20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **CAIIB ABM recollected questions are memory-based exam topics recalled by candidates after appearing for the Advanced Bank Management paper.**
   IIBF does not officially release CAIIB previous-year papers, so recollected questions are the closest available preview of exam patterns.

2. **IIBF does not officially publish previous-year CAIIB question papers, making candidate recall the main source of past-exam insight.**
   This is why recollected questions carry high value for CAIIB ABM aspirants planning their revision.

3. **The CAIIB ABM paper has four modules: Economic Analysis, Business Mathematics and Finance, HRM in Banks, and Credit Management.**
   Recollected questions map across all four modules of the IIBF-prescribed ABM syllabus.

4. **DSCR stands for Debt Service Coverage Ratio, measuring a borrower's ability to service debt from operating income.**
   DSCR is calculated as Net Operating Income divided by Total Debt Service and signals loan repayment capacity.

5. **A DSCR greater than 1 indicates a borrower earns enough operating income to meet its debt payment obligations.**
   Banks use DSCR thresholds above 1 as a basic viability check before sanctioning term loans.

6. **Net Present Value (NPV) is the present value of future cash inflows minus the initial investment at a chosen discount rate.**
   A positive NPV signals a financially viable project, a concept tested repeatedly in CAIIB ABM numericals.

7. **The Payback Period measures how many years are needed to recover an investment's initial outlay.**
   Unlike NPV, payback period ignores the time value of money, so NPV is considered the more rigorous method.

8. **Money supply aggregates in India are commonly classified as M1, M2 and M3.**
   These aggregates are frequently tested as quick one-liner recall items in CAIIB ABM Economic Analysis questions.

9. **CRR and SLR are monetary tools used by the Reserve Bank of India to regulate liquidity in the banking system.**
   CRR is the Cash Reserve Ratio and SLR is the Statutory Liquidity Ratio, both recur in ABM recollected questions.

10 **Fiscal deficit is the excess of total government expenditure over total receipts excluding borrowings in a financial year.**

Gross Fiscal Deficit and Primary Deficit are related concepts also tested under CAIIB ABM Economic Analysis.

11 **Non-Performing Assets under RBI norms are broadly classified as Substandard, Doubtful and Loss Assets.**

NPA categorisation and provisioning norms are a recurring CAIIB ABM Credit Management topic.

12 **Substandard assets under RBI classification are accounts that have remained non-performing for up to twelve months.**

After this period, an account may be reclassified as a doubtful asset under NPA norms.

13 **Priority Sector Lending targets are measured against Adjusted Net Bank Credit, or ANBC, among other RBI benchmarks.**

ANBC-linked calculations for priority sector lending are a recollected numerical topic in CAIIB ABM.

14 **Drawing Power is the maximum amount a borrower can draw against a cash credit limit, based on stock and book-debt statements.**

Determining Drawing Power correctly is a classic case-study theme in CAIIB ABM Credit Management.

15 **The Human Development Index, or HDI, is a composite measure of a country's health, education and income indicators.**
India's HDI ranking is a recurring quick-recall topic in CAIIB ABM Economic Analysis questions.

16 **The Acid Test or Quick Ratio excludes inventory from current assets when assessing a firm's short-term liquidity.**
It is calculated by dividing quick assets by current liabilities and is a common CAIIB ABM numerical.

17 **MCLR, or Marginal Cost of Funds based Lending Rate, is a benchmark banks use to price floating-rate loans.**
The components that make up MCLR are a frequently recollected topic in CAIIB ABM Credit Management.

18 **A willful defaulter is a borrower who has the capacity to repay a loan but deliberately chooses not to do so.**
This definition is a standard recall item tested under the credit-related modules of CAIIB ABM.

19 **Business cycle phases are commonly described in sequence as expansion, peak, contraction or recession, and trough.**
Questions on this sequence and its associated economic indicators appear regularly in CAIIB ABM.

20 **IIBF does not release official CAIIB past papers, so aspirants must verify every recollected fact against the textbook.**

Recollected questions are a study aid for prioritising topics, not a substitute for verified official material.