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20 True or False

Decide, then check the answer and reason below each statement.

Question 1

JAIIB is conducted by the Indian Institute of Banking & Finance (IIBF).

TRUE

IIBF is the body responsible for conducting the JAIIB examination.

Question 2

JAIIB currently has four papers: IE&IFS, PPB, AFM and RBWM.

TRUE

This is the current four-paper JAIIB structure, subject to periodic revision by IIBF.

Question 3

PPB stands for Principles & Practices of Banking.

TRUE

PPB is one of the four JAIIB subject papers covering banking rules and practices.

Question 4

AFM stands for Advanced Financial Marketing.

FALSE

AFM actually stands for Accounting & Financial Management for Bankers.

Question 5

The AFM paper is numerical and accounting heavy.

TRUE

AFM tests accounting principles, ratios and interest calculations, making it calculation-intensive.

Question 6

The PPB paper is mainly numerical and calculation based.

FALSE

PPB is rules, principles and practice based, while AFM is the numerical and accounting-heavy paper.

Question 7

A bank can start insurance business without needing any regulator's approval.

FALSE

A bank needs the Insurance Regulatory and Development Authority's permission before undertaking insurance business.

Question 8

The mandate of an illiterate account holder should be attested by a Notary Public or Magistrate.

TRUE

This attestation requirement protects illiterate customers who cannot sign account documents themselves.

Question 9

A golden parachute refers to attractive benefits given to clerical and subordinate staff during an acquisition.

FALSE

A golden parachute refers to benefits given to top executives of the target company, not clerical staff.

Question 10

Market skimming works well for a company that is first to market with few competitors.

TRUE

Being first allows a company to charge premium prices before competition intensifies.

Question 11

A category killer store carries a narrow range spread thinly across many unrelated categories.

FALSE

A category killer instead carries a deep assortment of one specialty product line.

Question 12

The Reserve Bank of India can use open market operations to manage money supply during an economic boom.

TRUE

RBI buys or sells securities through open market operations to influence liquidity and control inflation.

Question 13

A computer virus can physically crash a computer's motherboard.

FALSE

A virus is software that can corrupt programs and files, but it does not physically damage the motherboard.

Question 14

Solving previous year questions helps candidates identify topics that repeat frequently in an exam.

TRUE

Past papers reveal recurring themes and the real difficulty level set by examiners.

Question 15

Mock tests become unnecessary once previous year questions have been solved.

FALSE

Mock tests remain essential for building time management and exam temperament alongside previous year questions.

Question 16

RBWM stands for Retail Banking & Wealth Management.

TRUE

RBWM is the JAIIB paper covering retail banking products and wealth management.

Question 17

IE&IFS covers the Indian Economy and the Indian Financial System.

TRUE

IE&IFS is the concept and awareness based JAIIB paper on India's economy and financial system.

Question 18

The money measurement concept explains why non-financial information is excluded from accounting records.

TRUE

Accounting records only capture facts and events that can be expressed in monetary terms.

Question 19

When an account is transferred to a new branch, KYC compliance no longer applies at the receiving branch.

FALSE

The receiving branch must still comply with KYC norms even after an account transfer.

Question 20

Candidates are advised to memorise final numerical answers in AFM without learning the calculation method.

FALSE

Candidates should re-solve each numerical step by step until the method becomes automatic, not just memorise answers.

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