20 True or False

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

Question 1

Wholesale banking is also known as corporate or commercial banking in India.

TRUE

In Indian usage these terms describe the same large-client banking model.

Question 2

The Reserve Bank of India regulates both retail and wholesale banking under the Banking Regulation Act, 1949.

TRUE

This Act is the governing law for banking companies across both models in India.

Question 3

Retail banking targets individuals with standardised, high-volume, low-value banking services.

TRUE

Retail banking is designed around mass-market, everyday customer needs.

Question 4

Wholesale banking typically has a small client base with large ticket-size transactions.

TRUE

Fewer corporate and institutional clients transact in much larger amounts.

Question 5

CAIIB is conducted by the Indian Institute of Banking and Finance (IIBF).

TRUE

IIBF is the body that conducts the CAIIB certification for bankers.

Question 6

Retail loan interest rates tend to be more standardised because individual borrowers have limited bargaining power.

TRUE

Individual customers generally accept published rates rather than negotiating them.

Question 7

Concentration risk is a key drawback associated with wholesale banking.

TRUE

Parking large funds with a few big clients raises the impact of any single default.

Question 8

Retail banking requires an extensive branch and digital network to serve its mass customer base.

TRUE

Reaching millions of small customers needs wide physical and digital coverage.

Question 9

Wholesale banking includes services like trade finance, cash management and M&A advisory.

TRUE

These specialised services address large corporate and institutional needs.

Question 10

Candidates typically pursue CAIIB after already clearing the JAIIB examination.

TRUE

CAIIB is designed for career growth after JAIIB has been cleared.

Question 11

Retail banking primarily serves large corporates and government institutions rather than individuals.

FALSE

Retail banking actually serves individuals and small businesses, not large corporates.

Question 12

Wholesale banking has a much larger client base than retail banking.

FALSE

It is retail banking that has the huge client base; wholesale banking's client base is small.

Question 13

Retail banking typically operates from only a few specialised branches to serve its customers.

FALSE

Retail banking needs a wide, extensive branch network, unlike wholesale banking's few specialised branches.

Question 14

Profit per client is generally lower in wholesale banking than in retail banking.

FALSE

Profit per client is comparatively higher in wholesale banking due to large-value deals.

Question 15

Wholesale banking loan interest rates are always fixed and non-negotiable for corporate clients.

FALSE

Wholesale banking rates are negotiated, unlike the relatively standardised retail rates.

Question 16

CAIIB is a certification conducted by the Reserve Bank of India rather than IIBF.

FALSE

CAIIB is conducted by IIBF, not the Reserve Bank of India.

Question 17

Retail banking carries higher concentration risk than wholesale banking because of its large ticket-size loans.

FALSE

Wholesale banking carries the higher concentration risk, since retail spreads risk across many small accounts.

Question 18

The Banking Regulation Act, 1949 applies only to wholesale banking and not to retail banking operations.

FALSE

The Act governs banking companies generally, covering both retail and wholesale operations.

Question 19

Wholesale banking processing costs are generally lower than retail banking processing costs.

FALSE

Wholesale banking has a higher cost of processing compared to retail banking's lower cost.

Question 20

JAIIB is a prerequisite that candidates typically pursue only after clearing CAIIB.

FALSE

The usual order is the reverse: candidates clear JAIIB first, then pursue CAIIB.