100cr
 - b. Rs.75cr
 - c. Rs.50cr
 - d. Rs.10cr
50. Where a minor is admitted for benefit, in an existing firm (a) he has the authority to become partner on attaining majority (b) he has the right not to become partner on attaining majority (c) if he remains silent regarding whether to be partner or not to be, he is deemed to have not become partner (d) if he chooses to be a partner his liability begins from date of his becoming full-fledged partners.
- a. A, c and d are correct
 - b. A, b and d are correct
 - c. Only a and b are correct
 - d. Only a and c are correct

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51. A bank has to give loan to a company for which the company has given certified copy of Articles of Association . bank has doubt that the Articles of Association stands amended and the company has not given the amended copy. What source can be used by the bank to have copy of the amended documents:
- Other bank of the company
 - SEBI
 - Registrar of Companies
 - Any of the above
52. Borrowing powers of the Board of Directors of a company (which is not true):
- Are mentioned in the Articles of Association
 - If not mentioned , in the Articles, it is equal to paid up capital + reserves of the company
 - Where board of directors does not have adequate powers, it has to approach the shareholders u/s 293 (d) (i)
 - None of the above
53. If there is default of repayment by the buyer in case of factoring and the factor is able to recover the amount from the seller, it is called
- Non- recourse factoring
 - Without recourse factoring
 - Recourse factoring
 - Bills discounting
54. Bank-B is maintaining account of a sports club which is operated by its Secretary and President jointly. Bank receives a notice (on Feb 10,2016) of death of the President on Jan 31,2016. Two cheques of Rs.5000 each dated Jan 12, 2016 and dated feb 02, 2016 are presented for payment on Feb 24,2016. The bank shall:
- Pass both the cheques as these are signed by them in the capacity of an agent
 - Return both the cheques as the death of one of the drawers has taken place
 - Pass the 1st cheque and return the 2nd cheque
 - Pass the 2nd cheque and return the 1st cheque
55. A charitable trust has a current account with your bank and now it wants to raise a loan for furtherance of its activities. The loan can be allowed
- If the trustee decide and pass a resolution to that effect
 - If the current account operating trustee make a request and offer his guarantee also
 - If the Trust Deed provides for that the loan
 - The loan will not be allowed to a trust
56. When the seller of machinery or other capital equipment is agreeable to extend long term credit to the buyer of the machinery, on the gurantee of a bank, such gurantee is called
- Specific guarantee
 - Deferred payment guarantee
 - Particular guarantee
 - Performance guarantee

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57. A customer of the bank has written a will and he has died. The execution of this Will will be carried by:
- Administrator
 - Assignee
 - Liquidator
 - None of the above
58. Which of the following statements can be considered to be true:
- Memorandum of Association of a company is called document of Indoor management as it contains internal rules of the company
 - Trustee can rise loan for the trust at their discretion
 - Objects of a company are stated in Articles of Association
 - A person appointed by a court to manage the property of a deceased person is called 'administrator'
59. The Basel Committee on Banking Supervision, is a committee that was constituted by:
- RBI and World Bank
 - International Monetary Fund
 - United Nations
 - None of the above
60. Which is not correct with regard to rate of interest in NRI opened accounts:
- NRE FDR account- as per ceiling rate fixed by RBI and linked to Bank Rate
 - FCNR account- as per ceiling rate fixed by RBI and linked to LIBOR
 - NRE-Saving account- bank discretion but not more than domestic rates
 - NRO account- bank discretion but not more than domestic rates
61. In which of the following circumstance, the banker customer relationship does not come to an end
- Death of the customer
 - Insolvency of the customer
 - Insanity of the customer
 - Receipt of garnishee order which has been satisfied by payment
62. X is maintaining a SB account with Popular Bank and wrongly credited an amount of Rs.12500 to his account. This was entered in his pass book also. Later on when the mistake came to bank's notice it debited customer's account but did not inform the customer. Meanwhile the customer issued a cheque on the basis of this balance which was dishonoured by the bank.
- Customer can ask for damages for return of his cheque although amount was recoverable from him, had the cheque been paid
 - Customer cannot ask for damages as bank has only rectified the mistake.
 - It was customer's duty to check the pass book for bringing the error to bank's notice. Hence customer cannot claim any damages
 - None of the above
63. 2nd Pillar in Basel 2 relates to:

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- a. Minimum capital
 - b. Supervisory review
 - c. Market discipline
 - d. Risk management
64. Which among the following statements is true in connection with customer account:
- a. On receipt of information of customer's death verbally, the bank cannot stop payment in the account
 - b. When an account is to be closed by the bank, it is not under obligation to tell the reasons to the customer
 - c. When a customer wants to close his account with the bank, he is not under obligation to disclose the reasons to the bank
 - d. Pass-book is the copy of the bank records, available with the customer
65. RBI conducts on site inspection and off-site supervision of Indian banks and based on its finding. RBI rates the banks on important parameters called _____. The word A of these parameters stands for _____:
- a. CACS, advances
 - b. CAMELS, assets
 - c. CACS, asset quality
 - d. CAMELS, asset quality
66. As per Basel 2 recommendations, the Tier 3 is limited to ____ % of a bank's Tier I capital that is required support market risk:
- a. 500%
 - b. 250%
 - c. 100%
 - d. 50%
67. Mr. K had deposited a sum of Rs.2 lac in his saving bank account. A letter is received from the local Police that Mr. K has been arrested for committing a fraud. A cheque of Rs.15000 has been received through clearing in the account for payment, after receipt of notice from the police.
- a. Cheque will be paid
 - b. Cheque will be paid after having permission from the Police
 - c. Cheque will be paid after getting permission from the customer and the police
 - d. Cheque will not be paid
68. X is issued a cheque of Rs.22000 payable to B or order. The cheque is misplaced and found by C. C forges B's signatures and endorses in favour of D, who obtains payment from the bank:
- a. This is payment in due course and bank will protection u/s 85 (1) of NI Act
 - b. This is payment in due course and bank gets protection u/s 131 of NI Act
 - c. For this payment on the basis of a forged endorsement, bank is liable
 - d. Bank and C are liable in equal proportion
69. Market risk takes the form of (which one is not correct):
- a. Commodity price risk

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- b. Interest rate risk
 - c. Loan default risk
 - d. Liquidity risk
70. A demand draft is purchased by P. After 5 days, P comes to the bank and requests the bank to stop the payment, as the DD is reported to have lost in transit:
- a. The issuing branch will immediately instruct the drawee branch to stop payment of DD
 - b. The issuing branch will first verify the non-payment and then give the instructions for stop payment
 - c. The payment of DD cannot be stopped. Hence request of P will not be entertained.
 - d. If it is common request from payee and drawee branch, it will be done
71. Which among the following is the objective of issuing KYC guidelines by RBI:
- a. Check fraudulent activities of the borrowers
 - b. Check money laundering activities
 - c. Avoid undesirable customer to enter the banking system
 - d. A and b
 - e. B and c
72. In which of the following situations different partners of the combination remain separate entities:
- a. Alliance
 - b. Amalgamation
 - c. Consolidation
 - d. Merger
73. What is the objective of securitization of financial assets?
- a. To enable the banks in speedy recovery of bad loans
 - b. To sell the securities without intervention of the court, only if loan goes bad
 - c. To acquire assets and then sell the same at profit
 - d. Recycling of funds
74. The functions of purchase of receivable, maintenance of receivable ledgers and collection of dues on due date, under factoring becomes the function of:
- a. Seller
 - b. Factor
 - c. Buyer
 - d. A & C
75. In addition to the normal services as defined in the Banking regulation Act, banks also undertake activities like project appraisal, underwriting of issue, technical know how etc. This business is called:
- a. Consultancy services
 - b. Bancassurance
 - c. Merchant banking
 - d. Advisory services

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- e. Non-fund credit business
76. A eCommerce transaction refers to exchange of information by way of _____. For selling and buying between the customer and the seller
- Credit cards
 - Debit cards
 - Paperless instructions
 - All the above
77. Which of the following is not correct in respect of targets within priority sector:
- Weaker section target for Indian banks is 25% of priority sector
 - Micro & small enterprises credit target for foreign banks is not minimum percentage basis
 - Export credit is 12% of ANBC for Indian banks
 - Agriculture credit target is 45% of priority sector credit for Indian banks
78. Two companies are merged. One of these is supplier of goods to the other. This merger is known as:
- Horizontal merger
 - Vertical merger
 - Conglomerate merger
 - Concentric merger
79. Under Tandon Committee's 2nd method of lending, the working capital margin i.e. net working capital should be:
- 25% of the project sales
 - 25% of current assets
 - 25% of the banks limits
 - 25% of the long term sources
80. Which of the following is not a source of working capital for a manufacturing firm:
- Sundry creditor
 - Unsecured advances
 - Bank term loan
 - Bank overdraft
81. Banking Codes and Standards Board of India, has been constituted as a :
- Joint stock company
 - Trust
 - Society
 - Partnership firm
82. Computerisation in banks can bring improvement in the area of (a) customer service (b) house-keeping (c) decision making (d) productivity. Which of these is correct:
- A, b and c only
 - B, c and d only
 - A, c and d only
 - A to d all

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83. Which of the following is not an advantage of the multi-user computer system through networking:
- Corporate level information is available at one place
 - Costly hardware can not be shared between various user due to which it is not effective
 - Information can be shared easily between various users
 - Computing resources can be used economically by processing the high volume data
84. In _____ each node is joined to the central node by a separate link:
- Star topology
 - Bus topology
 - Ring topology
 - None of the above
85. In star topology for a local area network:
- Each node is joined to each other by a common link
 - All nodes are linked to the server through individual nodes
 - Each node is joined to the central node by a separate link
 - The nodes are connected through a continuous cable
86. In a ATM, the PIN:
- Stands for postal index number
 - Is randomly generated sequence of girls
 - Stored in magnetic strip of the card
 - B and c both
87. Cheque truncation can be done by (a) using image processing (b) using MICR data (c) sending by courier or speed post for early delivery.
- A, b and c all
 - A and b only
 - B and c only
 - A and c only
88. Spend now and pay later stands for:
- ATM card
 - Credit card
 - Debit card
 - Electronic purse
89. The decision support system makes use (a) query language (b) adhoc report generator (c) statistical analyzer (d) graphics
- A to c only
 - B and c only
 - A to d all
 - B, c and d only
90. The cheque truncation can be done (A) by using MICR data (b) by sending chequesx courier (c) using imaging technology

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- a. Only c
 - b. Only a
 - c. Only a and c
 - d. A to c all
91. Compared to a manual system, the consequences of an error in a computerized system are more serious due to (A) errors being generated at high speed will involve higher cost to correct them (b) computer system processes more data (c) users of computer systems perceive the computer output to be always correct
- a. A to c all
 - b. Only b and c
 - c. Only a and b
 - d. Only a
92. Which of the following features do not match in case of goods and services, as a product:
- a. Goods are search products services are experienced products
 - b. Goods and services are tangible
 - c. Goods relate to a stage prior to purchase of use
 - d. Services are the products that relate to a stage after buying or consuming
93. A restaurant provides food as well as service along with the infrastructure for use. This type of product can be classified as:
- a. Pure tangible goods
 - b. Tangible goods with accompanying services
 - c. Hybrid
 - d. Major service with accompanying minor goods
94. A product means something that can be offered to satisfy a want or need which can be physical goods, services, persons, place, idea etc. Which of the following does not match:
- a. Idea- adult education
 - b. Places- Goa, Kashmir
 - c. Persons- Bismilla Khan
 - d. Services- tooth paste
95. Amount is immediately recovered from the card holder online for the amount of card used, in case of:
- a. A debit card
 - b. A post-paid card
 - c. A credit card
 - d. All the above
96. If there are declining sales leading to declining profits and no possibility of increasing and improving them, which of the following strategy will be adopted by an organization:
- a. Product modification
 - b. More of product modification and some production elimination
 - c. Some production modification and more of production elimination

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- d. Product elimination
97. Which among the following is correct in the context of branding of products:
- A brand can be a sign or symbol but not a name
 - Value of brand is its power to capture consumer preference and loyalty
 - Brands help in providing legal protection due to unique features
 - Strong brands enjoy high level of consumer awareness and loyalty
98. A manufacturer of a consumer product keeps the price of a new product at a substantially high and over a time period to reduce it when the demand reduces. Such pricing is called
- Geographical pricing
 - Promotional pricing
 - Market skimming pricing
 - Psychological pricing
99. Which among the following is a component of promotion mix (a) advertising (b) personal selling (c) public relations (d) sales promotion:
- A to d all
 - A, b and c only
 - A, b and d only
 - A, c and d only
100. The system of marketing information is _____ that pertains to marketing:
- The structure of people, equipment and procedures for generation and processing of Information
 - The software used for collection of information
 - The computer hardware which is used for handling database
 - The set of inputs to collate the information

Answers:-

- C
- B
- B
- A
- C
- B
- B
- B
- A
- B
- D
- D
- A

- 14. A
- 15. D
- 16. A
- 17. B
- 18. D
- 19. D
- 20. B
- 21. D
- 22. D
- 23. B
- 24. B
- 25. B
- 26. A
- 27. D
- 28. D
- 29. B
- 30. A
- 31. B
- 32. A
- 33. A
- 34. A
- 35. D
- 36. D
- 37. D
- 38. D
- 39. B
- 40. D
- 41. C
- 42. A
- 43. C
- 44. B
- 45. D
- 46. A
- 47. D
- 48. C
- 49. A
- 50. C
- 51. C
- 52. D
- 53. C

- 54. C
- 55. C
- 56. B
- 57. D
- 58. D
- 59. D
- 60. A
- 61. D
- 62. A
- 63. B
- 64. C
- 65. D
- 66. B
- 67. A
- 68. A
- 69. C
- 70. C
- 71. E
- 72. A
- 73. D
- 74. B
- 75. C
- 76. C
- 77. C
- 78. B
- 79. B
- 80. C
- 81. C
- 82. D
- 83. B
- 84. A
- 85. C
- 86. D
- 87. B
- 88. B
- 89. C
- 90. C
- 91. A
- 92. B
- 93. C

- 94. D
- 95. B
- 96. D
- 97. A
- 98. C
- 99. A
- 100. A

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