1) An emerging market economy is highly classified with relatively - one in which the country is becoming a developed nation and is determined through many socio_________.
a) Economic factors
b) External factors
c) Commercial factors
d) GDP factors
e) Growth factors

Answer: a)
An emerging market economy is highly classified with relatively - one in which the country is becoming a developed nation and is determined through many socio-economic factors.

2) RBI’s New Rules To Push Another Rs ____ Loans Into Insolvency stated Credit Suisse.

a) Rs 1.5 lakh crore
b) Rs 2.5 lakh crore
c) Rs 3.5 lakh crore
d) Rs 4.5 lakh crore
e) Rs 5.5 lakh crore

Answer: a)
Another Rs 1.5 trillion (or Rs 1.5 lakh crore) of non-performing assets are now likely to be with the National Company Law Tribunal in the next six months,” according to a Credit Suisse report on RBI’s new rules.

3) _____ is the value of all finished goods and services produced in a country in one year by its nationals.

a) BOP
b) GDP
c) CDS
d) GNP
e) NPA

Answer: d)
Gross national product (GNP) is a broad measure of a nation's total economic activity. GNP is the value of all finished goods and services produced in a country in one year by its nationals.

4) Odisha CM Naveen Patnaik announced a Rs10,000 crore scheme named KALIA for the overall development of farmers. KALIA stands for _____________.

a) Krushak Accommodation for Livelihood and Income Agriculture
b) Krushak Assistance for Livelihood and Income Augmentation
c) Krushak Accommodation for Livelihood and Independent Agriculture
d) Krushak Assistance for Livelihood and Independent Augmentation
e) None of the given options is true

Answer: b)
Odisha CM Naveen Patnaik announced a Rs10,000 crore scheme for the overall development of farmers. Named Krushak Assistance for Livelihood and Income Augmentation (KALIA), the scheme will provide farmers with Rs10,000 a year at the rate of Rs5,000 each for Kharif and Rabi season. Ganeshi Lal is the Governor of Odisha.

5) According to data released by Insurance Regulatory and Development Authority of India (IRDAI), what percentage of life insurance policies bought by women in 2017-18?

a) 48%
b) 42%
c) 26%
d) 32%
e) 56%

Answer: d)
While women constitute nearly 48% of the country’s population, their contribution to the number of life policies bought in 2017-18 stood at 32% of the 2.82 crores policies sold. According to the IRDAI annual report, of the 90 lakhs policies bought by women in 2017-18, Maharashtra (12%), West Bengal (10.3%) and Uttar Pradesh (9.4%) accounted for a third of these.

6) In India, an Asset Reconstruction Company is regulated by?
   a) MUDRA
   b) SEBI
   c) NABARD
   d) EXIM
   e) RBI

Answer: e)
The leading problem in the country right now is alarming volume of Non-Performing Assets with the banking system. Several attempts were made to tackle NPAs. A serious such step was the creation of dedicated institutions called Asset Reconstruction Companies or ARCs that purchases bad assets or NPAs from banks at a negotiable price and helps banks to clean up their balance sheets (by removing the NPAs). RBI has got the power to regulate the ARCs.

7) Narrow Money is the term in monetary aggregates, which is represented by?
   a) M1
   b) M2
   c) M3
   d) M4
   e) M5

Answer: a)
Different measures of money supply. Not all of them are widely used and the exact classifications depend on the country. M0 and M1, also called narrow money, normally include coins and notes in circulation and other money equivalents that are easily convertible into cash. M2 includes M1 plus short-term time deposits in banks and 24-hour money market funds. M3 includes M2 plus longer-term time deposits and money market funds with more than 24-hour maturity. The exact definitions of the three measures depend on the country. M4 includes M3 plus other deposits. The term broad money is used to describe M2, M3 or M4, depending on the local practice.

8) In context of banking, what does ‘BBB’ stands for?
   a) Bank Board Bureau
   b) Bank Beneficiary Bureau
   c) Bank Bureau Board
   d) Bank Bureau Beneficiary
   e) None of the above

Answer: a)
Banks Board Bureau is an autonomous body of Union government of India tasked to improve the governance of Public sector banks, recommend selection of chiefs of government owned banks and financial institutions and to help banks in developing strategies and capital raising plans.

9) Which among the following commodity exchange has launched India’s first commodity options in gold?
   a) National Spot Exchange Limited (NSEL)
   b) Indian Commodity Exchange Limited (ICEX)
   c) National Commodity & Derivatives Exchange Limited (NCDEX)
   d) Multi-Commodity Exchange of India Ltd (MCX)
   e) Securities and Exchange Board of India (SEBI)

Answer: d)
The Multi-Commodity Exchange of India Ltd (MCX) launched India’s first commodity options in gold, giving stakeholders a new set of financial instruments to hedge their price risks. Launched by Union Finance Minister Arun Jaitley in New Delhi on the auspicious day of Dhanteras, the gold options received an encouraging response on Day 1.
10) In Notice Money Market, the tenor of the transactions is from ________
   a) 2-7 days  
   b) 2-14 days  
   c) 2-21 days  
   d) 2-28 days  
   e) 2-90 days  
   Answer: b)

In money market, the amount that is lent for one day is known as “call money” and, if it exceeds one day or two days to 14 days is referred to as “notice money.”

11) Depositor Education and Awareness Fund (DEAF) is maintained by which of the following organisation?
   a) NABARD  
   b) RBI  
   c) Public Provident Fund Authorities  
   d) SIDBI  
   e) IRDA  
   Answer: b)

Depositor Education and Awareness Fund (DEAF) Scheme was established in 2014 and was inserted in the Banking Regulation Act, 1949 empowering the central bank. All banks are required to transfer money lying in accounts that have been inoperative for at least 10 years to the DEAF according to specific guidelines.

12) Commercial Paper (CP) are issued by__________.  
   a) Government of India  
   b) Corporate  
   c) Primary dealers (PDs)  
   d) Only a) and b) is correct  
   e) Only b) and c) is correct  
   Answer: e)

Commercial Paper (CP) is an unsecured money market instrument introduced in 1990 which are issued in the form of a promissory note. Corporate, Primary Dealers and All India Financial Institutions are eligible to issue CP.

13) The type of inflation which does not consider the inflation in food and fuel is known as?
   a) Headline Inflation  
   b) Core Inflation  
   c) Consumer Inflation  
   d) Real Inflation  
   e) Nominal Inflation  
   Answer: b)

Core inflation is also a term used to denote the extent of inflation in an economy. But Core inflation does not consider the inflation in food and fuel. This is a concept derived from headline inflation. There is no index for direct measurement of core inflation and now it is measured by excluding food and fuel items from Wholesale Price Index (WPI) or Consumer Price Index (CPI).

14) Which one among the following is not a part of priority sector lending?
   a) Agriculture  
   b) Education  
   c) Renewable Energy  
   d) Housing Loans  
   e) Export Import Credit  
   Answer: e)

Priority Sector Lending is an important role given by the Reserve Bank of India (RBI) to the banks for providing a specified portion of the bank lending to few specific sectors like agriculture and allied activities, micro and small enterprises, poor people for housing, students for education and other low income groups and weaker sections. This is essentially meant for an all-round development of the economy as opposed to focusing only on the financial sector. Priority Sector includes the following categories:

(i) Agriculture  
(ii) Micro, Small and Medium Enterprises  
(iii) Export Credit  
(iv) Education  
(v) Housing
15) Which of the following does not constitute an asset on the Balance sheet of a company?
a) Tools and Equipment  
b) Amounts receivable  
c) Capital Stock  
d) Cash  
e) All of these  
**Answer: c**  

A balance sheet, also known as a “statement of financial position”, reveals a company’s assets, liabilities and owners equity (net worth). Assets are what a company uses to operate its business. While its liabilities and equity are two sources that support these assets. Cash, accounts receivable, tools and equipment, etc are categorized as assets, while liabilities, capital stock and retained earnings come under Liabilities and Owners Equity.

16) Which Bank has announced an ESOP scheme with a view to retaining its talent and incentivising staff by issuing up to 10 crore equity shares?  
a) Yes Bank  
b) HDFC Bank  
c) State Bank of India  
d) ICICI Bank  
e) Punjab National Bank  
**Answer: e**  

State-run Punjab National Bank (PNB) has announced an ESOP scheme with a view to retaining its talent and incentivising staff by issuing up to 10 crore equity shares. The bank stated it will issue up to 10 crore equity shares to its employees under 'Employee Stock Purchase Scheme (ESPS)'. A note is being placed to board in its ensuing meeting dated June 15, 2018 regarding ESPS with a proposal for issuance of up to 10 crore equity shares to its employees, the bank said in a regulatory filing.

17) The World Bank has approved Rs.6000 crore to Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation for which scheme?  
a) PradhanMantriFasalBimaYojana  
b) AtalBhujalYojana  
c) Atal Mission for Rejuvenation and Urban Transformation  
d) PradhanMantriGaribKalyanYojana  
e) Atal Pension Yojana  
**Answer: b**  

The World Bank has approved AtalBhujalYojana (ABHY), a Rs.6000 crore Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation. The scheme is to be implemented over a period of five years from 2018-19 to 2022-23, with World Bank assistance. The scheme proposal has already been recommended by the Expenditure Finance Committee and the Ministry will be seeking Cabinet approval for the project shortly.

18) According to SEBI, investors will be permitted to purchase mutual funds worth up to Rs. __________ through digital wallets.  
a) Rs 25,000  
b) Rs 5,000  
c) Rs 50,000  
d) Rs 1,00,000  
e) Rs 1,50,000  
**Answer: c**  

Investors will be permitted to purchase mutual funds worth up to Rs. 50,000 through digital wallets, the market regulator, SEBI stated in a release. "Investments up to Rs. 50,000 per mutual fund per financial year can be made using e-wallets," the regulator said while redemptions of such investments can be made only to the bank account of a unit holder.

19) Indian economy grew by what percent in the first quarter (April-June) of the current fiscal, the highest in over two years as per the Finance Ministry?
India’s economy grew at an impressive 8.2 per cent in the first quarter of 2018-19 financial year ending June 30 on the back of a strong core performance and a healthy base.

20) The government of India has doubled the monetary limit to _____________ for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.

   a) 20 lakh rupees
   b) 10 lakh rupees
   c) 80 lakh rupees
   d) 30 lakh rupees
   e) 14 lakh rupees

   Answer: a)

   The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.

21) Ministry of Housing & Urban Affairs has extended the Credit-Linked Subsidy Scheme (CLSS) for Middle Income Group (MIG) Scheme by another 12 months till _____________

   a) March 31, 2020
   b) April 30, 2020
   c) June 30, 2020
   d) January 1, 2020
   e) None of these

   Answer: a)

   The Ministry of Housing & Urban Affairs headed by Minister of State Hardeep S. Puri, extended the Credit-Linked Subsidy Scheme (CLSS) for Middle Income Group (MIG) Scheme by another 12 months till March 31, 2020.

22) Which state government launched ‘The Krushak Assistance for Livelihood and Income Augmentation (KALIA)’ scheme worth Rs.10,180-crore, for overall development of small, marginal and landless farmers?

   a) Telangana
   b) Kerala
   c) Odisha
   d) Bihar
   e) None of these

   Answer: c)

   Chief Minister of Odisha, Naveen Patnaik, launched a Rs 10,180-crore scheme, for overall development of small, marginal and landless farmers, dubbed as ‘The Krushak Assistance for Livelihood and Income Augmentation (KALIA)’ scheme in Odisha. This scheme consists of a life insurance of Rs.2 lakh for 57 lakh farmers and would grant them crop loans at zero per cent interest. Also, financial assistance of Rs 10,000 per farmer family per annum to around 30 lakh small and marginal farmers’ families.

23) Union Government has allocated _____ rupees for the development of 40 satellite launch vehicles in the next 4 years, as announced by Dr K Sivan, Chairman of Indian Space Research Organisation (ISRO)

   a) Rs 12,540 crore
   b) Rs 10,900 crore
   c) Rs 13,678 crore
   d) Rs 15,243 crore
   e) None of these

   Answer: B)

   Dr K Sivan, Chairman, Indian Space Research Organisation (ISRO) announced at a ceremony organized by St Joseph’s College, Trichy, Tamil Nadu which is celebrating its 175 anniversary that the Union Government has allocated 10,900 crore rupees for the development of 40 satellite launch vehicles in the next 4 years.
vehicles in the next four years. He also informed that the Chandrayan-2 Mission will be launched within three months and it will land in one of those parts of the Moon which is still unexplored.

24) Reserve Bank of India has agreed to disburse Sri Lanka’s loan amount of _____ to boost the nation’s reserve
   a) USD 100 million
   b) USD 400 million
   c) USD 300 million
   d) USD 200 million
   e) None of these
   Answer: b) Reserve Bank of India has agreed to disburse Sri Lanka’s loan amount of USD 400 million to boost the nation’s reserve. RBI has agreed to issue the fund under the SARRC SWAP facility system. It is also said that another request of currency swap USD 1 billion is under process. RBI’s assistance is appreciated by the Sri Lanka government and it will help the nation to recover and build itself from the political and constitutional crisis that is prevailing in the nation.

25) GST Council approved doubling of exemption threshold under Goods and Services Tax (GST) regime to Rs 40 lakh along with raising the turnover limit under composition scheme to _____ with effect from April 1, 2019
   a) Rs 1.5 crore
   b) Rs 2 crore
   c) Rs 2.5 crore
   d) Rs 3 crore
   e) None of these
   Answer: a) Finance Minister Arun Jaitley raised the annual turnover for availing composition scheme to Rs 1.5 crore from Rs 1 crore effective from April 1, 2019 to provide relief to small businesses under Goods and Services (GST) regime.

26) Indian Financial System Code consists of how many alphanumeric digit?
   a) 12
   b) 11
   c) 10
   d) 9
   e) 8
   Answer: b) IFSC is an 11-character codewith the first four alphabetic characters representing the bank name, and the last six characters (usually numeric, but can be alphabetic) representing the branch. The fifth character is 0 (zero) and reserved for future use. Bank IFS Code is used by the NEFT & RTGS systems to route the messages to the destination banks/branches.

27) 'Financial Inclusion' is the powerful tool adopted by the Reserve Bank of India to fulfil the basic objective of
   a) Upliftment of population lying Below Poverty Line
   b) Connecting every Indian to the Country’s Banking System
   c) Ensuring bank finance to all the landless agriculturists
   d) Overall financial growth backed by inflation control
   e) Inclusion of latest technology in Financial Sector of the country
   Answer: b) Financial inclusion may be defined as the process of ensuring access to financial services and timely and adequate credit where needed by vulnerable groups such as weaker sections and low income groups at an affordable cost. The one of the basic objectives of financial inclusion is to connect every Indian to the Country’s Banking System.

28) In how many languages, the amount of a bank note is written on it?
   a) 15
29) When the prices of commodities, goods and services start declining consistently the phenomena is known as _______
   a) Deflation
   b) Market capitalization
   c) Negative growth
   d) Discount yield
   e) None of these
   **Answer: a)**
   When the prices of commodities, goods and services start declining consistently the phenomena is known as Deflation. Deflation occurs when the inflation rate falls below 0%.

30) Which of the following component of India’s Foreign Exchange Reserves?
   a) Gold
   b) Special Drawing Rights (SDRs)
   c) International Monetary Fund (IMF) reserve position
   d) GOI Bonds issued overseas
   e) Foreign Currency assets
   **Answer: d)**
   The Foreign exchange reserves of India consists of below four categories;
   1) Foreign Currency Assets
   2) Gold
   3) Special Drawing Rights (SDRs)
   4) Reserve Tranche Position in the IMF

31) Which of the following component of external sector comes under Current Account in India?
   a) FDI
   b) Interest payments received by government
   c) External Commercial Borrowings
   d) FII
   e) NRI bank account
   **Answer: b)**
   The Balance of payments for a country is calculated by the difference of Capital Account and Current account. Both the accounts have different components included in it. Current Account: Components – Net Import-Export (Import minus Export); Incomes (Profits, Interests, Dividend); Transfers (Donations, Gifts, etc.)
   Capital Account: Components – Investment (FDI, FII); Loan (Government Borrowings, External commercial borrowings); Bank account transfers by NRIs, etc.

32) What would a clerk do if he finds that the amount written on a cheque, in words, and in digits is different?
   a) Consider it as a stale cheque
   b) Clear the cheque by taking in account value written in words
   c) Clear the cheque by taking in account value written in digits
   d) Reject cheque and impose fine double the value of cheque
   e) None of the above
   **Answer: b)**
   As per section 18 of Negotiable Instrument Act, 1881 where an amount is stated differently in figures and words in the cheque the banker will clear the cheque by taking in account, the amount stated in words to be the amount undertaken or ordered value to be paid to the customer.

33) RBI is the lender of last resort which means _______.

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36) Recently, the Reserve Bank of India has allowed a one-time restructuring of existing debt up to ________ for the companies.

a) Rs. 50 Crore  
b) Rs. 10 Crore  
c) Rs. 100 Crore  
d) Rs. 25 Crore  
e) Rs. 5 Crore  

Answer: d)
RBI has allowed a one-time restructuring of debt up to Rs. 25 Cr for the companies which have defaulted on payment, but the loans have classified as standard assets. It will help MSMEs which are facing a cash crunch due to demonetization & GST implementation. The restructuring has to be implemented by 31st of March 2020.

37) As per the report from Commerce ministry, Defence Industries received Rs. 1.21 Crore FDI. Foreign Direct Investment beyond _______ percentage has allowed through approval route in defence sector.

a) 26%  
b) 74%  
c) 42%  
d) 49%  
e) 69%  

Answer: d)
In defence sector, FDI beyond 49% has allowed via approval route. FDI equity inflow of Rs 1.21 Cr has been reported in the sector namely 'Defence Industries' during the period 2014-2018. In 2013-14, 2014-15 and 2015-16, defence industries had received $0.82 million, $0.08 million, and $0.10 million foreign inflows, respectively.

38) Recently, the central government has decided to offer ________ interest subsidy to merchant exporters to boosting outbound shipment.

a) 2%  
b) 4%  
c) 6%

Answer: c)
Recently, the central government has decided to offer 6% interest subsidy to merchant exporters to boost outbound shipment.
d) 5%
e) 3%

Answer: e)
Government decided to offer 3% interest subsidy to merchant exporters, entailing an expenditure of Rs. 600 Cr to enhance liquidity with a view to boosting outbound shipment. Agriculture, textiles, leather, handicraft & machinery would be benefitted in this scheme.

39) The centre has infused more than Rs. 51000 Crore in PSBs till December 2018 out of the budgetary allocation of _______ Crore for 2018-19.
   a) Rs. 60000 Crore  
   b) Rs. 105000 Crore  
   c) Rs. 85000 Crore  
   d) Rs. 65000 Crore  
   e) Rs. 90000 Crore
Answer: d)
Centre has infused more than Rs 51,000 crore in public sector banks till December 2018 out of the budgetary allocation of Rs 65,000 crore for 2018-19. Non-Performing Assets in the banking sector were close to Rs 10 lakh crore at the beginning of FY19.

40) ICICI Bank and Small Business FinCredit have joined hands to provide a loan worth up to Rs. 1 Crore for a tenure of ________ years per MSME customers.
   a) 10  
   b) 12  
   c) 15  
   d) 20  
   e) 25
Answer: c)
ICICI Bank & Small Business FinCredit signed a MoU to provide credit to small & medium enterprises. The loans of up to Rs. 1 Cr is for a tenure of 15 years per customer. ICICI Bank will co-originate loan against property with SBFC at a mutually agreed ratio.

41) For which of the following debt instruments, not having a fixed rate of interest over the life of the instrument, can ‘Floating Interest Rate’ be applied?
   a) A loan  
   b) A bond  
   c) A mortgage  
   d) A credit  
   e) All of these
Answer: e)
An interest rate that is allowed to move up and down with the rest of the market or along with an index. This contrasts with a fixed interest rate, in which the interest rate of a debt obligation stays constant for the duration of the agreement. A floating interest rate can also be referred to as a variable interest rate because it can vary over the duration of the debt obligation.

42) Reserves which can act as liquidity buffer for commercial banks during crisis times are __________
   a) CAR  
   b) CRR  
   c) CAR and CRR  
   d) CRR and SLR  
   e) SLR
Answer: d)
The RBI has mandated banks to set aside corporation of their deposits as statutory liquidity ratio (SLR) or the minimum amount it must hold in gold, cash or government bonds. In addition banks have to set aside a portion of their deposits as cash with the central bank, a requirement called the cash reserve ratio. These reserves can act as a liquidity buffer for banks during crisis time.

43) Which one of the following is not a salient feature of debit card?
   a) No bad debts to banks and no suits for recovery  
   b) No interest earning for banks  
   c) Works like a normal withdrawal slip  
   d) 45 days credit is given to the card holder
Answer: e)
e) All of the above

Answer: d)

A debit card (also known as a bank card or check card) is a plastic payment card that provides the cardholder electronic access to their bank account(s) at a financial institution. Some cards may bear a stored value with which a payment is made, while most relay a message to the cardholder's bank to withdraw funds from a payer's designated bank account. The card, where accepted, can be used instead of cash when making purchases. In some cases, the primary account number is assigned exclusively for use on the Internet and there is no physical card.

44) Planning for Retirement Saving is a type of___________

a) Banking Option  
b) Stock Market Option  
c) Branding  
d) Financial Planning  
e) Mutual Fund Benefit

Answer: d)

Planning for Retirement Saving is a type of Financial Planning.

45) What are masala bonds?

a) Rupee denominated domestic bonds  
b) Rupee denominated overseas bonds  
c) Dollar denominated overseas bonds  
d) Dollar denominated domestic bonds  
e) None of these

Answer: b)

Masala bonds are rupee denominated overseas bonds. Masala bonds will help to internationalize the Indian rupee and also deepen the Indian financial system.

46) How much is the new limit decided by RBI for Bulk Deposits inorder to enhance operational freedom of Banks?

a) 2 Crore  
b) 1 Crore  
c) 50 thousand  
d) 1 Lakh  
e) None of these

Answer: a)

Reserve Bank of India decided to treat deposits to over Rs.2 crore as ‘bulk’ as they doubled the limit for the same from the earlier Rs.1 crore. This move will enhance operational freedom of Banks. RBI also proposed banks would maintain their bulk deposits interest rate cards in the core banking system for supervisory review. National Federation of Urban Cooperative Banks and Credit Societies Limited (NAFCUB) has suggested this proposal. The decision in proposal for setting up an Umbrella Organization (UO) for urban cooperative banks in pending with RBI.

47) Under the Short-Term Training (STT) of the PMKVY, 25.25 lakh candidates have been trained. PMKVY Stands for?

a) Pradhan Mantri Kshetra Vikas Yojna  
b) Pradhan Mudra Khanij Vikas Yojna  
c) Pradhan Mantri Kaushal Vikas Yojna  
d) Pradhan Mudra Kaushal Vikas Yojna  
e) None of these

Answer: c)

25.25 lakh candidates, out of the 37.32 lakh (approx.), have been trained under the Short-Term Training (STT) of the Pradhan Mantri Kaushal Vikas Yojna (PMKVY). Similarly, 11.27 lakh under Recognition of Prior Learning (RPL) and 0.8 lakh under Special Project in various sectors across India. ‘Skill Loan Mission’ has been launched by the Government to support youth by providing loan facility to individuals who wish to enrol for the skill development courses, as per the Skill Loan eligibility criteria.

48) What is the new National Minimum Wage (NMW) per month for a worker, recently revised by an expert committee appointed by Government of India?

a) Rs.8750 per month  
b) Rs.9750 per month
c) Rs.7550 per month  
d) Rs.8550 per month  
e) None of these  

**Answer: b)**  
An expert committee appointed by government suggested Rs. 9,750 per month or Rs. 375 per day as National Minimum Wage (NMW) for a worker. The Present NMW is Rs. 4,576. National minimum wage gas been proposed at various regional level in the range of Rs.8,892 to Rs. 11,622 per month, with supplementary house rent allowance of Rs. 1,430 per month for urban workers.  

**49) Government of India, Himachal Pradesh Government and World Bank had signed an agreement worth, how much million for supplying water to the citizens of Greater Shimla?**  
  
a) USD 20 Million  
b) USD 40 Million  
c) USD 50 Million  
d) USD 60 Million  
e) None of these  

**Answer: b)**  
A loan agreement of $40 million (4 crore INR) was signed between the Government of India, Himachal Pradesh Government and World Bank, to help bring clean and reliable drinking water to the citizens of Greater Shimla area, who have been facing severe shortages of water and water-borne epidemics in the last few years. Shimla Water Supply and Sewage Service Delivery Reform Programmatic Development Policy Loan is expected to improve Water Supply & Sanitation (WSS) services in and around Shimla.  

**50) Name the new micro insurance plan that will provide coverage of up to 2 lakhs by the Life Insurance Corporation (LIC) of India?**  
  
a) Micro Debit  
b) Micro Bachat  
c) Micro Loan  
d) Micro Fund  
e) None of these  

**Answer: b)**  
A new micro insurance plan ‘Micro Bachat’ was launched by the Life Insurance Corporation (LIC) of India. It provides a coverage of up to 2 lakhs and is the first micro-insurance plan to do so. It provides both protection and savings and is a regular premium, non-linked, participating endowment micro insurance plan.  

**51) Which of the following is not a feature of gilt edged securities?**  
  
a) Issued by non-governmental service organization  
b) Issued by government entities  
c) Repayment of both principal and interest is secured  
d) They have zero default risk  
e) All of them  

**Answer: a)**  
These securities are usually referred to as ‘gilt-edged’ securities as repayments of principal as well as interest are totally secured, being the first charge on the nation’s purse. Hence the Central Government securities are considered as safest claims.  

**52) Which risk cannot be eliminated by diversification?**  
  
a) Portfolio risk  
b) Systematic risk  
c) Unsystematic risk  
d) Business risk  
e) Financial risk  

**Answer: b)**  
Non-diversifiable risk is that part of total risk (which stems from various sources like interest rate risk, inflation risk, financial risk, etc) which is related to the general economy or the stock market as a whole and hence cannot be eliminated through diversification. Non-diversifiable risk is also referred to as market risk or systematic risk.  

**53) Market risk premium in CAPM is defined as**  
  
a) Difference between market return and risk free rate  

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b) Difference between stock return and risk free rate

c) Difference between market return and stock return

d) Beta times the risk free rate

e) Beta times the market return

**Answer: a)**

The market risk premium is the difference between the expected return on a market portfolio and the risk-free rate.

54) **What can be a reason for the firm to have a high operating leverage**

a) Low fixed costs relative to variable costs

b) High fixed costs relative to variable costs

c) High selling price per unit relative to others

d) Low selling price per unit relative to others

e) High total costs relative to selling price per unit

**Answer: b)**

Operating leverage is a measurement of the degree to which a firm or project incurs a combination of fixed and variable costs.

High operating leverage. A large proportion of the company’s costs are fixed costs. In this case, the firm earns a large profit on each incremental sale, but must attain sufficient sales volume to cover its substantial fixed costs. If it can do so, then the entity will earn a major profit on all sales after it has paid for its fixed costs.

55) **A firm with a high financial leverage is characterized by**

a) High operating risk

b) High debt to equity

c) High Earning per share

d) High Sales

e) High EBIT

**Answer: b)**

The Financial Leverage ratio equals total assets divided by total equity. The financial leverage ratio is a measure of how much assets a company holds relative to its equity. A high financial leverage ratio means that the company is using debt and other liabilities to finance its assets -- and, everything else being equal, is more riskier than a company with lower leverage.

56) **How much amount of swap facility as offered to banks by RBI to aid liquidity before the end of the financial year?**

a) $8 billion

b) $4 billion

c) $5 billion

d) $10 billion

e) $20 billion

**Answer: c)**

RBI offered a $5 billion swap facility to banks to aid liquidity before the end of the financial year. The auction will happen on March 26 and the buy/sell swap will run up to March 28, 2022, or for a three year duration.

57) **As per UIDAI, business organizations using Aadhar services will now have to pay how much amount for each customer?**

a) Rs 15

b) Rs 5

c) Rs 20

d) Rs 10

e) Rs 25

**Answer: c)**

Business organizations using Aadhar services will now have to pay Rs 20 for each customer and 50 paise for authentication of each transaction carried out by the entities, the UIDAI said.

58) **How much amount of additional loan financing was signed by the World Bank, the Indian government and representatives of 5 states of Government of India for the Dam Rehabilitation and Improvement Project?**

a) $135 million

b) $137 million

c) $140 million

d) $145 million

e) $147 million
Answer: b)
The World Bank, the Indian government and representatives of 5 states of Government of India and Implementing Agencies signed in New Delhi the Loan Agreement for Additional Financing of $137 million for the Dam Rehabilitation and Improvement Project.

59) According to labour Ministry, the income tax exemption limit has been doubled to how much amount?
a) Rs 25 lakh  
b) Rs 15 lakh  
c) Rs 20 lakh  
d) Rs 10 lakh  
e) Rs 8 lakh  
Answer: c)
The labour Ministry said that the income tax exemption limit has been doubled to Rs 20 lakh from the existing Rs 10 lakh, a move that will benefit employees who are not covered by the Payment of Gratuity Act, 1972.

60) India granted how much loan assistance million to Nepal for the reconstruction of infrastructures in the areas of housing, education, health and cultural heritage?
a) USD 250 million  
b) USD 225 million  
c) USD 200 million  
d) USD 100 million  
e) USD 350 million
Answer: a)
India has extended a grant assistance of up to USD 250 million to Nepal for the reconstruction of infrastructures in the areas of housing, education, health and cultural heritage that was destroyed during the devastating April 2015 earthquake which saw the death of over 9,000 people.

61) The market price of a share of common stock is determined by _____________
a) The board of directors of the firm.  
b) The stock exchange on which the stock is listed.  
c) The president of the company.  
d) Individuals buying and selling the stock.  
e) Securities and Exchange Board of India  
Answer: d)
The market price of a share of common stock is determined by the market forces ie. Individuals buying and selling the stock.

62) Which of the following is not a reason why a company may prefer debt financing to equity financing?
a) Debt can be raised for finite time periods  
b) Debt, unlike equity finance, will not need to be secured against assets  
c) Debt is cheaper than equity finance  
d) Interest payments are tax-deductible  
e) Debt finance can be raised more quickly than equity finance  
Answer: b)
Debt, unlike equity finance, will not need to be secured against assets is not a reason why a company may prefer debt financing to equity financing.

63) High operating leverage of the firm indicates
a) A small change in sales results in a large change in net income.  
b) A small change in sales results in a small change in net income.  
c) A small change in earnings before interest and taxes result in a small change in net income.  
d) A small change in net income results in a small change in the firm's earnings before interest and taxes.  
e) A small change in the number of units a firm produces and sells result in a similar change in the firm's earnings before interest and taxes.  
Answer: a)
High operating leverage of the firm indicates a small change in sales results in a large change in net income.

64) With an aim to bring foreign policy to the masses the External Affairs Ministry has come up with an initiative called SAMEEP. SAMEEP stands for _____________.
65) Which of the following is not a function performed by financial system?

a) Savings function  
b) Liquidity function  
c) Risk function  
d) Social function  
e) Policy function  

Answer: e)  

**Saving function:** Public saving find their way into the hands of those in production through the financial system. The world’s financial markets provide liquidity (immediately spendable cash) for savers who hold financial instruments but are in need of money. Policy functions enable the regulators to take suitable measures through the market. Risk function where require instruments are provided to hedge against risk.

66) According to the RBI data, what amount of bad loans banks has recovered in the fiscal ended March 2018?

a) Rs 40,400 crore  
b) Rs 37,500 crore  
c) Rs 33,300 crore  
d) Rs 42,500 crore  
e) Rs 47,800 crore  

Answer: a)  

According to the RBI data, in the fiscal ended March 2018, banks recovered Rs 40,400 crore worth of bad loans as against Rs 38,500 crore recovered in FY17. The various channels through which lenders recovered their bad loans include the Insolvency and Bankruptcy Code (IBC), SARFAESI Act, debt recovery tribunals (DRTs) and Lok Adalats.

67) State-owned United Bank of India announced that the government has decided to infuse __________ in the bank as part of Rs 28,615 crore capital infusion to be done in about half a dozen banks.

a) Rs 3,454 crore  
b) Rs 4,555 crore  
c) Rs 2,159 crore  
d) Rs 5,654 crore  
e) Rs 2,353 crore  

Answer: c)  

State-owned United Bank of India announced that the government has decided to infuse Rs 2,159 crore in the bank as part of Rs 28,615 crore capital infusion to be done in about half a dozen banks.

68) As per the Financial Stability Report, gross non-performing assets (GNPA) ratio of scheduled commercial banks (SCBs) has declined from 11.5% in March 2018 to ______ in September 2018.

a) 10.3%  
b) 11.1%  
c) 10.8%  
d) 11.3%  
e) 10.5%  

Answer: c)  

As per the Financial Stability Report, gross non-performing assets (GNPA) ratio of scheduled commercial banks (SCBs) has declined from 11.5% in March 2018 to 10.8% in September 2018.

69) According to the Central Statistics Office (CSO), income earned by an average Indian per year doubled in 7 years. What is the income earned by an average Indian in 2018-19?

a) Rs 1.45 lakh
b) Rs 96,500

c) Rs 1.01 lakh

d) Rs 1.25 lakh

e) Rs 86,000

**Answer: d)**

The income earned by an average Indian doubled in 7 years, from Rs 63,642 per year in 2011-12 to Rs 1.25 lakh in 2018-19, the first advance estimates of national income released by the Central Statistics Office (CSO) show.

70) Central Statistics Office (CSO) stated that the growth in GDP during 2018-19 is estimated at _______.

a) 7.4%

b) 6.9%

c) 7.2%

d) 7.5%

e) 8.1%

**Answer: c)**

India Ratings and Research (Ind-Ra), a Fitch Group Company, estimated India’s GDP growth could touch 7.5% in the financial year 2019-20 as against 7.2% during current fiscal i.e. 2018-19. India Ratings believes investments are slowly but steadily gaining traction with gross fixed capital formation growing 12.2% in FY19 and projected to clock 10.3% in FY20.

71) When an agent asks a customer to invest in a mutual fund product without telling him/her about the risks involved in the investment, the process is termed as_______.

a) Mis-selling

b) Undertaking

c) Misappropriation of funds

d) Cross-selling

e) None of the given options is true

**Answer: a)**

Misselling is a significant problem in financial services industry and for financial industry regulators. Brokers, financial advisors, bank representatives or other salespeople of financial products or services who are compensated based on commissions may have significant incentives to sell investments or investment products based on how much they can earn rather than what is suitable or what is needed by a customer. Misselling may occur with insurance products, annuities, investments, mortgages and a variety of other financial products. A financial loss is not necessarily required to meet the definition of misselling; the sale of an unsuitable product is enough.

72) 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) The simultaneous purchase and sale of an asset to profit from an imbalance in the price

d) Variation in different markets

e) All of the above

**Answer: c)**

Arbitrage is the simultaneous purchase and sale of an asset to profit from an imbalance in the price. It is a trade that profits by exploiting the price differences of identical or similar financial instruments on different markets or in different forms.

73) The availability or cash and other cash like marketable instruments that are useful in purchases and investments are commonly known as-?

a) Cash crunch

b) Liquidity

c) Credit

d) Marketability

e) None of the given options is true

**Answer: b)**

The availability or cash and other cash like marketable instruments that are useful in purchases and investments are commonly known as is liquidity.
74) In a company, the use of price-sensitive corporate information by the company people to make gains or cover losses is known as_________
   a) Insider trading  
   b) Future trading  
   c) Foreign trading  
   d) Stock trading  
   e) None of the given options is true  
   **Answer: a)**  
   Insider trading is the trading of a public company's stock or other securities by individuals with access to non-public information about the company. In various countries, some kinds of trading based on insider information is illegal.

75) The actual return of an investor is reduced sometimes as the prices of the commodities go up all of a sudden. In financial sector, this type of phenomenon is known as- 
   a) Probability risk  
   b) Market risk  
   c) Inflation risk  
   d) Credit risk  
   e) None of the given options is true  
   **Answer: b)**  
   Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of the financial markets in which he or she is involved. Market risk, also called "systematic risk," cannot be eliminated through diversification, though it can be hedged against.

76) In partnership with States, the Ministry of Rural Development has completed how many Rural Homes since April 2014? 
   a) 1.45 crore  
   b) 1.32 crore  
   c) 1.85 crore  
   d) 1.37 crore  
   e) 1.83 crore  
   **Answer: d)**  
   In partnership with States, the Ministry of Rural Development has completed 1.37 crore Rural homes since April 2014.

77) According to International Monetary Fund’s (IMF) World Economic Outlook Update, India to grow at how much percent in 2019-20? 
   a) 7.5%  
   b) 7.0%  
   c) 7.7%  
   d) 7.8%  
   e) 7.9%  
   **Answer: a)**  
   The International Monetary Fund’s (IMF) World Economic Outlook Update released by chief economist Gita Gopinath recently said that India’s economy is expected to grow by 7.5 per cent in the 2019-20 fiscal year, keeping an upward trajectory as the rest of the world slumps.

78) How much amount was approved by the cabinet in EXIM Bank through recapitalisation bonds to boost the bank’s capacity in export financing? 
   a) Rs. 6000 crore  
   b) Rs. 6500 crore  
   c) Rs. 7000 crore  
   d) Rs. 7500 crore  
   e) Rs. 8000 crore  
   **Answer: a)**  
   The Union Cabinet approved capital infusion of Rs. 6000 crore in EXIM Bank through recapitalisation bonds to boost the bank’s capacity in export financing.

79) Which denomination coins were released to mark the 102nd birth anniversary of late Tamil Nadu chief minister and ruling AIADMK founder MG Ramachandran? 
   a) Rs 50 and Rs 100  
   b) Rs 100 and Rs 5  
   c) Rs 350 and Rs 100  
   d) Rs 10 and Rs 350  
   **Answer: a)**  
   According to International Monetary Fund’s (IMF) World Economic Outlook Update, India to grow at how much percent in 2019-20?
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**80) According to World Economic Survey, which country has emerged as the biggest supporters of international aid?**

- a) India
- b) USA
- c) China
- d) Russia
- e) Germany

**Answer: a)**

Indians have emerged as the biggest supporters of international aid, with a global public opinion survey putting India on the top when it comes to people expecting their nation to help other countries.

**81) Which of the following is not considered as a means of foreign capital inflow into the country?**

- a) FDI
- b) FCNR accounts
- c) FII
- d) No frills account
- e) None of these

**Answer: d)**

No frills accounts is not considered as a means of foreign capital inflow into the country.

**82) Which of the following is not a term associated with the stock markets directly?**

- a) Bear hug
- b) Dividend
- c) Insider trading
- d) Interest rate
- e) Sensex

**Answer: d)**

Interest Rate is not a term associated with the stock markets directly.

**83) When Indian companies raise funds overseas what is the process known as?**

- a) Participatory notes
- b) Foreign currency non-resident accounts
- c) Foreign currency convertible bonds
- d) Nostro accounts
- e) None of these

**Answer: c)**

A foreign currency convertible bond (FCCB) is a type of convertible bond issued in a currency different than the issuer's domestic currency. In other words, the money being raised by the issuing company is in the form of a foreign currency. A convertible bond is a mix between a debt and equity instrument.

**84) What is the duration of Public Provident Fund (PPF) account?**

- a) 3 years
- b) 5 years
- c) 9 years
- d) 15 years
- e) 18 year

**Answer: d)**

A PPF account matures in 15 years, but you can extend the tenure in blocks of five years after maturity. The balance continues to earn interest at the normal rate. The minimum investment of Rs 500 has to be maintained even for accounts extended beyond 15 years.

**85) The availability of cash and other cash like marketable instruments that are useful in purchases and investments are commonly known as**

- a) Cash crunch
- b) Liquidity
- c) Credit
- d) Marketability
86) The Reserve Bank of India raised the limit of collateral-free agricultural loans to Rs. 1.6 lakh from the current _________ with a view to help small and marginal farmers.

a) Rs. 1.5 lakh
b) Rs. 1.0 lakh
c) Rs. 1.3 lakh
d) Rs. 1.4 lakh
e) Rs. 1.2 lakh

Answer: b)

The Reserve Bank of India raised the limit of collateral-free agricultural loans to Rs. 1.6 lakh from the current Rs. 1 lakh with a view to help small and marginal farmers. The central bank also decided to set up an internal working group (IWG) to review agricultural credit and arrive at a workable policy solution.

87) Reserve Bank of India decided to treat deposits to over ______ as ‘bulk’ as they increased the limit for the same from the earlier ______.

a) Rs.1 crore, Rs.50 lakhs
b) Rs.2 crore, Rs.1.5 crore
c) Rs.2 crore, Rs.1 crore
d) Rs.1.5 crore, Rs.75 lakhs
e) Rs.5 crore, Rs.2.5 crore

Answer: c)

Reserve Bank of India decided to treat deposits to over Rs.2 crore as ‘bulk’ as they doubled the limit for the same from the earlier Rs.1 crore.

88) The Ministry of Environment launched a three-year Asiatic Lion Conservation Project in collaboration with the state of Gujarat. What amount the ministry has allocated for the project?

a) Rs. 79 crores
b) Rs. 59 crores
c) Rs. 90 crores
d) Rs. 110 crores
e) Rs. 45 crores

Answer: b)

The Ministry of Environment launched a three-year Asiatic Lion Conservation Project in collaboration with the state of Gujarat. The Ministry of Environment, Forests and Climate Change (MoEFCC) allocated Rs. 59 crores, Gujarat government also implemented Rs. 80 crore for the project.

89) Which company got the top spot in the 'WPP and Kantar Millward Brown's BrandZ 75 Most Valuable Indian Brands' ranking?

a) Life Insurance Company
b) TCS
c) HDFC
d) Flipkart
e) Paytm

Answer: c)

HDFC Bank retained its top spot in the 'WPP and Kantar Millward Brown's BrandZ 75 Most Valuable Indian Brands' ranking, with a rise of 21 per cent in its brand value to USD 21.7 billion. The new 2018 ranking has grown from 50 to 75 brands to reflect the strength of India's growing economy and a marketplace in which more local brands are emerging to present consumers with increased choice. Insurance brand LIC comes in at the second spot ($19.8 billion), while Tata Consultancy Services ranked third ($15 billion).

90) The Andhra Pradesh Government has launched which mobile platform, to enable small-scale farmers to market their produce at reasonable prices?

a) e-Bandhan
b) e-Suraksha
c) e-Rythu
d) e-Friendly
e) e-Agri

Answer: c)

The Andhra Pradesh Government has launched e-Rythu, a mobile platform, to enable small-scale farmers to market their produce at reasonable prices.
The Andhra Pradesh chief minister N. Chandrababu Naidu has launched a mobile platform, e-Rythu (e-farmer in Telugu) to enable small-scale farmers to market their produce at reasonable prices. The objective of the ‘E-Rythu’ is to digitize agriculture marketplaces, payments, workflows, and provide farmers with an easy and secure way to buy, sell & receive payments for agricultural products.

91) If Indian govt. decides the level of Rupee to be 57 from 55 against 1 dollar, it is called _______.
   a) Depreciation
   b) Devaluation
   c) Appreciation
   d) Revaluation
   e) Demonetisation
   Answer: b)
   Depreciation refers to a fall in the value of a currency due to market changes while devaluation signifies the deliberate reduction undertaken by a country's government to its own currency.

92) When a bank removes bad loans from their balance sheets it is known as ______ loans.
   a) Overwriting
   b) Liability
   c) Underwriting
   d) Writing-off
   e) Writing-on
   Answer: d)
   When a bank removes bad loans from its balance sheets it is known as Bank Write-off. By writing off the loans, the bank can reduce its overall tax liability.

93) ______ (UPI PIN) digit pass code you create/set during first time registration with UPI App.
   a) 3-5
   b) 4-6
   c) 4-5
   d) 3-4
   e) 5-6
   Answer: b)
   4-6 (UPI PIN) digit pass code you create/set during first time registration with UPI App

94) According to the interim budget 2019, how many Jan Dhan bank accounts were opened in the last five years?
   a) 30 crore
   b) 34 crore
   c) 29 crore
   d) 50 crore
   e) 19 crore
   Answer: b)
   According to the interim budget 2019, in the last five years, nearly 34 crore Jan Dhan bank accounts were opened. It is done to promote digital transactions and financial inclusion in India. Under the scheme, the government has allowed people to open bank accounts with no penalty on zero balance.

95) What was the deposits criteria of 14 banks nationalized on 19th July, 1969?
   a) Over Rs. 1000 crores
   b) Over Rs. 500 crores
   c) Over Rs. 100 crores
   d) Over Rs. 50 crores
   e) Over Rs. 200 crores
   Answer: d)
   14 major Indian Scheduled Commercial Banks with deposits of over Rs. 50 crores nationalised 'to serve better the needs of development of the economy in conformity with national policy objectives'.

96) Which of the following along with Bombay Stock Exchange has launched the 'eATM' facility on 3 December 2018?
   a) HDFC Securities
   b) PNB Securities
   c) SBI Securities
   d) ICICI Securities
   e) Axis bank Securities
Answer: d)
ICICI Securities and Bombay Stock Exchange (BSE) has launched 'eATM' facility on 3 December 2018. Through 'eATM' facility, clients of the domestic brokerage entity will be able to receive the pay-out within 30 minutes of selling the shares. The new service would have a cap of Rs. 50,000 per client a day and would be applicable on about 600 stocks listed on the BSE.

97) The Defence Acquisition Council (DAC), chaired by Defence Minister SmtNirmalaSitharaman accorded approval for procurement for the Services amounting to approximately ___________ crores.

a) Rs. 52,000 crores  
b) Rs. 87,000 crores  
c) Rs. 50,000 crores  
d) Rs. 46,000 crores  
e) Rs. 10,000 crores

Answer: d)
The Defence Acquisition Council (DAC), chaired by Defence Minister SmtNirmalaSitharaman accorded approval for procurement of 111 Utility Helicopters for the Indian Navy at a cost of over Rs. 21,000 crores. This is the first project under the MoD’s prestigious Strategic Partnership (SP) Model that aims at providing the significant fillip to the Government’s ‘Make in India’ programme.

98) The Asian Development Bank (ADB) and the Government of India signed a $346 million loan to finance improvement of over 400 kilometers of state highways that will enhance connectivity and access to economic centers across 12 districts in ____________

a) Karnataka  
b) West Bengal  
c) Rajasthan  
d) Maharashtra  
e) Andhra Pradesh

Answer: a)
The Asian Development Bank (ADB) and the Government of India signed a $346 million loan to finance improvement of over 400 kilometers of state highways that will enhance connectivity and access to economic centers across 12 districts in Karnataka.

99) According to Finance Minister ArunJaitley, Indian economy grew by ____________ in the first quarter (April-June) of the current fiscal, the highest in over two years.

a) 7.2%  
b) 7.8%  
c) 8.6%  
d) 8.2%  
e) 8.4%

Answer: d)
Indian economy grew by 8.2% in the first quarter (April-June) of the current fiscal, the highest in over two years. This announcement was made by Finance Minister, ArunJaitley. The manufacturing sector grew by 13.5% which signals very good turnaround in the sector.

100) The government of India has doubled the monetary limit to ___________ lakh rupees for filing loan recovery application in the DRT by banks and financial institutions.

a) 20 lakh rupees  
b) 40 lakh rupees  
c) 50 lakh rupees  
d) 10 lakh rupees  
e) 30 lakh rupees

Answer: a)
The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.

101) Which of the following statement is/are correct regarding the MCLR?

Answer: a)
The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.
a) It is the minimum interest rate of a bank below which it cannot lend
b) It is an internal benchmark or reference rate for the bank
c) The MCLR methodology has replaced the base rate system
d) The aim of MCLR is to improve the transmission of policy rates into the lending rates of banks
e) All of the above
Answer: d)
The marginal cost of funds-based lending rate (MCLR) refers to the minimum interest rate of a bank below which it cannot lend, except in some cases allowed by the RBI.

a) It is an internal benchmark or reference rate for the bank.
b) MCLR actually describes the method by which the minimum interest rate for loans is determined by a bank.
c) MCLR is decided on the basis of marginal cost or the additional or incremental cost of arranging one more rupee to the prospective borrower.

102) When an unlisted company makes ________, it seeks to sell shares to the general public for the first time.

a) Follow-On Public Offering
b) Initial Public Offering
c) Offer for sale method
d) Private placement of securities
e) Tender Method
Answer: b)
Initial Public Offering (IPO) is made by a company for either the fresh issue of securities or sale of existing securities by an unlisted company. IPO is made by an unlisted company for the first time in its duration of existence. It is a method of raising funds by an unlisted company by offering securities to the general public.

103) The difference between the total receipts of the government and its total expenditure in a financial year is known as ________.

a) Budget Deficit
b) Expenditure Deficit
c) Revenue Deficit
d) Receipts Deficit
e) None of the above
Answer: a)
The budget deficit is defined as the difference between the total receipts of the government and its total expenditure in a financial year as mentioned in the annual financial statement of the government. If both are equal, there is said to be no budget deficit for that financial year. Here, earning includes both revenue receipts and borrowing whereas expenditure includes interest payments as well.

104) Which of the following are correct regarding the Mutual Funds?
I). Custodian of the Mutual Funds should be registered with RBI
II). Mutual Funds cannot invest in debt securities
III). In India, the Mutual Fund Industry started in 1991

a) Only I and II are correct
b) Only III is correct
c) Only II is correct
d) All are correct
e) None are correct
Answer: e)
A trust that pools together the savings of many individuals and then invest in capital market instruments are referred to as Mutual Funds. Custodian of the Mutual Funds should be registered with SEBI. Mutual Funds can invest in debt securities and other securities depending on the financial requirements of the investors. In India, mutual Fund industry started in 1963, with the formation of Unit Trust of India as an initiative of the Government of India and the Reserve Bank of India.

105) IFSC is an alpha-numeric code that uniquely identifies a bank-branch participating in the NEFT system. How many digits are present in IFSC code?

a) 11
b) 12
c) 13
106) Which state has announced a hike of Rs 200 per month in the social security pension under 'Madhu Babu Pension Yojana', on 19 January 2019?

a) West Bengal
b) Uttar Pradesh
c) Odisha
d) Maharashtra
e) Gujarat

Answer: c)
On 19 January 2019, the Odisha government announced a hike of Rs 200 per month in the social security pension under 'Madhu Babu Pension Yojana'. About 48 lakh elderly, widows and destitute women will be benefited from the scheme. The pension holders will get a revised pension of Rs 500 per month against Rs 300 while people aged over 80 years will get Rs 700 per month instead of Rs 500.

107) Under the Pradhan Mantri Kisan Samman Nidhi (KISAN) scheme, vulnerable farmers with 2 hectares of land will get direct income support of Rs. ______ per year.

a) 4,000
b) 5,000
c) 6,000
d) 7,000
e) 8,000

Answer: c)
Union Interim Finance Minister Piyush Goyal presented the Interim Budget 2019-20 on Feb 1, 2019. Govt. has introduced the Pradhan Mantri Kisan Samman Nidhi (KISAN) scheme to provide assured income to small and marginal farmers. Under the scheme, vulnerable farmers with 2 hectares of land will get direct income support of Rs. 6000 per year. It is expected to benefit 12 crore farmer families.

108) Govt. announced that individual taxpayers with annual income up to Rs. ______ lakh will not have to pay any Income Tax.

a) 3
b) 4
c) 5
d) 6
e) 7

Answer: c)
Government announced that individual taxpayers with annual income up to Rs. 5 lakh will not have to pay any Income Tax. Those with gross income of up to Rs. 6.5 lakh also won't have to pay any tax if they make investments in prescribed methods. This will give Rs. 18,500 cr tax benefit to 3 cr middle class people. He also said that Income Tax returns will be processed in 24 hours and refund initiated.

109) What is premium of Pradhan Mantri Jeevan Jyoti Bima Yojana?

a) 330
b) 260
c) 350
d) 250
e) 450

Answer: a)
Pradhan Mantri Jeevan Jyoti Bima Yojana is available to people between 18 and 50 years of age with bank accounts. The premium of Pradhan Mantri Jeevan Jyoti Bima Yojana is Rs 330.

110) According to the Finance Minister, Piyush Goyal, the fiscal deficit will be at ______ per cent of GDP in 2019.

a) 2.8
b) 3.1
c) 3.4
d) 3.5
e) 3.8
Answer: c)

Finance Minister Piyush Goyal said the fiscal deficit will be at 3.4 per cent of GDP in 2019 while presenting the interim budget on Feb 1, 2019. He also said that current account deficit is likely to be 2.5 per cent of GDP this year. He added that capital expenditure is pegged at 3,362,922 lakh crore.

111) The IFAD is an international financial institution and a specialized agency of the United Nations dedicated to eradicating poverty and hunger in rural areas of developing countries. IFAD stands for-
a) International Fund for Agricultural Derivative
b) International Fund for Association Development
c) Indian Fund for Agricultural Development
d) International Fund for Agricultural Development
e) International Financial for Agricultural Development
Answer: d)
The International Fund for Agricultural Development (IFAD) is an international financial institution and a specialized agency of the United Nations dedicated to eradicating poverty and hunger in rural areas of developing countries.

112) What is an Indian depository receipt?
a) A deposit account with a public-sector bank
b) A depository account with any of the 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 the given options is true
Answer: c)

Indian depository receipt is an instrument in the form of depository receipt created by an Indian depository against underlying equity shares of the issuing company.

113) When an agent asks a customer to invest in a mutual fund product without telling him/her about the risks involved in the investment, the process is termed as-
a) Mis-selling
b) Undertaking
c) Misappropriation of funds
d) cross-selling
e) None of the given options is true
Answer: a)

Misselling is a significant problem in financial services industry and for financial industry regulators. Brokers, financial advisors, bank representatives or other salespeople of financial products or services who are compensated based on commissions may have significant incentives to sell investments or investment products based on how much they can earn rather than what is suitable or what is needed by a customer. Misselling may occur with insurance products, annuities, investments, mortgages and a variety of other financial products. A financial loss is not necessarily required to meet the definition of misselling; the sale of an unsuitable product is enough.

114) The stock market index of London, stock market is referred as-
a) Sensex
b) Footsie
c) Nifty
d) Bullish
e) None of the given options is true
Answer: b)
The Financial Times Stock Exchange 100 Index, also called the FTSE 100 Index, FTSE 100, FTSE, or, informally, the "Footsie", is a share index of the 100 companies listed on the London Stock Exchange with the highest market capitalization.

115) The availability or cash and other cash like marketable instruments that are useful in purchases and investments are commonly known as-?
116) Fitch Solutions has projected the government's fiscal deficit to slip to ______ % of GDP in 2019-2020 fiscal.
   a) 3.2
   b) 3.4
   c) 3.6
   d) 3.8
   e) 4.0
   Answer: c)
   Fitch Solutions, an arm of the Fitch group has projected the government's fiscal deficit to slip to 3.6% of GDP in 2019-2020 fiscal. It said that 2019-20 Budget will show a strong populist bent in the run-up to the General election due by May 2019. The central government is planning to spend a total of Rs 27.8 lakh crore in fiscal 2019-20.

117) In December 2018, RBI limited total outstanding External Commercial Borrowings(ECB) to how much percent of GDP?
   a) 6.2 percent
   b) 7.0 percent
   c) 6.8 percent
   d) 6.5 percent
   e) 5.7 percent
   Answer: d)
   RBI announced a cap on the outstanding stock of external commercial borrowings at 6.5 percent of GDP at current market prices

118) The GST on affordable housing properties without input tax credit(ITC) has been reduced to how much percent?
   a) 2%
   b) 3%
   c) 1%
   d) 4%
   e) 5%
   Answer: c)
   The GST on affordable housing properties without input tax credit(ITC) has been reduced to 1 percent, while effective GST of 5 per cent shall be applicable without ITC on residential properties outside affordable segment, as was decided by the GST Council at its 33rd meeting.

119) The Affordable Housing is one where the value of the residential house/flat should be upto Rs. __________ in both metropolitan and non-metropolitan cities
   a) Rs. 15 lakh
   b) Rs. 25 lakh
   c) Rs. 45 lakh
   d) Rs. 65 lakh
   e) Rs. 72 lakh
   Answer: c)
   A residential house/flat of carpet area of upto 90 sqm in non-metropolitan cities/towns and 60 sqm in metropolitan cities having value upto Rs.45 lacs (both for metropolitan and non-metropolitan cities).

120) The monthly income of the beneficiaries under the PradhanMantriShram Yogi Maandhan (PMSYM) Yojana should not exceed ____________
   a) Rs. 15000
   b) Rs. 20000
   c) Rs. 25000
   d) Rs. 18000
   e) Rs. 16000
   Answer: a)
The monthly income of the beneficiaries under the Pradhan Mantri Shram Yogi Maandhan (PMSYM) Yojana should not exceed Rs. 15000. This Scheme shall be open only to the unorganised worker for joining whose monthly income is not exceeding fifteen thousand rupees, who has a savings bank account in his name and, has Aadhar number and Age should be between 18 years to 40 years.

121) In a company, the use of price-sensitive corporate information by the company people to make gains or cover losses is known as__________-
   a) Insider trading
   b) Future trading
   c) Foreign trading
   d) Stock trading
   e) None of the given options is true
   Answer: a)

Inside trading is the trading of a public company’s stock or other securities by individuals with access to non-public information about the company. In various countries, some kinds of trading based on insider information is illegal.

122) Many a times, we read a term ‘SEPA’ in financial newspapers. What is the full form of the SEPA?
   a) Single Exchange Processing Agency
   b) Single Euro Payments Area
   c) Single Electronic Processing Agency
   d) Super Electronic Purchase Agency
   e) None of these
   Answer: b)

The Single Euro Payments Area (SEPA) is a payment-integration initiative of the European Union for simplification of bank transfers denominated in euro.

123) _____________ is a state-owned investment fund that invests in real and financial assets such as stocks, bonds, real estate, precious metals, or in alternative investments such as private equity fund or hedge funds.
   a) Development bonds
   b) Insurance policies
   c) Mutual funds
   d) Sovereign wealth funds
   e) None of the given options is true
   Answer: d)

A sovereign wealth fund (SWF) or sovereign investment fund is a state-owned investment fund that invests in real and financial assets such as stocks, bonds, real estate, precious metals, or in alternative investments such as private equity fund or hedge funds. Sovereign wealth funds invest globally.

124) The actual return of an investor is reduced sometimes as the prices of the commodities go up all of a sudden. In financial sector, this type of phenomenon is known as-
   a) Probability risk
   b) Market risk
   c) Inflation risk
   d) Credit risk
   e) None of the given options is true
   Answer: b)

Market risk is the possibility of an investor experiencing losses due to factors that affect the overall performance of the financial markets in which he or she is involved. Market risk, also called "systematic risk," cannot be eliminated through diversification, though it can be hedged against.

125) ETFs are mutual funds listed and traded on stock exchanges like shares. ETFs stands for _____________
   a) Electronic Traded Funds
   b) Exchange Time Funds
   c) Exchange Traded Finance
   d) Exchange Traded Flows
   e) Exchange Traded Funds
   Answer: e)

Exchange Traded Funds (ETFs) are mutual funds listed and traded on stock exchanges like shares.

126) To help boost liquidity particularly among small and marginal farmers in the farming sectors RBI has
announced to increase the limit on collateral-free agriculture loans to what amount from Rs.1 lakh?

a) Rs.1.8 lakh  
b) Rs.1.6 lakh  
c) Rs.2.4 lakh  
d) Rs.2.8 lakh  
e) Rs.2.2 lakh

**Answer: b)**

To help boost liquidity particularly among small and marginal farmers in the farming sectors RBI has announced to increase the limit on collateral-free agriculture loans to Rs.1.6 lakh from Rs.1 lakh.

**127) Reserve Bank of India has increased the limit of ‘bulk’ amount to what to enhance operational freedom of Banks?**

a) Rs. 1 crore  
b) Rs. 2 crores  
c) Rs. 3 crores  
d) Rs. 5 crores  
e) Rs. 1.5 crores

**Answer: b)**

Reserve Bank of India has increased the limit of Rs. 1 crore deposits over Rs. 2 crores as ‘bulk’ as they doubled the limit for the same from the earlier Rs.1 crore. This move will enhance operational freedom of Banks.

**128) Which payments platform acquired the Noida-based last-minute hotel booking app, Night Stay?**

a) Paytm  
b) Mobikwik  
c) PhonePe  
d) GooglePay  
e) AmazonPay

**Answer: a)**

Paytm acquired the Noida-based last-minute hotel booking app, Night Stay.

**129) Which Indian company has signed a partnership agreement with the French company Be-Bound to offer data connectivity through SMS in areas where there is no Internet connectivity?**

a) MTNL  
b) Airtel  
c) Jio  
d) BSNL  
e) Idea

**Answer: d)**

BSNL has signed a partnership agreement with the French company Be-Bound to offer data connectivity through SMS in areas where there is no Internet connectivity.

**130) Which Indian bank recommended Unconditional Cash Transfer to farmers to alleviate the agrarian distress instead of Universal Basic Income (UBI) scheme in its Ecowrap report?**

a) Punjab National Bank  
b) ICICI Bank  
c) Bank of Baroda  
d) State Bank of India  
e) Allahabad Bank

**Answer: d)**

State Bank of India recommended Unconditional Cash Transfer to farmers to alleviate the agrarian distress instead of Universal Basic Income (UBI) scheme in its Ecowrap report.

**131) EFTPOS (electronic funds transfer at point of sale) is based on____________**

a) SMS Alerts  
b) Debit Cards  
c) Credit Cards  
d) Both a) and b)  
e) Both b) and c)

**Answer: e)**

EFTPOS - electronic funds transfer at point of sale- is an electronic payment system involving electronic funds transfers based on the use of payment cards, such as debit or credit cards, at payment terminals located at points of sale.
132) The transaction in which a bank guarantees the payment in case of any damage or financial loss and accepts financial risk & liability is known as _______
   a) Collateral
   b) Underwriting
   c) Letter of Credit
   d) Bank guarantee
   e) Other than the given option
   **Answer: b)**
   The transaction in which bank guarantees the payment in case of damage or financial loss and accepts financial risk & liability is known as **Underwriting**.

133) Which term is used to describe a situation where an inflation rate is high, the economic growth rates slow down and unemployment remains steadily high?
   a) Recession
   b) Depreciation
   c) Stagflation
   d) Depression
   e) None of these
   **Answer: c)**
   The term stagflation is used in economies to describe a situation where an inflation rate is high, the economic rate slow down and unemployment remains steadily high.

134) The term CBS network is often associated with Banking Operations. What does the letter ‘C’ stand for in ‘CBS’?
   a) Central
   b) Critical
   c) Commercial
   d) Core
   e) Capital
   **Answer: d)**
   CBS stands for - Core Banking Solution.

135) 'Cheque' and Demand Draft' come under the purview of which of the following Acts?
   a) Banking Regulation Act, 1949
   b) The Banking Companies Act–1949
   c) Chit Fund Act–1982
   d) Negotiable Instrument Act, 1881
   e) Other than the given options
   **Answer: d)**
   Cheque and Demand Draft comes under Negotiable Instruments Act, 1881. A Negotiable Instrument means a promissory note, bill of exchange, demand draft or cheque payable either to order or to bearer.

136) Which state government has been given the green nod for its Rs. 13,384.80 crore Sita Rama Lift Irrigation Project?
   a) Andhra Pradesh
   b) Telangana
   c) Kerala
   d) Manipur
   e) None of these
   **Answer: b)**
   Telangana government has been given the green nod for its Rs 13,384.80 crore Sita Rama Lift Irrigation Project that aims to divert Godavari river water to irrigate 2.72 lakh hectare in three districts, a senior central government official said. The project, which is expected to be completed in three years, would lead to submergence of about 1,930 hectare area and 157 villages consisting of 9,696 families are likely to be affected, the official added.

137) The government has recently allocated an additional Rs. ________ at RE stage to MGNREGA.
   a) 2467 crore
   b) 3826 crore
   c) 4618 crore
   d) 6084 crore
   e) None of these
   **Answer: d)**
   The Government of India has allocated an additional Rs. 6,084 crore at RE stage to MGNREGA. This brings the total allocation to the scheme to Rs. 61,084 crore in 2018-19,
making it the highest ever allocation. Governance reforms and thrust on sustainable livelihoods through durable assets has ensured better lives for the poor through wages, incomes and durable assets. MGNREGA is a flagship programme of the Ministry which addresses poverty in a holistic manner by overcoming social inequalities and creating a base for sustainable & long term development.

138) The government decided to recapitalise state-owned Exim Bank to the tune of Rs ________.
   a) 5000 crore  
   b) 6000 crore  
   c) 7000 crore  
   d) 8000 crore  
   e) None of these

   **Answer: b**

The government Wednesday decided to recapitalise state-owned Exim Bank to the tune of Rs. 6,000 crore and double its authorised capital to Rs. 20,000 crore. The equity will be infused in two tranches — Rs. 4,500 crore in 2018-19 and Rs. 1,500 crore in 2019-20.

139) The CCEA has given its approval to the proposal of the Department of Commerce for including merchant exporters under the Interest Equalisation Scheme (IES) for Pre and Post Shipment Rupee Export Credit by allowing them interest equalisation rate of _____.
   a) 2%  
   b) 3%  
   c) 4%  
   d) 5%  
   e) None of these

   **Answer: b**

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has given its approval to the proposal of the Department of Commerce for including merchant exporters under the Interest Equalisation Scheme (IES) for Pre and Post Shipment Rupee Export Credit by allowing them interest equalisation rate of 3% on such credit for export of products covered under 416 tariff lines identified under the scheme.

140) RBI has recently flagged that bad loans under PMMY have risen to Rs. _______ crore.
   a) 7,000  
   b) 9,000  
   c) 11,000  
   d) 17,000  
   e) None of these

   **Answer: c**

The Reserve Bank of India (RBI) has raised a red-flag on the spike in non-performing assets (NPAs) under the government’s flagship scheme to support micro enterprises in the country — the Pradhan Mantri Mudra Yojana. According to Finance Ministry sources, RBI has cautioned the ministry that the scheme might turn-out to be the next big source of NPAs, which have plagued the banking system. The central bank has flagged that bad loans under PMMY have risen to Rs. 11,000 crore.

141) What is the duration(years) after which a savings account will be treated as inoperative/dormant if there are no transactions in the account?
   a) One  
   b) Two  
   c) Three  
   d) Four  
   e) Five

   **Answer: b**

If a savings or current account has not had any transactions/activity for over one year, the account is rendered inactive by the bank. Once this inactivity exceeds two years, banks declare such an account as dormant or inoperative.

142) The European Central Bank has launched a new system aimed at letting banks settle payments instantly across Europe. What is the name of that system?
   a) SWIFT
b) TIPS
c) NEFT
d) MPIJ
e) RTGS

Answer: b)
The European Central Bank launched a new system aimed at letting banks settle payments instantly across Europe, helping them to compete with PayPal and other global tech giants. The ECB’s TARGET Instant Payment Settlement (TIPS) system will let people and companies in Europe transfer euros to each other within seconds.

143) The web platform PAiSA has been designed and developed by which of the following banks?

a) Allahabad Bank
b) UCO Bank
c) ICICI
d) HDFC
e) State Bank of India

Answer: a)
The PAiSA - Portal for Affordable Credit and Interest Subvention Access web platform has been designed and developed by Allahabad Bank which is the Nodal bank.

144) _______ is the flow of funds (or capital) from one country to another in order to earn a short-term profit.

a) Soft Currency
b) Hard Currency
c) Hot Money
d) Cheap Money
e) None of these

Answer: c)
Hot Money is the flow of funds (or capital) from one country to another in order to earn a short-term profit.

145) ____ is a type of charge that gives a bank automatic claim over a borrower’s property or assets.

a) Pledge
b) Hypothecation
c) Mortgage
d) Lien
e) All of these

Answer: d)
Lien is a type of charge that gives a bank automatic claim over a borrower’s property or assets.

146) India’s GDP would grow at what percent in 2018-19, as per the first advance estimates of National Income at Constant (2011-12) and Current Prices, for the financial year 2018-2019, released by Central Statistics Office (CSO)?

a) 7.6 %
b) 7.2 %
c) 7.4 %
d) 7.7 %
e) None of these

Answer: b)
The Central Statistics Office (CSO) under the Ministry of Statistics and Programme Implementation has released the first advance estimates of National Income at Constant (2011-12) and Current Prices, for the financial year 2018-2019. India’s GDP would grow at 7.2% in 2018-19, showing acceleration from 6.7% growth in 2017-18 because of push from agriculture and manufacturing sectors.

147) World Bank has projected India’s Gross domestic product (GDP) to grow at what percent in the fiscal year 2018-19, and 7.5% in the following two years?

a) 7.3 %
b) 7.2 %
c) 7.6 %
d) 7.7 %
e) None of these

Answer: a)
World Bank projected India’s GDP to grow at 7.3% in the fiscal year 2018-19, and 7.5% in the following two years. The Bank said India will continue to be the fastest growing major economy in the world. In India, the growth has accelerated, driven by an upswing in consumption, and
investment growth has firmed as the effects of temporary factors wane, the World Bank said in its latest report.

148) GST Council approved doubling of exemption threshold under Goods and Services Tax (GST) regime to Rs 40 lakh along with raising the turnover limit under composition scheme to _____ with effect from April 1, 2019?

a) Rs. 1.5 crore  
b) Rs. 2 crore  
c) Rs. 2.5 crore  
d) Rs. 3 crore  
e) None of these

**Answer: a)**

Finance Minister Arun Jaitley raised the annual turnover for availing composition scheme to Rs. 1.5 crore from Rs. 1 crore effective from April 1, 2019 to provide relief to small businesses under Goods and Services (GST) regime. The Goods and Services (GST) exemption limit has been doubled to Rs. 40 lakh annual turnover and Rs 20 lakh for northeastern states.

149) Which will be the first Indian state to roll out Universal Basic Income (UBI) and implement the scheme by 2022?

a) Telangana  
b) Gujarat  
c) Sikkim  
d) Arunachal Pradesh  
e) None of these

**Answer: c)**

Sikkim, though being a smallest state have set a initiative to introduce UBI in the entire nation. Sikkim’s long lasting chief minister and head of sikkim’s ruling party (Sikkim democratic front) Pawankumarchamling, quoted that if everything goes right then Sikkim would be the first state to implement Universal Basic Income (UBI) system and execute it by 2022. This scheme is also regarded as an alternative to social welfare programmes with benefits towards reducing poverty.

150) Prime Minister Narendra Modi released a commemorative coin of _____ rupees on Guru Govind Singh ji in New Delhi on his 352nd birth anniversary, on 13th January 2019?

a) Rs. 250  
b) Rs. 150  
c) Rs. 350  
d) Rs. 200  
e) None of these

**Answer: c)**

The 352nd birth anniversary of the 10th Sikh Guru, Guru Govind Singh ji, was celebrated as Prakashutsav at Patna Sahib, in Bihar, the birth place of Guruji. On January 13, 2019, Prime Minister Narendra Modi released a commemorative coin of 350 rupees on Guru Govind Singh ji in New Delhi on the eve of 352nd birth anniversary of the 10th Sikh Guru.

151) Pradhan Mantri Vaya Vandana Yojana (PMVVY)’ aims to provide social security during old age. What is the minimum purchase price under the scheme for a minimum pension of Rs. 1,000/- per month?

a) Rs.1,20,000  
b) Rs.1,00,000  
c) Rs.1,25,000  
d) Rs.1,50,000  
e) Rs. 2,50,000

**Answer: d)**

Pradhan Mantri Vaya Vandana Yojana (PMVVY)’ aims to provide social security during old age and to protect elderly persons aged 60 and above. Minimum purchase price under the scheme is Rs.1,50,000/- for a minimum pension of Rs. 1,000/- per month

152) Beta measures what type of risk?

a) Financial risk  
b) Currency risk  
c) Investment risk  
d) Market and finance risk
Beta of an investment indicates whether the investment is more or less volatile than the market as a whole. In general, a beta less than 1 indicates that the investment is less volatile than the market, while a beta more than 1 indicates that the investment is more volatile than the market.

**153) An option that may only be exercised on expiration is known as ?**

a) Put Option  

b) European Option  

c) Call Option  

d) American Option  

e) None of the above  

**Answer: b)**

European option – an option that may only be exercised on expiration. American option – an option that may be exercised on any trading day on or before expiry. Call Option – gives the buyer of option the right (not obligation) to buy a currency or share. Put Option - gives the buyer of option the right (not obligation) to sell a currency or share.

**154) In which of the following types of cheques, the person whose name is written by the issuer, is the only person authorized to collect the amount?**

a) Slate Cheque  

b) Anti-dated cheque  

c) Bearer Cheque  

d) Blank cheque  

e) Order Cheque  

**Answer: e)**

Order cheque is issued to only that person whose name is written on the cheque by the issuer. Identification is required at the time of presenting the cheque to the bank.

**155) In the financial sector there are many companies who are providing banking like activities though they are not recognized as banks. How is this particular type of activity known as?**

a) Informal banking  

b) Indigenous banking  

c) Shadow banking  

d) Development banking  

e) Adaptive Banking  

**Answer: c)**

The shadow banking system is a term for the collection of non-bank financial intermediaries that provide services similar to traditional commercial banks but outside normal banking regulations. The phrase "shadow banking" contains the pejorative connotation of back alley loan sharks.

**156) “Shishu” scheme under ‘PradhanMantri Mudra Yojana’ covers loan upto which limit?**

a) Rs. 100,000  

b) Rs. 50,000  

c) Rs. 500,000  

d) Rs. 200,000  

e) Rs. 250,000  

**Answer: b)**

Under PradhanMantri Mudra Yojana, 3 types of schemes-Shishu, Kishor, Tarun has been launched. Shishu scheme covers loan upto Rs. 50,000.

**157) What is Marginal Standing Facility (MSF) rate and Statutory Liquidity Ratio (SLR) as per ‘First Bi-Monthly Monetary Policy’ released recently?**

a) 6.50% and 19.50%  

b) 6.25% and 19.25%  

c) 6.75% and 19.75%  

d) 6.50% and 19.25%  

e) 5.75% and 18.50%  

**Answer: b)**

In February 2019, Reserve Bank of India (RBI)’s six-member monetary policy committee chaired by RBI Governor Shaktikanta Das released its First Bi-Monthly Monetary Policy. RBI had reduced 0.25 basis points in the Policy Rates with immediate effect. The Change in Policy rates are as follows: Repo Rate: 6.00% , Reverse Repo Rate: 5.75%,

158) In September 2018, the New Development Bank of the BRICS countries has approved a $525-million loan to ________ for infrastructure projects.
   a) Madhya Pradesh  
b) West Bengal  
c) Bihar  
d) Uttarakhand  
e) Assam
   Answer: a)
   The New Development Bank of the BRICS countries has approved a $525-million loan to Madhya Pradesh for infrastructure projects. The loan would be used by the Indian government for on-lending to the Madhya Pradesh government for rehabilitating major district roads with a total length of about 2,000 km to improve the connectivity of the rural interior with the national and state highway networks.

159) In September 2018, the government has doubled the monetary limit to ________ for filing loan recovery application in the Debt Recovery Tribunals.
   a) Rs. 25 Lakh  
b) Rs. 10 Lakh  
c) Rs. 30 Lakh  
d) Rs. 5 Lakh  
e) Rs. 20 Lakh
   Answer: e)
   The government doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals by banks and financial institutions. It is aimed at helping reduce pendency of cases in DRTs. There are 39 DRTs in the country. The government has made several amendments in different laws, including the SARFAESI Act to make the tribunals more effective and to facilitate fast disposal of debt recovery cases.

160) The GST council has decided to offer cash back to consumers. What is the maximum limit of cashback on payments via Rupay cards, BHIM and UPI system once the offer is implemented?
   a) Rs. 25  
b) Rs. 50  
c) Rs. 100  
d) Rs. 75  
e) Rs. 150
   Answer: c)
   Once the offer is implemented, the customers making payments through Rupay card and BHIM UPI would get a cashback of 20% of the total GST amount, subject to a maximum limit of Rs 100. The Goods and Services Tax (GST) Council decided to offer cash back to consumers on a trial basis for every digital payment made via Rupay cards, BHIM application and UPI system to promote cashless transactions in rural semi-urban areas.

161) Which among the following is a condition of slow economic growth and relatively high unemployment?
   a) Deflation  
b) Bottleneck Inflation  
c) Stagflation  
d) Reflation  
e) Creeping Inflation
   Answer: c)
   Stagflation is a condition in which the inflation rate is high, economic growth rate slows, and unemployment remains steadily high. It can also be defined as inflation and a decline in gross domestic product. It occurs when an economy faces a sudden increase or decrease in the supply of a commodity or service. Reflation - It is a monetary or fiscal policy by the government and central bank respectively to boost demand and thus increase the level of economic activity and combat deflation.
Creeping Inflation - A circumstance where the inflation of a nation increases gradually, but continually over time is called Creeping Inflation.

162) Under AtalBimitVyaktiKalyanYojana, the unemployed persons who searching for new employment can get 25% of his/her average earning of ________ days as a cash benefit.

a) 60 days  
b) 180 days  
c) 30 days  
d) 45 days  
e) 90 days  

**Answer: e)**

The ESI Corporation has approved ‘AtalBimitVyaktiKalyanYojana’ for Insured Persons (IP) covered under the Employees’ State Insurance Act, 1948. This scheme is a relief payable in cash directly to the Bank Account in case of unemployment and while they search for new engagement. Under AtalBimitVyaktiKalyanYojana, the cash benefit given to the unemployed persons searching for new employment would be 25% of his average earning of 90 days.

163) As per the Payment of Gratuity Act, 1972 an employee is eligible to get gratuity only after he/she has worked with an organization for at least ________ years.

a) 5 years  
b) 10 years  
c) 3 years  
d) 15 years  
e) 8 years  

**Answer: a)**

The Payment of Gratuity Act, 1972, states that an employee is eligible to get gratuity only after he/she has worked with an organization for at least five years. The employee stands to receive the gratuity amount on his/her superannuation, or at the time of retirement or resignation. The rules state that when an employee is eligible to get a gratuity, the individual needs to apply within a matter of 30 days from the date it becomes payable.

164) What is the projected growth rate of India for the financial year 2019-20 by the International Monetary Fund (IMF)?

a) 7.3%  
b) 7.5%  
c) 7.2%  
d) 7.6%  
e) 7.8%  

**Answer: b)**

The International Monetary Fund forecasted the growth rate of India for 2019-20 is 7.5%. IMF said that India’s growth rate likely to accelerate to 7.7% in 2020-21. Central Statistics Office’s (CSO) estimated the growth rate of 7.2% for 2018-19 and the RBI estimates the growth rate of 7.4%.

165) Which of the following is also known as “Reserve Money”? 

a) M1  
b) M0  
c) M2  
d) M3  
e) M4  

**Answer: b)**

Reserve money (M0) = Currency in Circulation + Bankers’ Deposits with RBI + ‘Other’ Deposits with RBI. It is also called as high powered money, base money and central bank money. All these names suggest that reserve money represents the base level for money supply or it is the high-powered component of money supply.

166) In September 2018, the government has announced that all formal sector workers earning a monthly salary below __________ have to link their Provident Fund accounts with Aadhar numbers.

a) Rs. 15000  
b) Rs. 20000  
c) Rs. 30000
d) Rs. 10000  
e) Rs. 25000  
Answer: a)  
All formal sector workers earning a monthly salary below Rs. 15000 should link their provident fund (PF) accounts with their Aadhaar numbers. PF accounts are managed by the Employees' Provident Fund Organisation (EPFO). At present, the minimum pension under EPS (Employees' Pension Scheme) is Rs. 1000 per month and an employee can receive a pension only after a minimum of 10 years of service.

167) The workers of the unorganized sector would get an assured monthly pension of Rs 3,000 under the PradhanMantriShram-Yogi Maandhan scheme, after they attain the age of ____________.  
a) 70 Years  
b) 60 Years  
c) 65 Years  
d) 62 Years  
e) 58 Years  
Answer: b)  
As per Interim Budget, 2019-20, the workers of the unorganized sector would get an assured monthly pension of Rs. 3,000 under the PradhanMantriShram-Yogi Maandhan scheme, after they attain the age of 60 years.

168) Reserve Bank of India has announced to operationalize ‘Net stable funding ratio (NSFR)’ norms for banks from which date?  
a) 1 January, 2019  
b) 1 February, 2019  
c) 1 April, 2020  
d) 1 June, 2019  
e) 1 June, 2020  
Answer: c)  
RBI announced the date of its implementation of the Net Stable Funding Ration (NSFR) norms to be from April 1, 2020.

169) Union government has recently signed $85 million loan agreement with which financial agency to promote skill development in Odisha?  
a) World Bank  
b) International Monetary Fund  
c) Asian Development Bank  
d) New Development Bank  
e) None of these  
Answer: c)  
In December, 2018, the Government of India and the Asian Development Bank (ADB) signed a $85 million loan in New Delhi, under the Odisha Skill Development Project to promote skill development in Odisha. Under this project, the World Skill Center (WSC), an advanced skill training centre would be established in Bhubaneswar, Odisha.

170) Which state launched the Rs 50,000-crore farm debt-waiver scheme named ‘Jai KisanRinMuktiYojana’ on 15 January 2019?  
a) Madhya Pradesh  
b) Uttar Pradesh  
c) Arunachal Pradesh  
d) Andhra Pradesh  
e) Himachal Pradesh  
Answer: a)  
Madhya Pradesh’s Chief Minister Kamal Nath launched the Rs 50,000-crore farm debt-waiver scheme named ‘Jai KisanRinMuktiYojana’ on 15 January 2019. The state cabinet gave its nod to waive crop loans of 55 lakh small and marginal farmers on 5 January 2019. The loan waiver forms could be submitted till 5 February 2019 and farmers would start getting the benefits from 22 February 2019.

171) PradhanMantriVayaVandanaYojana (PMVVY) is a pension plan for senior citizens managed and operated by Life Insurance Corporation (LIC). Under this scheme pension will be paid for how many years?  
a) 5 years  
b) 10 years
c) 6 years
d) 7 years
e) 8 years
**Answer: b)**
PradhanMantriVayaVandanaYojana (PMVVY) was launched by the Government of India in 2017. PMVVY is a pension scheme for senior citizens aged 60 years and above. Life Insurance Corporation (LIC) of India has been authorized by the government of India to implement the PMVVY. It provides an assured return of 8% p.a. payable monthly for 10 years.

172) Which of the following is an internationally recognized identification code for banks around the world, commonly used for international wire transfers?

a) BIN Code  
b) IFCS code  
c) IBC code  
d) Swift Code  
e) CHIPS

**Answer: d)**
Swift- Society for Worldwide Interbank Financial Telecommunication code. An internationally recognized identification code for banks around the world. SWIFT codes are most commonly used for international wire transfers and are comprised of 8 or 11 alphanumeric characters.

173) Which of the following exchange/s comes under the Indian Secondary Market?

a) Regional stock exchanges  
b) BSE and NSE  
c) Over the Counter Exchange of India  
d) The Inter-Connected Stock Exchange of India  
e) All of the above

**Answer: e)**
The Indian secondary market now has a four-tier form as follows:
Regional stock exchanges
The National Stock Exchanges (BSE and NSE)

- The Over the Counter Exchange of India (OTCEI)
- The Inter-Connected Stock Exchange of India (ISE)

174) What does the term 'Financial Exclusion' refer to, in banking system?

a) Exclude the Finance  
b) Lack of Access to Financial Services  
c) Overlooking financial impacts of the services.  
d) Instability of Financial Services  
e) None of the above

**Answer: b)**
Financial exclusion can be defined as the unavailability of banking services to people with low or non-income. It is believed to be one factor preventing poor people leave out poverty.

175) The stock exchanges are defined under which of the following acts?

a) Companies Act, 2013  
b) SEBI Act, 1992  
c) SCRA, 1956  
d) RBI Act, 1934  
e) None of the above

**Answer: c)**
Stock Exchange are defined under Securities Contract (Regulation) Act, 1956 [SCRA] They are defined as anybody of individuals, whether incorporated or not, constituted for the purpose of assisting, regulating or controlling the business of buying, selling or dealing in securities. Stock exchange could be a regional stock exchange whose area of operation/jurisdiction is specified at the time of its recognition or national exchanges, which are permitted to have nationwide trading since inception.

176) Which of the following bank has decided to link interest rates on the savings bank account to an external benchmark from 1st May 2019?

a) HDFC Bank  
b) Indian Overseas Bank  
c) Union Bank of India
d) State Bank of India  
e) Bank of Baroda  
**Answer: d)**

State Bank of India (SBI) has decided to link interest rates on the savings bank account to an external benchmark from 1st May 2019. With this SBI becomes the first Indian bank to link both deposit rate and lending rate to an external benchmark.

177) How many rupees will be transferred by the Reserve Bank of India (RBI) as an interim surplus to the central government for the half-year (till 31st December 2018)?

a) 28000 crores  
b) 10000 Crores  
c) 50000 Crores  
d) 2000 Crores  
e) 1000 Crores  
**Answer: a)**

The Reserve Bank of India (RBI) will transfer an interim surplus of 28,000 crore rupees to the central government for the half-year (ended 31st December 2018). The decision has been based on a limited audit review and after applying the extent economic capital framework.

178) The “Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)” will cost the government ______ per year.

a) Rs 15,000 crore  
b) Rs 30,000 crore  
c) Rs 40,000 crore  
d) Rs 60,000 crore  
e) Rs 75,000 crore  
**Answer: e)**

To provide an assured income support to the small and marginal farmers, Government is launching a programme namely “Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)”. Under this programme, vulnerable landholding farmer families, having cultivable land up to 2 hectares, will be provided direct income support at the rate of Rs. 6,000 per year. This income support will be transferred directly into the bank accounts of beneficiary farmers, in three equal instalments of Rs. 2,000 each. This programme will be funded by Government of India. Around 12 crore small and marginal farmer families are expected to benefit from this. The programme would be made effective from 1st December 2018 and the first instalment for the period up to 31st March 2019. This programme will entail an annual expenditure of Rs. 75,000 crore.

179) As per the Interim Budget, what was India’s Debt to GDP ratio in the year 2017-18?

a) 46.5%  
b) 44.4%  
c) 40%  
d) 45%  
e) 42%  
**Answer: a)**

India’s Debt to GDP ratio was 46.5% in year 2017-18. The FRBM Act prescribes that the Debt to GDP ratio of the Govt of India should be brought down to 40% by 2024-25.

180) How much amount has been allocated for 'Pradhan Mantri Shram-Yogi Maandhan' in the Interim Budget 2019-20?

a) 400 crore  
b) 450 crore  
c) 500 crore  
d) 600 crore  
e) 750 crore  
**Answer: c)**

The Government has proposed to launch a mega pension yojana 'Pradhan Mantri Shram-Yogi Maandhan' for the unorganised sector workers with monthly income upto Rs. 15,000. This pension yojana shall provide them an assured monthly pension of Rs. 3,000 from the age of 60 years on a monthly contribution of a small affordable amount during their working age. A sum of Rs. 500 crore has been allocated for the Scheme.
181) An organization such as a bank or insurance company that buys and sells large quantities of securities is called _________.
   a) Major Investor  
   b) Minor Investor  
   c) Institutional Investor  
   d) Giant  
   e) None of these  
   Answer: c)

Institutional investor is a term for entities which pool money to purchase securities, real property, and other investment assets or originate loans. Institutional investors include banks, insurance companies, pensions, hedge funds, investment advisors, endowments, and mutual funds.

182) A receipt listed in India and traded in rupees declaring ownership of shares of a foreign company is called _______.
   a) Indian Depository Receipt (IDR)  
   b) Commercial Paper  
   c) Promissory Note  
   d) Indian Depository Revenue  
   e) None of these  
   Answer: a)

A receipt listed in India and traded in rupees declaring ownership of shares of a foreign company is known as Indian Depository Receipt (IDR).

183) Which one of the following is the regulator of Capital Market in India?
   a) RBI  
   b) SEBI  
   c) SIDBI  
   d) IRDA  
   e) NSE  
   Answer: b)

The Securities and Exchange Board of India (SEBI) is the regulator for the securities market in India. It was established in the year 1988. SEBI is the regulator of Capital Market in India.

184) Currency swap is an instrument to manage _______.
   a) Interest rate and currency risk  
   b) Currency risk  
   c) Interest rate risk  
   d) Cash flows in different currency  
   e) None of these  
   Answer: d)

A currency swap (or a cross currency swap) is a foreign exchange derivative between two institutions to exchange the principal and/or interest payments of a loan in one currency for equivalent amounts, in net present value terms, in another currency.

185) What is the minimum capital requirement for new on tap license to set up Private Banks?
   a) Rs. 200 crore  
   b) Rs. 300 crore  
   c) Rs. 500 crore  
   d) Rs. 600 crore  
   e) None of these  
   Answer: c)

As per RBI guidelines, minimum capital requirement for New on tap license to set up Private Banks is Rs. 500 crore. Validity of the in-principle approval issued by the RBI will be 18 months from the date of granting in-principle approval.

186) Up to what amount of existing debt the Reserve Bank has allowed a one-time restructuring for the companies which have defaulted on payment, but the loans given to them have continued to be classified as standard assets?
   a) Rs. 20 crore  
   b) Rs. 25 crore  
   c) Rs. 15 crore  
   d) Rs. 10 crore  
   e) Rs. 50 crore  
   Answer: b)
Reserve Bank allowed a one-time restructuring of existing debt up to Rs. 25 crore for the companies which have defaulted on payment but the loans given to them have continued to be classified as standard assets.

187) IRCTC, the Railways’ subsidiary, will offer insurance of up to INR ______ for free for air passengers who book their tickets through its portal.
   a) 25 lakh
   b) 10 lakh
   c) 50 lakh
   d) 5 lakh
   e) 35 lakh
Answer: c)

Indian Railway Catering and Tourism Corporation (IRCTC), the Railways’ subsidiary, will offer insurance of up to INR50 lakh for free for air passengers who book their tickets through its portal. IRCTC has tied up with Bharti-Axa for the offer.

188) Sri Lanka’s Central Bank announced that the Reserve Bank of India (RBI) has agreed to provide ______ under a swap arrangement to boost the island nation’s reserves.
   a) USD 400 million
   b) USD 100 million
   c) USD 200 million
   d) USD 300 million
   e) USD 250 million
Answer: a)

Sri Lanka’s Central Bank announced that the Reserve Bank of India (RBI) has agreed to provide USD 400 million under a swap arrangement to boost the island nation’s reserves.

189) The 32nd Meeting of GST Council was concluded in New Delhi. The Council has decided to increase the GST registration threshold limit to __________ from 20 lakh.
   a) 40 lakh rupees
   b) 35 lakh rupees
   c) 38 lakh rupees
   d) 45 lakh rupees
   e) 30 lakh rupees
Answer: a)

The 32nd Meeting of GST Council was concluded in New Delhi. The Limit of annual turnover for composition scheme increased to 1.5 crore rupees effective from April 1, 2019. The Council has decided to increase the GST registration threshold limit to 40 lakh rupees from 20 lakh.

190) The government has announced ________ rupee award for states that would complete the household electrification early under the Saubhagaya scheme.
   a) 200 crore
   b) 50 crore
   c) 150 crore
   d) 10 crore
   e) 100 crore
Answer: e)

The government has announced 100 crore rupee award for states that would complete the household electrification early under the Saubhagaya scheme. Apart from discoms, employees would also collectively get 50 lakh rupees award for completing the task of electrifying households under the scheme.

181) An organization such as a bank or insurance company that buys and sells large quantities of securities is called __________
   a) Major Investor
   b) Minor Investor
   c) Institutional Investor
   d) Giant
   e) None of these
Answer: c)

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   b) Currency risk
   c) Interest rate risk
   d) Cash flows in different currency
   e) None of these
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   A currency swap (or a cross currency swap) is a foreign exchange derivative between two institutions to exchange the principal and/or interest payments of a loan in one currency for equivalent amounts, in net present value terms, in another currency.

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   c) Rs. 500 crore
   d) Rs. 600 crore
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   d) Rs. 10 crore
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   b) 10 lakh
   c) 50 lakh
   d) 5 lakh
   e) 35 lakh
   **Answer: c)**
Indian Railway Catering and Tourism Corporation (IRCTC), the Railways’ subsidiary, will offer insurance of up to INR 50 lakh for free for air passengers who book their tickets through its portal. IRCTC has tied up with Bharti-Axa for the offer.

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   c) USD 200 million  
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   b) 35 lakh rupees  
   c) 38 lakh rupees  
   d) 45 lakh rupees  
   e) 30 lakh rupees  
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   b) 50 crore  
   c) 150 crore  
   d) 10 crore  
   e) 100 crore  
Answer: e)
The government has announced 100 crore rupee award for states that would complete the household electrification early under the Saubhagaya scheme. Apart from discoms, employees would also collectively get 50 lakh rupees award for completing the task of electrifying households under the scheme.

191) ASBA scheme is related to the purchase of ____.
   a) IPO  
   b) BCP  
   c) CCD  
   d) DTCs  
   e) None of these  
Answer: a)
ASBA (Applications Supported by Blocked Amount) is a process developed by the India’s Stock Market Regulator SEBI for applying to IPO. In ASBA, an IPO applicant's account doesn't get debited until shares are allotted to them.

192) A rise in Sensex means _________.
   a) A rise in prices of shares of all companies registered with BSE  
   b) A rise in prices of shares of all companies registered with NSE  
   c) An overall rise in prices of top 30 shares of group of companies registered with BSE.  
   d) A rise in prices of shares of all companies belonging to a group of companies registered with BSE.  
   e) None of these  
Answer: c)
Sensex is a basket of 30 constituent stocks representing a sample of large, liquid and representative companies. A rise in Sensex means overall rise in prices of top 30 shares of group of companies registered with BSE.
193) The Cash Reserve Ratio (CRR) which is to be maintained with the Reserve Bank of India is maintained in which of the following ways?

a) Minimum cash reserves  
b) Gold  
c) Approved Securities  
d) Both a) and b)  
e) All of the above  

Answer: a)

Every commercial bank has to keep certain minimum cash reserves with RBI. This is known as the Cash Reserve Ratio (CRR). Apart from the CRR, banks are required to maintain liquid assets such as precious metals (gold) or other approved securities, other than the cash. This is known as the Statutory Liquidity ratio (SLR).

194) 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) None of the above

Answer: c)

The simultaneous purchase and sale of an asset in order to profit from a difference in the price. It is a trade that profits by exploiting price differences of identical or similar financial instruments, on different markets or in different forms. Arbitrage exists as a result of market inefficiencies; it provides a mechanism to ensure prices do not deviate substantially from fair value for long periods of time.

195) In which of the following accounts is operation by cheques permitted?

a) Savings bank accounts and fixed deposit accounts  
b) Current accounts and fixed deposit accounts  
c) Savings bank accounts and floating loan accounts  
d) Savings bank accounts and cash accounts  
e) Savings bank accounts and current accounts

Answer: e)

Both savings bank accounts and current accounts are allowed to operate by cheques.

196) What is the new National Minimum Wage (NMW) per month for a worker, recently revised by an expert committee appointed by Government of India?

a) Rs.8750 per month  
b) Rs.9750 per month  
c) Rs.7550 per month  
d) Rs.8550 per month  
e) None of these

Answer: b)

An expert committee appointed by government suggested Rs. 9,750 per month or Rs. 375 per day as National Minimum Wage (NMW) for a worker. The Present NMW is Rs. 4,576. National minimum wage has been proposed at various regional level in the range of Rs.8,892 to Rs. 11,622 per month, with supplementary house rent allowance of Rs. 1,430 per month for urban workers. The recommendations could form the basis for a national minimum wage covering all workers irrespective of skills, sectors, occupations and rural-urban areas. According to Committee’s formula, a family with 3.2 units of consumption requires food of Rs.2400, minimum 50 gm of protein and 30 gm of fat every day. The Labour ministry has proposed a statutory minimal wage which will be calculated by NMW calculator to address varying economic conditions at state and regional levels through a Code on Wages Bill.

197) Which of the following scheme is launched as a pension scheme by Finance Minister during Union budget 2019-20 for the benefit of workers in Unorganised Sector?

a) Pradhan Mantri Adarsh Gram Yojana  
b) Pradhan Mantri Matritva Vandana Yojana  
c) Pradhan Mantri Shram Yogi Mandhan Yojana  
d) Pradhan Mantri Gramin Awas Yojana  
e) None of these
Answer: c)
On 15th February 2019, Finance minister has implemented the PradhanMantriShram Yogi MandhanYojana which is primarily a pension scheme for the labours, associated in the unorganized sector. It was announced in Budget 2019. Under this scheme, workers of unorganized sectors whose monthly income is less than Rs. 15,000 may avail the Rs. 3000 per month after 60 year of age The scheme will facilitate the benefits up to 10 crore workers which include lower class workers, labor, plumber, mechanic, sweeper, construction workers, etc. An amount of Rs. 500 crore has been allocated for the scheme. The benefits of the scheme will be availed within 5 years.

198) Government of India, Himachal Pradesh Government and World Bank had signed an agreement worth, how much million for supplying water to the citizens of Greater Shimla?

a) USD 20 Million  
b) USD 40 Million  
c) USD 50 Million  
d) USD 60 Million  
e) None of these

Answer: b)
A loan agreement of $40 million (4 crore INR) was signed between the Government of India, Himachal Pradesh Government and World Bank, to help bring clean and reliable drinking water to the citizens of Greater Shimla area, who have been facing severe shortages of water and water-borne epidemics in the last few years. Shimla Water Supply and Sewage Service Delivery Reform Programmatic Development Policy Loan is expected to improve Water Supply & Sanitation (WSS) services in and around Shimla. Loan agreement was signed by Mr. Sameer Kumar Khare, Additional Secretary, Department of Economic Affairs, Ministry of Finance, on behalf of the Government of India and Mr. Junaid Kamal Ahmad, Country Director, World Bank India, on behalf of the World Bank.

199) What is the new interest rate on Employees’ Provident Fund for 2018-19 recommended by Employees’ Provident Fund Organisation (EPFO) ?

a) 8.65%  
b) 8.55%  
c) 8.85%  
d) 8.75%  
e) None of these

Answer: a)
Employees’ Provident Fund Organisation (EPFO) has recommended to increase the interest rate on Employees’ Provident Fund for 2018-19 to 8.65% from 8.55% benefitting 6 crore EPFO subscribers. All members of the Central Board of Trustees (CBT), EPFO have agreed to the increase the interest rate and the proposal would now go to the Finance Ministry for approval. The EPFO provided a five-year-low rate of interest of 8.55% for FY18. The interest rate was 8.65% in FY17, 8.8% in FY16 and 8.75% interest in FY14 and FY15. The rate of interest was 8.5% in FY13.

200) How much is the new limit decided by RBI for Bulk Deposits inorder to enhance operational freedom of Banks?

a) 2 Crore  
b) 1 Crore  
c) 50000  
d) 1 Lakh  
e) None of these

Answer: a)
Reserve Bank of India decided to treat deposits to over Rs.2 crore as ‘bulk’ as they doubled the limit for the same from the earlier Rs.1 crore. This move will enhance operational freedom of Banks. RBI also proposed banks would maintain their bulk deposits interest rate cards in the core banking system for supervisory review. National Federation of Urban Cooperative Banks and Credit Societies Limited (NAFCUB) has suggested this proposal. The decision in proposal for

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setting up an Umbrella Organization (UO) for urban cooperative banks in pending with RBI.

**201) What do you understand by, ‘Asset Reconstruction Companies look for business from banks’?**

a) These companies buy the bad debts from banks at discount  
b) They help banks in identifying the potential clients for loans  
c) They help banks identify potential clients for infrastructure lending by these companies  
d) Both B and C  
e) None of these  

**Answer: a)**  
Asset Reconstruction Companies (ARC), purchases the bad loans or non-performing assets (NPA) issued by commercial and other banks at discounted rates.

**202) In the Union Budget, what does the term 'primary deficit' mean?**

a) Revenue Deficit — Interest Payment  
b) Fiscal Deficit — Interest Payment  
c) Revenue Expenditure — Revenue Receipts  
d) Total Expenditure — Total Borrowing  
e) Budget deficit — Interest payment  

**Answer: b)**  
**Primary deficit:** It is the fiscal deficit less interest payments made by the government on its earlier borrowings.

**203) Maximum Loan amount under MUDRA Bank’s Shishu Scheme is?**

a) Rs. 25000  
b) Rs. 50000  
c) Rs. 75000  
d) Rs. 100000  
e) Rs. 200000  

**Answer: b)**  
Under MUDRA Bank’s Shishu Scheme, maximum loan amount that can be granted is Rs. 50000. The maximum loan amount is Rs. 5 lakh under Kishor Scheme and Rs. 10 lakh under Tarun Scheme.

**204) Under which of the following sections of the Banking Regulation Act,1949 does RBI issue guidelines on the maintenance of Statutory Liquidity Ratio (SLR)?**

a) Section 24  
b) Section 42  
c) Section 26  
d) Section 56  
e) Both option a) and d)  

**Answer: e)**  
RBI regularly issues guidelines on maintenance of Statutory Liquidity Ratio (SLR) under Section 24 and Section 56 of the Banking Regulation Act, 1949 to all banks in India.

**205) Narrow Money, a term in monetary aggregates, is denoted by _____. A**

a) M2 and M1  
b) M4 and M3  
c) M1 and M3  
d) M3 and M1  
e) M0 and M1  

**Answer: e)**  
M0 and M1, also called narrow money, normally include coins and notes in circulation and other money equivalents that are easily convertible into cash.
M2 includes M1 plus short-term time deposits in banks and 24-hour money market funds.

M3 includes M2 plus longer-term time deposits and money market funds with more than 24-hour maturity. The exact definitions of the three measures depend on the country. M4 includes M3 plus other deposits. The term broad money is used to describe M2, M3 or M4, depending on the local practice.

206) As per the National Sample Survey Office's report, What is the unemployment rate for the year 2017-18?

a) 6.3%
b) 5.9%
c) 5.8%
d) 6.1%
e) 6.5%

Answer: d)
As per the National Sample Survey Office's (NSSO's) periodic labor force survey (PLFS) India's unemployment rate hit a 45 year high of 6.1% in 2017-18. It is the first comprehensive survey on employment conducted by a government agency after demonetization. Unemployment is higher in urban areas which is 7.8% as compared to 5.3% in rural areas of the country. The unemployment rate is at its highest level as in 1972-73. The rate of jobless rural males rose to 17.4% from 5% and among rural jobless females, the rate became 13.6% from 4.8%.

207) How much will be allotted under the PradhanmantriKisanSammanNidhiYojna as per the union Budget 2019?

a) Rs. 55000 crore  
b) Rs. 75000 crore  
c) Rs. 30000 crore  
d) Rs. 85000 crore  
e) Rs.50000 crore

Answer: b)
The Union Minister PiyushGoyal announced various schemes in the Interim Union Budget 2019-20 on February 1, 2019. Government announced fixed yearly income for small and marginal farmers under PradhanmantriKisanSammanNidhiYojna. This scheme will benefit about 12 crore farmers who have 2 Hectare land. Rupee 6000 per year direct cash transfer in their account. Cash transfer will be given in three equal installments of Rs 2000 each. The benefit under this yojna will be given retrospectively from December 2018. Rs. 75000 crore allotted for this scheme. It is expected to double the farmers income.

208) Which Country is to lend a loan of $1 billion to Beijing to fund a major highway project?

a) Bangladesh  
b) India  
c) South Korea  
d) China  
e) Russia

Answer: d)
China is to sign a $1 billion concessional loan agreement with Beijing. The agreement is to fund a major highway project linking Colombo to Kandy. The construction of the first phase of the road has been delayed for more than two years due to a lack of funding. Last year Sri Lanka has handed over a strategic port to a Chinese firm for a 99-year lease.

209) Saudi Crown Prince, Mohammed bin Salman increased the quota for Indian Haj pilgrims from 1.75 lakh to _______ lakh after PM NarendraModi’s request?

a) 3 Lakh  
b) 2.5 Lakh  
c) 2.75 Lakh  
d) 2 Lakh  
e) None of these

Answer: d)
Saudi Crown Prince, Mohammed bin Salman also announced the increase in quota for Indian Haj pilgrims from 1.75 lakh to 2 lakh at the request of PM Modi. 2,340 Muslim women
will go to Hajj this year, without mehram (companion) and without the lottery system. This will be the third such increase in the last 5 years.

210) Which of the following banks are removed from the PCA (Prompt Corrective Action) framework recently?
   a) Corporation Bank, Allahabad Bank and Dhanlaxmi Bank
   b) Corporation Bank, Dhanlaxmi Bank and Yes Bank
   c) Allahabad Bank, Yes Bank and ICICI Bank
   d) HDFC Bank, Union Bank of India and Indian Bank.
   e) None of these

   **Answer: a)**

   On 26th February 2019, the Board for Financial Supervision (BFS) of the Reserve Bank of India has removed 2 public sector banks- Corporation Bank and Allahabad Bank and 1 private sector bank – Dhanlaxmi Bank from PCA (Prompt Corrective Action) framework. According to BFS, Allahabad Bank and Corporation Bank had received Rs 6,896 crore and Rs 9,086 crore respectively which led to increase in their capital funds and also increased their loan loss provision. According to RBI, Dhanlaxmi bank was found to be not breaching any of the risk threshold of the PCA Framework, hence was removed out of the PCA Framework.

211) A 'Legal Entity Identifier' is a _____ character identifier that identifies distinct legal entities that engage in financial transactions.
   a) 20
   b) 10
   c) 15
   d) 7
   e) 5

   **Answer: a)**

   The Legal Entity Identifier (LEI) code is conceived as a key measure to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis. LEI is a 20-digit unique code to identify parties to financial transactions worldwide.

212) Under 'Non-Performing Assets (NPA) recognition process', an asset would be classified as _________ if it has remained in the substandard category for a period of 12 months.
   a) Non-Performing
   b) Restructured
   c) Doubtful
   d) Loss
   e) Active

   **Answer: c)**

   A restructured account is one where the bank, grants to the borrower concessions that the bank would not otherwise consider. It is a mechanism to nurture an otherwise viable unit, which has been adversely impacted, back to health. A substandard asset would be one, which has remained NPA for a period less than or equal to 12 months. An asset would be classified as **doubtful** if it has remained in the substandard category for a period of 12 months.

213) The payments bank should have a leverage ratio of not less than ________.
   a) 2%
   b) 3%
   c) 4%
   d) 5%
   e) 6%

   **Answer: b)**

   A leverage ratio is any one of several financial measurements that look at how much capital comes in the form of debt (loans) or assesses the ability of a company to meet its financial obligations. The minimum paid-up equity capital for payments banks shall be Rs. 100 crore. The payments bank should have a **leverage ratio of not less than 3 per cent**, i.e., its outside liabilities should not exceed 33.33 times its net worth (paid-up capital and reserves).

214) ______________ is not included under 'Weaker Sections category' eligible for 'Priority sector loans' given by the banks.
217) The Asian Development Bank (ADB) and the Government of India signed a $____ Million Loan Agreement today to operationalize two lines for the Mumbai Metro Rail System.
a) 900  
b) 845  
c) 926  
d) 876  
e) 918

Answer: c)
The Asian Development Bank (ADB) and the Government of India signed a $926 Million Loan Agreement today to operationalize two lines for the Mumbai Metro Rail System. The Project also marks ADB’s first co-financing with NDB, which will provide $260 million. ADB President- Takehiko Nakao Headquarters- Mandaluyong, Philippines.

218) As per Moody’s report, Indian economy is expected to grow at ____________ in calendar year 2019 and 2020
a) 7.8%  
b) 6.7%  
c) 8.1%  
d) 7.3%  
e) 7.0%

Answer: d)
As per Moody’s report, Indian economy is expected to grow at 7.3 per cent in calendar year 2019 and 2020. In 2018-19 fiscal Indian economy is estimated to have grown 7%, lower than 7.2% in 2017-18.

219) SEBI has lifted the restriction on limit of investments by FPIs in corporate bonds of an entity. Earlier this limit was capped at ________ percent
a) 20%  
b) 30%  
c) 10%  
d) 40%  
e) 25%

Answer: a)
Total gross GST revenue collected in the month of February 2019 is Rs. 97,247 crore of which CGST is Rs. 17,626 crore, SGST is Rs. 24,192 crore, IGST is Rs. 46,953 crore & cess is Rs. 8,476 crore. Revenue in February 2018 was Rs. 85,962 crore.

215) A crossed cheque is any cheque that is generally crossed with ______ parallel line(s).
a) One  
b) Five  
c) Seven  
d) Zero  
e) Two

Answer: e)
A crossed cheque is any cheque that is crossed with two parallel lines, either across the whole cheque or through the top left-hand corner of the cheque. This symbol means that the cheque can only be deposited directly into a bank account and cannot be immediately cashed by a bank or any other credit institution. If a cheque is crossed, there is no way for the payee to uncross the cheque.

216) Total gross GST revenue collected in the month of February 2019 is Rs. ________ crores.
a) 90,928  
b) 75,937  
c) 86,610  
d) 97,247  
e) 1,00,273

Answer: d)
Total gross GST revenue collected in the month of February 2019 is Rs. 97,247 crore of which CGST is Rs. 17,626 crore, SGST is Rs. 24,192 crore, IGST is Rs. 46,953 crore & cess is Rs. 8,476 crore. Revenue in February 2018 was Rs. 85,962 crore.

Top 500 Financial Awareness Questions for LIC AAO/SBI PO/SBI Clerk

a) Persons with disabilities  
b) Minority Communities  
c) Scheduled Casts and Scheduled Tribes  
d) Distressed persons other than farmers  
e) Other Backward Classes

Answer: e)
Other Backward Classes is not included under 'Weaker Sections category' eligible for 'Priority sector loans' given by the banks.

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Securities and Exchange Board of India (SEBI) has lifted the restriction on FPI which stated that no FPI shall have an exposure of more than 20% of its corporate bond portfolio to a single corporate.

220) How many banks in India has been classified as Domestic Systemically Important Banks (D-SIBs) by RBI?

a) 4  
b) 1  
c) 2  
d) 3  
e) 5  

Answer: d)

The Reserve Bank of India has released the list of Domestic Systemically Important Banks (D-SIBs). State Bank of India is in Bucket 3, while HDFC and ICICI Bank both are in Bucket 1. Rest all buckets are empty. These three banks are in the D-SIBs list since Sep 04, 2017. No new bank has been added after the revised list is released on March 14, 2019.

221) In National Financial Switch service, the limit per transaction is restricted to less than _________.

a) Rs. 20000  
b) Rs. 25000  
c) Rs. 50000  
d) Rs.10000  
e) Rs. 40000  

Answer: c)

In National Financial Switch service, the limit per transaction is restricted to less than Rs. 50000. National Financial Switch (NFS) is the largest interconnected network of automated teller machines (ATMs) in India. It was taken over by NPCI from Institute for Development and Research in Banking Technology (IDRBT) in 2009.

222) What is the dimension of the new 50 rupee note?

a) 63 mm * 123 mm  
b) 66 mm * 142 mm  
c) 66 mm * 150 mm  
d) 66 mm * 146 mm  
e) 66 mm * 135 mm  

Answer: e)

The dimension of the new 50-rupee note is 66 mm * 135 mm.

223) Which among the following is authorized by RBI to store rupee notes and coins?

a) Currency Bag  
b) Currency Block  
c) Currency Chest  
d) Currency Reserve  
e) None of these  

Answer: c)

Currency chests are branches of selected banks authorized by the RBI to stock rupee notes and coins. The main function of currency chests is to facilitate note supply. The cash reserve ratios of the commercial banks are also kept at currency chests. Currency chests are usually located at authorized select branches of the scheduled bank.

224) If the credit balance in a savings account has not been operated for ten years, the amount should be transferred to which fund?

a) Unpaid Contract Fund  
b) Cash Reserve Fund  
c) Unclaimed Bank Deposit Fund  
d) Inactive Deposit Fund  
e) Depositor Education and Awareness Fund  

Answer: e)

As per the Reserve Bank of India, the bank deposit which has not been claimed for 10 years or more would be transferred to Depositor Education and Awareness Fund Scheme. Reserve Bank of India established a Fund under the Section 26A of the Banking Regulation Act, 1949. The amounts to be
225) To use the services of which of the following, you do not need to have your KYC done with the services?

a) Amazon Pay  
b) Mobikwik  
c) ICICI salary account  
d) Paytm e-wallet  
e) None of the above  

Answer: e)

Know Your Customer commonly known as KYC, enables a bank/financial institution to validate the identity of its servicing customers. In order to open a bank account, one needs to submit Aadhaar/enrolment number and PAN as ‘proof of identity and proof of address’ For using the e-wallet services like Amazon Pay & Mobikwik, one needs to have their KYC done by providing any one of the identity proof as applicable.

226) Which organization has launched its $1 billion masala bond programme in the US and Europe recently?

a) International Centre for Settlement of Investment Disputes  
b) International Bank for Reconstruction and Development  
c) International Finance Corporation  
d) Multilateral Investment Guarantee Agency  
e) International Development Association  

Answer: c)

IFC or International Finance Corporation, the World Bank’s lending arm, has launched its $1 billion masala bond programme in the US and Europe. These bonds are aimed at funding the rapidly expanding investment activities of IFC in India.

227) The World Bank has approved Rs.6000 crore to Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation for which scheme?

a) Pradhan Mantri Fasal Bima Yojana  
b) Atal Bhujal Yojana  
c) Atal Mission for Rejuvenation and Urban Transformation  
d) Pradhan Mantri Garib Kalyan Yojana  
e) Atal Mission for Rejuvenation and Urban Transformation  

Answer: b)

The World Bank has approved Atal Bhujal Yojana (ABHY), a Rs.6000 crore Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation. The scheme is to be implemented over a period of five years from 2018-19 to 2022-23, with World Bank assistance. The scheme proposal has already been recommended by the Expenditure Finance Committee and the Ministry will be seeking Cabinet approval for the project shortly.

228) According to SEBI, investors will be permitted to purchase mutual funds worth up to Rs ____________ through digital wallets.

a) Rs 1,50,000  
b) Rs 1,00,000  
c) Rs 50,000  
d) Rs 5,000  
e) Rs 25,000  

Answer: c)

Investors will be permitted to purchase mutual funds worth up to Rs 50,000 through digital wallets, the market regulator, Sebi said in a release. "Investments up to Rs 50,000 per mutual fund per financial year can be made using e-wallets," the regulator said while redemptions of such investments can be made only to the bank account of a unit holder.

229) The Union Government, Rajasthan and the World Bank signed a ______________ million Development Policy Loan (DPL) to support Rajasthan in improving the performance of its Electricity Distribution Sector under the State’s ‘24x7 Power for All’ program.

a) USD 1200 million  
b) USD 725 million  
c) USD 500 million  
d) USD 250 million  

The Union Government, Rajasthan and the World Bank signed a $1 billion Development Policy Loan (DPL) to support Rajasthan in improving the performance of its Electricity Distribution Sector under the State’s ‘24x7 Power for All’ program.
e) USD 400 million
Answer: d)
The Union Government, Rajasthan and the World Bank signed a USD 250 million Development Policy Loan (DPL) to support Rajasthan in improving the performance of its Electricity Distribution Sector under the State’s ‘24x7 Power for All’ program.

230) The government of India has doubled the monetary limit to _____________ rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.
   a) 20 lakh rupees
   b) 30 lakh rupees
   c) 10 lakh rupees
   d) 60 lakh rupees
   e) 50 lakh rupees
Answer: a)
The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions. As per the Finance Ministry, the move is aimed at helping reduce pendency of cases in DRTs.

231) “ELSS” is often called as the best tax-saving option available under Section 80C. ELSS stands for which of the following?
   a) Equity Linked Saving schemes
   b) Economic Listed Saving Schemes
   c) Exchange Liberalised Saving System
   d) Engel’s Law Saving Scheme
   e) Equity Linked Service Scheme
Answer: a)
ELSS (Equity Linked Saving schemes) is one of the best tax-saving options as it has the shortest lock-in period among the tax-saving options available under Section 80C.

232) ______ refers to difference between fiscal deficit of the current year and interest payments on the previous borrowings.
   a) Revenue deficit
   b) Primary deficit
   c) Capital Account deficit
   d) Budget deficit
   e) Current Account Deficit
Answer: b)
Primary deficit refers to difference between fiscal deficit of the current year and interest payments on the previous borrowings. Primary Deficit = Fiscal Deficit – Interest Payments.

233) Which institution presents cross country data on various aspects of financial inclusion known as Global Findex data?
   a) IMF
   b) World Bank
   c) European Central Bank
   d) Boston Consulting Group (BCG)
   e) Standard and Poor’s (S&P)
Answer: b)
The Global Findex database is the world’s most comprehensive data set on how adults save, borrow, make payments, and manage risks. The data is presented by WORLD BANK. The Global Findex database has become a mainstay of global efforts to promote financial inclusion. In addition to being widely cited by scholars and development practitioners, Global Findex data are used to track progress toward the World Bank goal of Universal Financial Access by 2020 and the United Nations Sustainable Development Goals.

234) The Government has decided to make the PMJDY an open-ended scheme and added more incentives to encourage people to open bank accounts. The Finance Minister Arun Jaitley stated that the overdraft facility has been doubled from Rs. 5,000 to _____________ under the Yojana.
   a) Rs. 10,000
b) Rs. 15,000
c) Rs. 7,000
d) Rs. 20,000
e) Rs. 8,000

**Answer:** a)

The Government has decided to make the Pradhan Mantri Jan Dhan Yojana (PMJDY) an open-ended scheme and added more incentives to encourage people to open bank accounts. The Finance Minister Arun Jaitley stated that the overdraft facility has been doubled from Rs. 5,000 to Rs. 10,000 under the Yojana.

235) Which organisation presents supply-side dataset on financial services aimed to measure and monitor financial inclusion?

a) International Monetary Fund
b) Reserve Bank of India
c) World Bank
d) Asian Development Bank
e) Swiss National Bank

**Answer:** a)

IMF’s Financial Access Survey (FAS) provides data on access to and use of basic financial services by individuals and firms.

236) IDBI Bank has been categorized as ‘Private Sector Lender’ by RBI. What percentage of stake has been acquired by Life Insurance Corporation of India (LIC) in the bank recently?

a) 49%
b) 26%
c) 65%
d) 76%
e) 51%

**Answer:** e)

In March 2019, The Reserve Bank of India categorized IDBI Bank as a Private Sector Bank with effect from January 21, 2019 following Life Insurance Corporation of India (LIC) has acquired 51 per cent of the total paid-up equity share capital of the bank.

237) What percentage of stake has been acquired by Asian Development Bank in micro-financier company ‘Annapurna Finance’ recently?

a) 24%
b) 14%
c) 49%
d) 76%
e) 51%

**Answer:** b)

In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long-term funds from global lenders and investors.

238) Which state government has launched ‘Pravasi Dividend Pension Scheme’ to provide regular pension to non-resident?

a) Manipur
b) Uttar Pradesh
c) Maharashtra
d) Gujarat
e) Kerala

**Answer:** e)

Kerala state government has launched a ‘Pravasi Dividend Pension Scheme’ to provide regular pension to non-resident Keralites on a one-time payment of Rs.5 Lakhs.

239) What is the limit of Ways and Means Advances (WMA) set by Reserve Bank of India for the period of “April 2019 - September 2019”?

a) Rs. 70,000 Crores
b) Rs. 72,000 Crores
c) Rs. 73,000 Crores
d) Rs. 74,000 Crores
e) Rs. 75,000 Crores

**Answer:** e)
The Reserve Bank of India, in consultation with the Government of India, has decided that the limits for Ways and Means Advances (WMA) for the first half of the financial year 2019-20 (April 2019 to September 2019) to be Rs 75000 crores. The Reserve Bank may trigger fresh floatation of market loans when the Government of India utilises 75% of the WMA limit.

240) Assam has announced which scheme to provide gold to the brides of Economically Weaker Section of the society at the time of marriage?

a) Mukhyamantri Kanyadaan Scheme  
b) Ladli Laxmi Yojana  
c) Arundhati Scheme  
d) Janani Suraksha Yojana (JSY)  
e) Kalyani Yojana  

**Answer: c)**

Under ‘Arundhati’ scheme, the government of Assam will provide 1 Tola Gold to brides belonging to all such communities of Assam where it is customary to provide gold at the time of the wedding. The government has set aside Rs 300 crores for the implementation of the Arundhati Scheme. The scheme is limited for the families whose annual income is less than Rs 5 lakh.

241) In India, an Asset Reconstruction Company is regulated by?

a) MUDRA  
b) SEBI  
c) NABARD  
d) EXIM  
e) RBI  

**Answer: e)**

The leading problem in the country right now is alarming volume of Non-Performing Assets with the banking system. Several attempts were made to tackle NPAs. A serious such step was the creation of dedicated institutions called Asset Reconstruction Companies or ARCs that purchases bad assets or NPAs from banks at a negotiable price and helps banks to clean up their balance sheets (by removing the NPAs). RBI has got the power to regulate the ARCs.

242) Narrow Money is the term in monetary aggregates, which is represented by?

a) M1  
b) M2  
c) M3  
d) M4  
e) M5  

**Answer: a)**

Different measures of money supply. Not all of them are widely used and the exact classifications depend on the country. M0 and M1, also called narrow money, normally include coins and notes in circulation and other money equivalents that are easily convertible into cash. M2 includes M1 plus short-term time deposits in banks and 24-hour money market funds. M3 includes M2 plus longer-term time deposits and money market funds with more than 24-hour maturity. The exact definitions of the three measures depend on the country. M4 includes M3 plus other deposits. The term broad money is used to describe M2, M3 or M4, depending on the local practice.

243) Which among the following commodity exchange has launched India's first commodity options in gold?

a) National Spot Exchange Limited (NSEL)  
b) Indian Commodity Exchange Limited (ICEX)  
c) National Commodity & Derivatives Exchange Limited (NCDEX)  
d) Multi-Commodity Exchange of India Ltd (MCX)  
e) Securities and Exchange Board of India (SEBI)  

**Answer: d)**

The Multi-Commodity Exchange of India Ltd (MCX) launched India’s first commodity options in gold, giving stakeholders a new set of financial instruments to hedge their price risks. Launched by Union Finance Minister Arun Jaitley in New Delhi on the auspicious day of Dhanteras, the gold options received an encouraging response on Day 1.
244) What should be the minimum processing capacity of the Currency Chests according to the latest notification of the RBI?
   a) 5,50,000 pieces banknotes/day
   b) 4,40,000 pieces banknotes/day
   c) 2,20,000 pieces banknotes/day
   d) 6,60,000 pieces banknotes/day
   e) 7,70,000 pieces banknotes/day
   **Answer: d)**
   Processing capacity of 6,60,000 pieces of banknotes per day. For those situated in the hilly/ inaccessible places, capacity of 2,10,000 pieces of banknotes per day

245) The branches of selected banks authorized by the RBI to stock rupee notes and coins for the circulation in the economy is known as________
   a) Blue Chip
   b) Front Office
   c) Currency Chest
   d) Holding Company
   e) None of these
   **Answer: c)**
   Currency Chest is a bank branch authorised by RBI to hold the money for distribution of money to other bank branches. It acts as an extended arm of RBI for the circulation of currency in the economy.

246) Which bank becomes the first lender to impose charges On UPI transactions, namely, Paytm, Google Pay, PhonePe?
   a) ICICI Bank
   b) City Union Bank
   c) Kotak Mahindra Bank
   d) Lakshmi Vilas Bank
   e) None of these
   **Answer: c)**
   Starting from 1st May, 2019, India’s private sector bank, Kotak Mahindra Bank would become the first lender to levy charges on peer-to-peer (P2P) UPI transactions available across all platforms, namely, Paytm, Google Pay, PhonePe, Trucaller Pay among others. For Kotak Mahindra Bank’s account holders, the first 30 peer-to-peer UPI fund transfer would be free of cost. Once a person exceeds 30 UPI transactions, he will be charged Rs. 2.50 per transaction for of Rs. 1000 or less. For transfers exceeding Rs. 1000, the bank will charge Rs. 5 plus 18% GST. No additional charges have been imposed upon reception of money via UPI for merchant transactions or bill payments.

247) What is the limit of Ways and Means Advances (WMA) set up by Reserve Bank of India (RBI) for the first half of the financial year 2019-20?
   a) Rs.90000 crore
   b) Rs.75000 crore
   c) Rs.25000 crore
   d) Rs.50000 crore
   e) None of these
   **Answer: b)**
   The Reserve Bank of India has set the limits for Ways and Means Advances (WMA) to Rs. 75000 crore for the first half of the financial year 2019-20 (April 2019 to September 2019). As and when the government of India utilises 75% of the WMA limit, the central bank would activate fresh flotation of market loans. The rate of interest issued on the Ways and Means Advances (WMA) will be Repo Rate while the overdraft will exceed the Repo Rate by flat 2%. The WMA needs to be vacated after 90 days.

248) Under which project, Indian Navy has initiated the process to build six lethal submarines worth over Rs.50000 crore?
   a) Project – 75I
   b) Project – 50I
   c) Project – 06I
   d) Project – 70I
   e) None of these
   **Answer: a)**
Under the ambitious Project75-India, the Indian Navy desires to build 6 standard diesel-electric submarines. These submarines would be 50% massive in size than the Scorpene class submarines which are under-construction at the Mazagon Dockyards Limited. This would incur an overall cost of Rs. 50,000 crore. Since the maritime force needs the boats to have minimum 12 Land Attack Cruise Missiles (LACM) and Anti-Ship cruise missiles (ASCM), it wants the diesel-electric submarines to be furnished with heavy-duty firepower.

249) How much dividend will be paid by RBI to the government this year?
   a) Rs 28000 crore
   b) Rs 25000 crore
   c) Rs 27000 crore
   d) Rs 31000 crore
   e) Rs 45000 crore
   Answer: a)
RBI will pay an interim dividend of Rs 28000 crore to the government, a move that will help the Centre keep fiscal deficit in check.

250) Recently, the central government infused how much amount into 12 Public Sector Banks?
   a) Rs 47521 crore
   b) Rs 48239 crore
   c) Rs 45125 crore
   d) Rs 51254 crore
   e) Rs 58254 crore
   Answer: b)
The Central Government approved recapitalisation of 12 public sector banks with an infusion of Rs 48,239 crore.

251) Each subscriber under APY shall receive a Central Government guaranteed minimum pension of-
   a) Rs. 2000 per month
   b) Rs. 3000 per month
   c) Rs. 4000 per month
   d) Rs. 1000 per month
   e) Rs. 5000 per month
   Answer: d)
Each subscriber under APY shall receive a Central Government guaranteed minimum pension of Rs. 1000 per month or Rs. 2000 per month or Rs. 3000 per month or Rs. 4000 per month or Rs. 5000 per month, after the age of 60 years until death.

252) SCSS offers regular income, highest safety and tax saving, making it a popular product for those over ____ years of age.
   a) 64 years
   b) 62 years
   c) 60 years
   d) 65 years
   e) 80 years
   Answer: c)
The Senior Citizens Savings Scheme (SCSS) offers regular income, highest safety and tax saving, making it a popular product for those over 60 years of age.

253) Credit rating is _______
   a) is used to rate the borrowers while giving advances
   b) is used to work out performance of the employees
   c) is used to calculate the number of excellent audit rated branches
   d) is not used in any bank
   e) is necessary before giving promotion to employees
   Answer: a)
Credit rating is an analysis of the credit risks associated with a financial instrument or a financial entity. An assessment of the creditworthiness of a borrower with respect to a particular debt or financial obligation.

254) Which of the following is defined as the difference between current assets and current liabilities?
   a) Venture Capital
   b) Working Capital
   c) Equitable Mortgage
   d) Loss Assets
255) Which of the following is an investment strategy in which a fund invests in other types of funds?

a) Bond  
b) Securities  
c) Stock  
d) Funds of Fund  
e) None of the given options is true  

**Answer: d)**
Funds of Fund is an investment strategy in which a fund invests in other types of funds.

256) The GST Council allowed the filing of GST returns with an annual turnover of up to Rs. 5 crore _____.

a) Yearly  
b) Half-Yearly  
c) Quarterly  
d) Monthly  
e) None of the above  

**Answer: c)**
The GST Council allowed the filing of GST returns with an annual turnover of up to Rs. 5 crore is Quarterly.

257) Which of the following financial institution has sanctioned Rs 335 crore under the Rural Infrastructure Development Fund (RIDF) to West Bengal?

a) National Housing Bank  
b) Unit Trust of India  
c) EXIM Bank  
d) NABARD  
e) General Insurance Corporation (GIC)  

**Answer: a)**
The National Bank for Agriculture and Rural Development (NABARD) has sanctioned Rs 335 crore under the Rural Infrastructure Development Fund (RIDF) to West Bengal. The fund would be used for 158 minor irrigation projects and 23 flood protection projects.

258) Which of the following bank has proposed to sell its stake in PNB Metlife India to private equity player Oman India Joint Investment Fund II for Rs 185 crore?

a) Bank of Baroda  
b) Bank of India  
c) Corporation Bank  
d) Jammu & Kashmir Bank  
e) ICICI Bank  

**Answer: d)**
Jammu and Kashmir Bank has proposed to sell its stake in PNB Metlife India to private equity player Oman India Joint Investment Fund II for Rs 185 crore.

259) Which Mutual Funds company had surpassed ICICI Prudential MF to gain top position?

a) Kotak Mahindra Mutual Funds  
b) Birla Sun Life Mutual Funds  
c) HDFC Mutual Funds  
d) IndiaBulls Mutual Funds  
e) None of the above  

**Answer: c)**
HDFC Mutual Fund has surpassed ICICI Prudential MF to gain top position. According to AMFI data, HDFC MF has assets worth Rs 3.35 lakh crore while ICICI Prudential MF manages only Rs 3.08 lakh crore. A mutual fund is a professionally managed investment pool from various investors that is used to buy securities.

260) Which of the following bank has designed and developed PaiSA portal for quicker processing of loans under the Deendayal Antyodaya Yojana?

a) Punjab National Bank  
b) Vijaya Bank  
c) Dena Bank  
d) Allahabad Bank  
e) None of these  

**Answer: d)**

The Union Ministry of Housing and Urban Affairs has launched the ‘PAiSA’ - Portal for Affordable Credit and Interest Subvention Access, a centralised electronic platform for quicker processing of loans under the Deendayal Antyodaya Yojana - National Urban Livelihoods Mission (DAY-NULM). The web platform was designed and developed by Allahabad Bank.

261) The credit rating agencies (CRAs) operating in India is regulated by which of the following institutions?
   a) RBI  
   b) SEBI  
   c) IRDAI  
   d) NABARD  
   e) SIDBI  
   **Answer: b)**  

A credit rating agency (CRA, also called a ratings service) is a company that assigns credit ratings, which rate a debtor's ability to pay back debt by making timely interest payments and the likelihood of default. An agency may rate the creditworthiness of issuers of debt obligations, of debt instruments, and in some cases, of the servicers of the underlying debt, but not of individual consumers. The debt instruments rated by CRAs include government bonds, corporate bonds, CDs, municipal bonds, preferred stock, and collateralized securities, such as mortgage-backed securities and collateralized debt obligations. The credit rating agencies (CRAs) operating in India are regulated by SEBI.

An ETF (Exchange Traded Fund) is a marketable security that tracks an index, a commodity, bonds, or a basket of assets like an index fund. Unlike mutual funds, an ETF trades like a common stock on a stock exchange.

263) We often read about EBITDA margin of companies. What does the letter ‘E’ denote in the term EBITDA?
   a) Earnings  
   b) Estimates  
   c) Exchange  
   d) Expansion  
   e) Establishment  
   **Answer: a)**  

The EBITDA margin measures a company's earnings before tax, depreciation and amortization as a percentage of the company's total revenue. Because EBITDA is calculated before any interest, taxes, depreciation and amortization, the EBITDA margin measures how much cash profit a company made in a given year. Full form of EBITDA is Earnings before interest, tax, depreciation and amortization.

264) What does the letter ‘T’ denote in the term TReDS as used in banking/finance?
   a) Transaction  
   b) Transfer  
   c) Taxation  
   d) Termination  
   e) Trade  
   **Answer: e)**  

A number of private sector companies and a dozen state-run firms and public sector banks have registered themselves on the Trade Receivables Electronic Discounting System (TReDS) platform, paving way for faster payments to micro, small and medium enterprises (MSMEs). TReDS is an online mechanism for facilitating the financing of trade receivables of MSMEs through multiple financiers. It also enables discounting of invoices of MSME sellers raised against large corporate, allowing them to reduce working capital needs.
265) “AePS” is a bank-led model for transactions at micro-ATMs. Here, A stands for _________
   a) Actual  
   b) Arbitrary  
   c) Approved  
   d) Aadhaar  
   e) Association  
   Answer: d)
Aadhaar Enabled Payment System (AEPS) is a type of payment system which allows Aadhaar card holders to seamlessly make financial transactions through Aadhaar-based authentication. Objective: To empower a bank customer to use Aadhaar as his/her identity to access his/her respective Aadhaar enabled bank account and perform basic banking transactions.

266) ‘KisanSuvidha loan’ was launched by which among the following small finance banks?
   a) ESAF Small Finance Bank  
   b) Ujjivan Small Finance Bank  
   c) Jana Small Finance Bank  
   d) Equitas Small Finance Bank  
   e) AU Small Finance Bank  
   Answer: b)
Ujjivan SFB announced the launch of KisanSuvidha loan to offer collateral-free loans for both agriculture & allied activities to small & marginal farmers. The product provides hassle-free loans to individuals with the amount ranging from Rs. 60000 – Rs. 2 Lakh.

267) Recently, The Navy has finalized Rs.700 Crore contract with _________ for establishing an upgraded Naval Airfield Integrated Security System.
   a) Bharat Heavy Electricals Limited  
   b) Bharat Electronics Limited  
   c) Reliance Industries  
   d) Hindustan Aeronautics Limited  
   e) Bharat Dynamics Limited  
   Answer: b)
The Navy finalized a Rs.700 crore contract with Bharat Electronics Limited for establishing an upgraded Naval Airfield Integrated Security System. It will strengthen the perimeter security of its air stations. Its implementation would be completed in 2020.

268) Recently, the government has proposed to launch 'PradhanMantriShram-Yogi Maandhan' for the unorganised workers with monthly income up to _________.
   a) Rs. 15000  
   b) Rs. 20000  
   c) Rs. 10000  
   d) Rs. 30000  
   e) Rs. 25000  
   Answer: a)
Government has proposed to launch 'PradhanMantriShram-Yogi Maandhan' for the unorganised sector workers with monthly income up to Rs. 15000. The scheme will provide an assured monthly pension of Rs. 3000 from the age of 60 years. The project outlay of the scheme is Rs.500 Crore.

269) The Insolvency and Bankruptcy Code has helped the Public Sector Banks recover over ________ crore in the 3 quarters of the current fiscal.
   a) Rs. 50000 Crore  
   b) Rs. 25000 Crore  
   c) Rs. 10000 Crore  
   d) Rs.75000 Crore  
   e) Rs. 1 Lakh  
   Answer: e)
FM PiyushGoyal has exhorted state-run banks to step up lending to micro, small & medium enterprises, agriculture and housing sectors. The Insolvency and Bankruptcy Code has helped the PSBs recover over Rs.1 Lakh Cr in the 3 quarters of the current fiscal.

270) RBI recently mandated banks to treat ___________ and more as bulk deposits.
   a) Rs. 2 crore  
   b) Rs. 5 crore  
   c) Rs. 10 crore  
   d) Rs. 25 crore  
   e) Rs. 50 crore  
   Answer: b)
FM PiyushGoyal has exhorted state-run banks to step up lending to micro, small & medium enterprises, agriculture and housing sectors. The Insolvency and Bankruptcy Code has helped the PSBs recover over Rs.1 Lakh Cr in the 3 quarters of the current fiscal.
271) Which among the following has become the first small finance bank to introduce personal loan scheme for salaried employees?

a) Ujjivan Small Finance Bank  
b) Jana Small Finance Bank  
c) Equitas Small Finance Bank  
d) Fincare Small Finance Bank  
e) None of the above

Answer: a)

Ujjivan Small Finance Bank, a wholly owned subsidiary of Ujjivan Financial Services Limited, launched personal loan facility for salaried professionals making it the first small finance bank in India to offer this scheme. The personal loan will be available for salaried professionals who are earning a monthly salary above Rs 15,000. Individuals can avail loans starting from Rs 50,000 up to Rs 15 lakhs.

272) What is the present refinance limit for housing finance companies?

a) Rs. 30000 Crore  
b) Rs. 24000 Crore  
c) Rs. 36000 Crore  
d) Rs. 28000 Crore  
e) Rs. 32000 Crore

Answer: a)

The National Housing Bank (NHB) has set the refinance limit to Rs 30,000 crore for housing finance companies for 2018-19 in view of the current liquidity position of the sector. It helps alleviate the liquidity crunch that the sector is facing following series of defaults by group companies of IL&FS Ltd.

273) Under the Credit Risk Guarantee Fund Scheme, Individual borrowers can get guarantee cover for housing loans up to ________.

a) Rs. 2 Lakh  
b) Rs. Lakh  
c) Rs. 10 Lakh  
d) Rs. 3 Lakh  
e) Rs. 1 Lakh

Answer: b)

Credit Risk Guarantee Fund Scheme for Low Income Housing (CRGFS) was formulated by the Ministry of Housing and Urban Poverty Alleviation. The objective of the scheme is to provide credit guarantee support to Collateral free/third-party guarantee free housing loans up to Rs.5 lakhs extended by eligible lending institutions for Low Income Housing in urban areas. National Housing Board has been mandated to manage the Fund Trust under the scheme.

274) NBFC- Infrastructure Finance company should have a minimum Capital to Risk (Weighted) Assets Ratio of ________.

a) 19%  
b) 15%  
c) 18%  
d) 22%  
e) 20%

Answer: b)

Infrastructure Finance Company is a non-banking finance company which deploys at least 75% of its total assets in infrastructure loans. It should have a minimum Net Owned Funds of Rs. 300 crore and a Capital to Risk (Weighted) Assets Ratio (CRAR) of 15%. NBFCs lend and make investments and hence their activities are like banks. But they cannot accept demand deposits, they do not form part of the
payment and settlement system and cannot issue cheques drawn on itself.

275) India has extended Line of Credit (LoC) of $200 million to which country through Exim Bank for infrastructure and housing projects.

a) Nepal  
b) Afghanistan  
c) Uzbekistan  
d) Jordan  
e) Egypt  
Answer: c)  
India has extended Line of Credit (LoC) $200 million to Uzbekistan through Exim Bank which entered into an agreement with Uzbekistan to facilitate credit line to finance housing and social infrastructure projects.

276) IIFL Home Finance signed an MoU with which state government for building houses under Pradhan Mantri Awas Yojana.

a) Uttar Pradesh  
b) Maharashtra  
c) Gujarat  
d) Telangana  
e) Tamil Nadu  
Answer: b)  
IIFL Home Finance signed a Memorandum of Understanding (MoU) with the Maharashtra government for capacity building for affordable housing through credit-linked subsidy scheme (CLSS) under Pradhan Mantri Awas Yojana (PMAY).  
IIFL Chairman- Nirmal Jain

277) India has signed $950 million contract with ________ to buy two stealth frigates.

a) France  
b) Russia  
c) Argentina  
d) USA  
e) UAE  
Answer: b)  
India has signed a $950 million contract with Russia for 2 upgraded Krivak III-class stealth frigates. They are built by Yantar Shipyard of Russia and will be powered by Ukrainian gasturbine engines. They are expected to be delivered by the end of 2022.

278) Swift India has partnered with fin-tech company __________ to create blockchain platform to prevent frauds and to ensure safety of transactions.

a) Incred  
b) CCAvenue  
c) PineLabs  
d) Aye Finance  
e) MonetaGo  
Answer: e)  
The banking sector is set to create a blockchain platform with SWIFT India to prevent frauds and ensure transparency and security of real-time transactions. SWIFT India has partnered with fin-tech company MonetaGo for a pilot project.

279) Reserve Bank of India disbursed $ ________ million loan amounts to Sri Lanka to boost its reserves.

a) 400  
b) 200  
c) 250  
d) 300  
e) 100  
Answer: a)  
Reserve Bank of India (RBI) disbursed $400 million to the Central Bank of Sri Lanka (CBSL) under the SAARC swap facility. Sri Lanka's reserves dipped from $7991 million to $6985 million due to the political crisis.

280) Recently, SEBI withdrew ________ percentage limit on investments by Foreign Portfolio Investors in corporate bonds of an entity.

a) 15%  
b) 10%  
c) 20%  
d) 25%  
Answer: b)
Securities and Exchange Board of India (SEBI) withdrew the 20% limit on investments by Foreign Portfolio Investors in corporate bonds of an entity. The regulator said the restriction is being withdrawn in accordance with a circular issued by the Reserve Bank of India.

281) A Saving account or Current account is classified as ‘Inoperative’ or ‘Dormant’ if there are no transactions in the account for over a period of ___ years.

a) 9 months  
b) 1 year  
c) 1.5 years  
d) 2 years  
e) 2.5 years

Answer: d)

RBI has stipulated that a saving/current account will be classified as an inoperative/dormant if there is no operation in the account for over a period of two years. Interest credited by the bank on the balance in the account and any charges debited by the bank is not considered as transaction for this purpose.

282) Which type of money market instrument is a short term debt instrument issued by Government of India and are presently issued in three tenors?

a) Commercial Paper  
b) Call Money  
c) Notice Money  
d) Treasury Bills  
e) None of these

Answer: d)

Treasury Bills are short term (up to one year) borrowing instruments of the Government of India which enable investors to park their short term surplus funds while reducing their market risk. They are auctioned by Reserve Bank of India at regular intervals and issued at a discount to face value. Treasury bills are presently issued in three maturities, 91 day / 182 day / 364 day.

283) Collateralized Borrowings & Lending Obligation (CBLO) is a type of money market instrument operated by which of the following?

a) RBI  
b) NPCI  
c) CCIL  
d) INFINET  
e) SEBI

Answer: c)

The Collateralized Borrowing & Lending Obligation (CBLO) market is a money market segment operated by the Clearing Corporation of India Ltd. (CCIL)

284) Treasury bills are sold in India which of the following –

a) Government of India  
b) Commercial Banks  
c) Reserve Bank of India  
d) The Securities and Exchange Board of India  
e) Both a) and c)

Answer: c)

Treasury bills are issued by Government of India and sold by Reserve Bank of India to banks.

285) In 2010, Government of India, in consultation with RBI introduced a new short term instrument to meet the temporary mismatch in cash flow of the Government of India. The name of this money market instrument is ___.

a) Cash Management Bills (CMB)  
b) Bankers acceptance  
c) Municipal notes  
d) Federal funds  
e) None of the above

Answer: a)

In 2010, Government of India, in consultation with RBI introduced a new short term instrument to meet the temporary mismatch in cash flow of the Government of India. The name of this money market instrument is Cash Management Bills (CMB).
286) The Reserve Bank sets the average base rates of NBFC-MFI. It is:
   a) 8.15%
   b) 9.21%
   c) 8.81%
   d) 9.52%
   e) 7.96%

   **Answer: b)**

The Reserve Bank set the average base rate to be charged from borrowers by non-banking financial companies (NBFCs) and micro-finance institutions (MFIs) at 9.21% for the first quarter of the next fiscal (April-June). The regulator in February 2014 had issued directions to NBFC-MFIs regarding pricing of credit.

287) The Reserve Bank of India, RBI will inject long-term liquidity worth __________ US Dollars into the banking system.
   a) 1 billion
   b) 3 billion
   c) 7 billion
   d) 5 billion
   e) 9 billion

   **Answer: d)**

The Reserve Bank of India, RBI said it will inject long-term liquidity worth 5 billion US Dollars into the banking system through a dollar-rupee buy-sell swap for a tenure of three years on April 23. The RBI statement stated that the move intends to meet the durable liquidity needs of the system.

288) The Asian Development Bank downgraded economic growth forecasts to __________ from 7.6 percent for India.
   a) 7.2 percent
   b) 7.4 percent
   c) 7.0 percent
   d) 7.5 percent
   e) 7.6 percent

   **Answer: a)**

The Asian Development Bank downgraded economic growth forecasts for India and Southeast Asia for 2019 as global risks from trade tensions to Brexit mount. Gross domestic product in India will probably increase 7.2 percent this year, down from a December forecast of 7.6 percent, according to the ADB’s latest Asian Development Outlook report.

289) Direct tax collections have fallen short by ________-thereby failing to meet the revised target of Rs 12 lakh crore for 2018-19.
   a) Rs 60,000 crore
   b) Rs 40,000 crore
   c) Rs 70,000 crore
   d) Rs 50,000 crore
   e) Rs 55,000 crore

   **Answer: d)**

Direct tax collections have fallen short by Rs 50,000 crore thereby failing to meet the revised target of Rs 12 lakh crore for 2018-19 fiscal on account of poor personal income tax collections. The target of personal income tax of Rs 5.29 lakh crore was not met by almost the same shortfall amount of Rs 50,000 crore, which dragged down the direct tax collections for the fiscal 2018-19.

290) World Bank to provide __________ for the National Rural Economic Transformation Project (NRETP) to boost Rural Incomes across 13 States in India.
   a) 200 Million dollar
   b) 150 Million dollar
   c) 250 Million dollar
   d) 300 Million dollar
   e) 100 Million dollar

   **Answer: c)**

World Bank to provide 250 Million dollar for the National Rural Economic Transformation Project (NRETP) to boost Rural Incomes across 13 States in India.
291) Which multilateral financial institution has recently approved $400 million loan for water supply project in state of Andhra Pradesh?
   a) Asian Development Bank
   b) World Bank
   c) International Monetary Fund
   d) Asian Infrastructure Investment Bank
   e) None of these
   Answer: d)

   Asian Infrastructure Investment Bank (AIIB - headquarter-Beijing, China) had approved a $400 million loan for a water sanitation project in Andhra Pradesh. India is the second largest shareholder of Asian Infrastructure Development Bank after China.

292) What amount Andhra Pradesh state government has announced to provide to unemployed youth under ‘Mukhyamantri Yuva Nestam’ scheme?
   a) Rs. 1500
   b) Rs. 1000
   c) Rs. 1200
   d) Rs. 1800
   e) Rs. 2400
   Answer: b)

   Andhra Pradesh government has launched unemployment allowance scheme “Mukhyamantri Yuva Nestam”. The allowance amount would be of Rs. 1000 per month.

293) Which company has launched an instant loan approval and disbursal product called ‘Boost’?
   a) PhonePe
   b) FreeCharge
   c) Paytm
   d) Mobikwik
   e) Amazon Pay
   Answer: d)

   Online payment company MobiKwik has launched an instant loan approval and disbursal product called ‘Boost’. As per the offer, loans of upto Rs 60,000 can be sanctioned as well as disbursed in a matter of 90 seconds. The approval time for the loan would be 30 seconds based on an innovative risk scoring model called ‘Mobiscore’. The minimum amount of loans that can be approved is for Rs. 5000 and the users will have the option to transfer the amount in their bank accounts.

294) Reserve Bank initiated steps to set up a digital Public Credit Registry (PCR). For developing the registry, the RBI has invited expression of interest (EOI) from companies with a turnover of over __________ in the last three years.
   a) Rs. 10 crores
   b) Rs. 50 crores
   c) Rs. 100 crores
   d) Rs. 500 crores
   e) Rs. 25 crores
   Answer: c)

   To capture details of all borrowers, willful defaulters and also the pending legal suits, RBI has initiated steps to set up a wide-based digital Public Credit Registry (PCR). For developing the registry, the RBI has invited expression of interest (EOI) from companies with a turnover of over Rs. 100 crores in the last three years.

295) How much amount has been announced for Rashtriya Gokul Mission for the current year?
   a) Rs.1250 crore
   b) Rs.100 crore
   c) Rs.500 crore
   d) Rs.750 crore
   e) Rs.1000 crore
   Answer: d)

   Allocation of Rs.750 crore for Rashtriya Gokul Mission has been announced for the current year itself. Setting up of "Rashtriya Kamdhenu Aayog" to upscale sustainable genetic upgradation of cow resources and to enhance production and productivity of cows has also been announced. The Aayog will also look after effective implementation of laws and welfare schemes for cow.
296) What is the authorized capital of National Insurance Company Limited (NICL)?

a) Rs. 100 crores  
b) Rs. 200 crores  
c) Rs. 500 crores  
d) Rs. 1000 crores  
e) Rs. 600 crores  

**Answer: b)**

The authorized capital and paid-up equity capital of the company is Rs.200 crore and Rs.100 crore respectively. National Insurance Company Limited (NICL) is a state owned general insurance company in India. The company headquartered at Kolkata was established in 1906 and nationalised in 1972.

297) In which of the following city does not have RBI’s currency printing facility?

a) Dewas  
b) Nasik  
c) Mysore  
d) Raipur  
e) Salboni  

**Answer: d)**

For printing currency, Reserve Bank of India (RBI) has four facilities at Dewas, Nasik, Mysore and Salboni.

298) Individual taxpayers having taxable annual income up to Rs _______________ will not be required to pay any income tax.

a) Rs.5 lakhs  
b) Rs.3 lakhs  
c) Rs.7 lakhs  
d) Rs.4 lakhs  
e) Rs.6 lakhs  

**Answer: a)**

Individual taxpayers having taxable annual income up to Rs.5 lakhs will not be required to pay any income tax.

299) What is the full form of PCA?

a) Prompt Council Action  
b) Prompt Corrective Agenda  
c) Prompt Corrective Action  
d) Private Corrective Action  
e) Prompt Corrective Agency  

**Answer: c)**

PCA stands for Prompt Corrective Action.

300) Fitch Ratings revised downwards India’s GDP growth forecast to _______________ for current fiscal.

a) 7.1%  
b) 7.2%  
c) 6.8%  
d) 7.4%  
e) 7.3%  

**Answer: b)**

Fitch Ratings revised downwards India’s GDP growth forecast to 7.2% for current fiscal citing higher financing cost and reduced credit availability. In its Global Economic Outlook, Fitch projected that for 2019-20 and 2020-21 financial years, India’s GDP growth will be 7% and 7.1% respectively. Fitch had in June projected India to grow at 7.4% in current fiscal and 7.5% in 2019-20.

301) What do you understand by term ‘Venture Capital’?

a) A short-term capital provided to industries  
b) A long-term start-up capital provided to new entrepreneurs  
c) Funds provided to industries at times of incurring losses  
d) Funds provided for replacement and renovation of industries  
e) None of these  

**Answer: b)**

Venture capital is financing that investors provide to startup companies and small businesses that are believed to have long-term growth potential.

302) REER is the weighted average of nominal exchange rates, adjusted for inflation. What REER reflects?

a) Value of Indian Currency in International Market  
b) Degree of External Competitiveness of Indian Products  
c) Degree of Domestic Competitiveness of Indian Products
d) Depreciation Rate of Indian Currency
e) Inflation Rate of Indian Market

**Answer: b)**

Real Effective Exchange Rate (REER) is the weighted average of nominal exchange rates, adjusted for inflation. REER is calculated on the basis of NEER (Nominal Effective Exchange Rate). REER captures inflation differentials between India and its major trading partners and reflects the degree of external competitiveness of Indian products.

303) A foreign company can access Indian securities market only by issuing IDRs. What “D” denotes in IDR?

a) Direct
b) Discount
c) Dividend
d) Day Trading
e) Depository

**Answer: e)**

A foreign company desirous of accessing Indian securities market for the purpose of raising funds is not permitted to directly list its equity shares on an Indian stock exchange. It can only do it by issuing Indian Depository Receipts (IDRs).

304) Which article of the Indian Constitution envisages ‘Annual Financial Statement’ generally known as ‘Budget’?

a) Article 282
b) Article 110
c) Article 360
d) Article 105
e) Article 112

**Answer: e)**

Article 112 of the Indian Constitution envisages the Annual Financial Statement of the government. This annual statement displays the revenue and expenditure of the last year and estimates of revenue and expenditure for the coming financial year.

305) _______ is short term international capital movements, motivated by interest rate differential or revaluation hopes/devaluation fears.

a) Cheap Money
b) Dear Money
c) Hot Money
d) Broad Money
e) Narrow Money

**Answer: c)**

Hot Money is short term international capital movements, motivated by interest rate differential or revaluation hopes/devaluation fears.

306) “Ayushman Bharat scheme” will provide free insurance of upto _____ per family per year at any government or private hospitals all over India.

a) Rs. 5 lakhs
b) Rs. 3 lakhs
c) Rs. 2 lakhs
d) Rs. 1 lakhs
e) Rs. 8 lakhs

**Answer: a)**

The government-sponsored health insurance scheme will provide free coverage of upto Rs 5 lakh per family per year at any government or even empanelled private hospitals all over India.

307) What amount of loan agreement was recently signed between Indian government and ‘Asian Development Bank’ to improve state highways in Bihar?

a) $100 million
b) $150 million
c) $225 million
d) $200 million
e) $250 million

**Answer: d)**

In November, 2018, the Asian Development Bank (ADB) and the Government of India signed a $200 million loan in New Delhi to fund upgradation of 230 kilometers State
308) The Reserve Bank of India (RBI) has announced to transfer Rs. 28,000 crores as interim dividend to the Government of India in the current Financial Year (FY) 2018-19. What was the total amount earned by ‘Union Government’ as dividend from RBI in fiscal year 2018-19?

a) Rs. 28,000 crores
b) Rs. 36,000 crores
c) Rs. 82,000 crores
d) Rs. 75,000 crores
e) Rs. 68,000 crores

Answer: e)

The Reserve Bank of India (RBI) has announced to transfer Rs. 28,000 crores as interim dividend to the Government of India in the current Financial Year (FY) 2018-19, in order to enable the union government to meet its revised fiscal deficit target of 3.4% of the GDP for FY19. In August 2018, it transferred Rs. 40,000 crore taking the total to Rs. 68,000 crores as dividend for the 2018-19 fiscal. The RBI Act, 1934 requires RBI to pay the Government its surplus after making provisions for bad and doubtful debts, depreciation in assets and contribution to staff and superannuation.

309) Which organization has signed USD 100 million agreement with ‘Green Climate Fund’ to boost solar power projects in India?

a) SIDBI
b) NABARD
c) RBI
d) IRDAI
e) NITI Aayog

Answer: b)

In December, 2018, the National Bank for Agriculture and Rural Development (NABARD) signed a loan agreement worth USD 100 million with Green Climate Fund (GCF) to boost rooftop solar power capacity projects through the private sector participation. NABARD is the NIE (National Implementation Entity) for ‘Adaptation Fund’ of UNFCC and National Adaption Fund for Climate Change (NAFCC).

310) According to Reserve Bank of India, bank credit rose to _________ percent for the fortnight to March 29?

a) 13.24%
b) 11.42%
c) 12.31%
d) 14.21%
e) None of these

Answer: a)

According to the data of Reserve Bank of India, which was released on 11th April, 2019, bank credit rose 13.24% to Rs 97.67 lakh crore for the fortnight to March 29. This is the second consecutive robust credit growth after the same had declined to 4.54 percent in FY17 at Rs 78.41 lakh crore, which was the lowest since 5 decades. Deposits have grown by 10.03 percent to Rs 125.72 lakh crore during the same period.

311) In National Financial Switch service, the limit per transaction is restricted to less than _________.

a) Rs. 20000
b) Rs. 25000
c) Rs. 50000
d) Rs. 10000
e) Rs. 40000

Answer: c)

In National Financial Switch service, the limit per transaction is restricted to less than Rs. 50000. National Financial Switch (NFS) is the largest interconnected network of automated teller machines (ATMs) in India. It was taken over by NPCI from Institute for Development and Research in Banking Technology (IDRBT) in 2009.

312) Which among the following is authorized by RBI to store rupee notes and coins?

a) Currency Bag
b) Currency Block
c) Currency Chest
d) Currency Reserve
e) None of these

Answer: c)

Currency chests are branches of selected banks authorized by the RBI to stock rupee notes and coins. The main function of currency chests is to facilitate note supply. The cash reserve ratios of the commercial banks are also kept at currency chests. Currency chests are usually located at authorized select branches of the scheduled bank.

313) If the credit balance in a savings account has not been operated for ten years, the amount should be transferred to which fund?

a) Unpaid Contract Fund
b) Cash Reserve Fund
c) Unclaimed Bank Deposit Fund
d) Inactive Deposit Fund
e) Depositor Education and Awareness Fund

Answer: e)

As per the Reserve Bank of India, the bank deposit which has not been claimed for 10 years or more would be transferred to Depositor Education and Awareness Fund Scheme. Reserve Bank of India established a Fund under the Section 26A of the Banking Regulation Act, 1949. The amounts to be credited to the Fund by banks shall be deposited in the specified account maintained with the RBI.

314) The interest rates on banks’ contribution to Rural Infrastructure Development Fund should be fixed by __________.

a) Ministry of Finance
b) National Bank for Agriculture and Rural Development
c) Ministry of Rural Development
d) Reserve Bank of India
e) Individual Banks

Answer: d)

The interest rates on banks’ contribution to RIDF, other Funds, the tenure of deposits should be fixed by Reserve Bank of India from time to time. The Scheduled Commercial Banks having any shortfall in lending to priority sector shall be allocated amounts for contribution to the Rural Infrastructure Development Fund (RIDF) established with NABARD by RBI. Also, the contribution amount to the other Funds with NABARD/NHB/SIDBI/ MUDRA Ltd. Are also decided by the Reserve Bank from time to time.

315) To use the services of which of the following, you do not need to have your KYC done with the services?

a) Amazon Pay
b) Mobikwik
c) ICICI salary account
d) Paytm e-wallet
e) None of the above

Answer: e)

Know Your Customer commonly known as KYC, enables a bank/financial institution to validate the identity of its servicing customers. In order to open a bank account, one needs to submit Aadhaar/enrolment number and PAN as ‘proof of identity and proof of address’ For using the e-wallet services like Amazon Pay &Mobikwik, one needs to have their KYC done by providing any one of the identity proof as applicable.

316) What is India’s GDP growth rate for October-December 2018 quarter?

a) 7%
b) 6.9%
c) 6.7%
d) 6.8%
e) 6.6%

Answer: e)

India's GDP growth moderated to 6.6% in the Oct-Dec quarter of 2018-19, the lowest in five quarters, from 7% in the previous quarter. India is still the fastest-growing major
economy. GDP growth forecast was revised for the current fiscal from 7.2 to 7%.

317) Total gross GST revenue collected in the month of February 2019 is ₹ ________ crores.
   a) 90,928
   b) 75,937
   c) 86,610
   d) 97,247
   e) 1,00,273
   **Answer: d)**
   Total gross GST revenue collected in the month of February 2019 is Rs. 97,247 crore of which CGST is Rs. 17,626 crore, SGST is Rs. 24,192 crore, IGST is Rs. 46,953 crore and cess is Rs. 8,476 crore. Revenue in February 2018 was Rs. 85,962 crore.

318) The Asian Development Bank (ADB) and the Government of India signed a $____ Million Loan Agreement today to operationalize two lines for the Mumbai Metro Rail System.
   a) 900
   b) 845
   c) 926
   d) 876
   e) 918
   **Answer: c)**
   The Asian Development Bank (ADB) and the Government of India signed a $926 Million Loan Agreement today to operationalize two lines for the Mumbai Metro Rail System. The Project also marks ADB’s first co-financing with NDB, which will provide $260 million. ADB President – Takehiko Nakao Headquarters- Mandaluyong, Philippines.

319) As per Moody’s report, Indian economy is expected to grow at __________ in calendar year 2019 and 2020
   a) 7.8%
   b) 6.7%
   c) 8.1%
   d) 7.3%
   e) 7.0%
   **Answer: d)**
   As per Moody’s report, Indian economy is expected to grow at 7.3 per cent in calendar year 2019 and 2020. In 2018-19 fiscal Indian economy is estimated to have grown 7%, lower than 7.2% in 2017-18.

320) Recently, the government approved a Rs. 14,000 crore special economic zone (SEZ) project of Adani Power in ____________.
   a) Uttar Pradesh
   b) Jharkhand
   c) Bihar
   d) Tamil Nadu
   e) Odisha
   **Answer: b)**
   The government approved a Rs. 14,000 crore special economic zone (SEZ) project of Adani Power in Jharkhand, which will export entire power generated to Bangladesh. It will be ready by the end of 2022. Exports from SEZs grew by about 15% to ₹5.52 trillion in 2017-18.

321) The term used for an economic condition, in which there are only two large buyers for a specific product or service is __________.
   a) Duopoly
   b) Duodecimo
   c) Duopsony
   d) Duologues
   e) Duodenary
   **Answer: c)**
   An economic condition, in which there are only two large buyers for a specific product or service is termed as Duopsony. Members of a duopsony have great influence over sellers and can effectively lower market prices for their supplies.

322) In which of the following years symbol of Indian rupee came into existence?
   a) 2012
b) 2011
c) 2009
d) 2010
e) 2008

Answer: d)
The Indian rupee is the official currency of India. Designed by Udaya Kumar, it was presented to the public by the Government of India on 15 July 2010. The new sign is a combination of the Devanagari letter "र" ("ra") and the Latin capital letter "R" without its vertical bar (like the R rotunda). The parallel lines at the top (with white space

323) Which of the following International financial institutions compiles the system of national accounts which aim at measuring GDP as per national Standards?

a) Asian Infrastructure Investment Bank
b) Central American Bank for Economic Integration
c) International Monetary Fund
d) International Investment Bank
e) World Bank

Answer: c)
The System of National Accounts (SNA) is compiled by International Monetary Fund, it is the internationally agreed standard set of recommendations on how to compile measures of economic activity Consequently, the national accounts are one of the building blocks of macroeconomic statistics forming a basis for economic analysis and policy formulation. Economic and financial data from member countries are used to compile annual (and sometimes quarterly) data on gross product, investment, capital transactions, government expenditure and foreign trade.

324) BPLR was introduced by the Reserve Bank of India in 2003. In BPLR, ‘P’ denotes –

a) Priority
b) Prime
c) Purchasing
d) Personal
e) Payment

Answer: b)
Benchmark Prime Lending Rate is an abbreviation of BPLR. It is the rate which banks charge to their customers with good credit history. Banks are free to set their prime lending rate.

325) What is the minimum amount of a Certificate of Deposit?

a) 10 lakhs
b) 50 lakhs
c) 1 lakh
d) 20 Thousand
e) 5 lakhs

Answer: c)
Minimum amount of a Certificate of Deposit (CD) should be Rs.1 lakh, i.e., the minimum deposit that could be accepted from a single subscriber should not be less than Rs.1 lakh, and in multiples of Rs. 1 lakh thereafter.

326) GST collections in February dropped to ₹_________ in February from ₹1.02 lakh crore in the previous month.

a) 92,247 crore
b) 96,247 crore
c) 94,247 crore
d) 97,247 crore
e) 99,747 crore

Answer: d)
GST collections in February dropped to Rs.97,247 crore in February from Rs.1.02 lakh crore in the previous month. The number of sales return or GSTR-3B filed for the month of January up to February 28, 2019 was 73.48 lakh.

327) RBI recently, imposed penalties worth Rs. _______crore on IDBI, Dena Bank.

a) 2
b) 3
c) 4
d) 5
e) 6

Answer: b)
RBI has imposed a monetary penalty of Rs. 2 crore on Dena Bank. Rs 1 crore penalty was imposed on IDBI Bank for non-compliance of its regulatory directions on time-bound implementation and strengthening of SWIFT related operational controls.

328) Centre and Asian Development Bank (ADB) signed a ______ million-dollar loan agreement to operationalize two lines of the Mumbai Metro Rail System
a) 726
b) 826
c) 926
d) 1006
e) 786
Answer: c)
Centre and Asian Development Bank (ADB) signed a 926-million-dollar loan agreement to operationalize two lines of the Mumbai Metro Rail System. It is the single largest infrastructure project loan in ADB history.

329) ICICI Bank will acquire 9.9% stake in which of the following Non-Banking Finance Company?
 a) IL&FS
b) Indiabulls
c) Kisan Finance
d) Bajaj Finance
e) Capital First
Answer: c)
ICICI Bank will acquire 9.9% stake in Non-Banking Finance Company (NBFC) Kisan Finance for nearly Rs.18 crore. Kisan Finance, which was incorporated in December 2017, had registered a net loss of Rs.48 lakh in 2017-18.

330) SBI to form Payment Joint venture with Hitachi Payment Services Pvt Ltd in which SBI’s stake would be ______ %.
 a) 80
b) 75
c) 74
d) 50
e) 51
Answer: c)
State Bank of India (SBI) and Hitachi Payment Services Pvt Ltd, a wholly-owned subsidiary of Hitachi Ltd, launched their merchant-acquiring joint venture, SBI Payment Services Pvt Ltd (SBIPSPPL) in Mumbai. SBI has a 74 per cent stake & 26% is with Hitachi.

331) TDR is a method for controlling land use to complement land-use planning and zoning for more effective urban growth management and land conservation. Expand TDR
 a) Transferable Development Rights
b) Transaction Delayed Reserve
c) Tax Deducted Review
d) Terminal Development Resource
e) None of these
Answer: a)
Transferable Development Rights (TDR) is a method for controlling land use to complement land-use planning and zoning for more effective urban growth management and land conservation.

332) In which of the following fund transfer system, the transactions received up to a particular time are processed in batches?
 a) RTGS
b) IMPS
c) NEFT
d) All the above
e) Only a) and c)
Answer: c)
National Electronic Funds Transfer (NEFT) is a nation-wide payment system. Under this Scheme, individuals can electronically transfer funds from any bank branch to any individual having an account with any other bank branch in the country participating in the Scheme. NEFT transactions are settled in batches.
333) Which of these is the first Destination Bank to go live with Net Banking and Debit Card-based e-mandate authentication?
   a) ICICI Bank
   b) Punjab National Bank
   c) Kotak Mahindra Bank
   d) HDFC Bank
   e) Axis Bank
   Answer: c)
   Kotak Mahindra Bank is the first Destination Bank to go live with Net Banking and Debit Card-based e-mandate authentication.

334) Which of the following is an integrated bill payment system in India offering interoperable and accessible bill payment service to customers?
   a) Unified Payments Interface
   b) Bharat Bill Payment System
   c) Immediate Payment Service
   d) National Common Mobility Card
   e) None of these
   Answer: b)
   Bharat Bill Payment System is an integrated bill payment system in India offering interoperable and accessible bill payment service to customers.

335) _______ can be used for purchase of goods and services and also permit cash withdrawal at ATMs, Merchant Local Locations, and automated business correspondents.
   a) Closed System Payment Instruments
   b) Semi-closed System Payment Instruments
   c) Open System Payment Instruments
   d) Semi-Open System Payment Instruments
   e) None of these
   Answer: c)
   Open System Payment Instruments can be used for purchase of goods and services and also permit cash withdrawal at ATMs, Merchant Local Locations, and automated business correspondents.

336) Name the first central bank in the Asia-Pacific region to begin explicit interest rate easing cycle by cutting the policy rate?
   a) Bank of Mexico
   b) Federal Reserve
   c) RBI
   d) Central Bank of the Russia
   e) None of these
   Answer: c)
   The Reserve Bank of India (RBI) is the first central bank in the Asia-Pacific region to have begun explicit interest rate easing cycle by cutting the policy rate back-to-back in the last two monetary policy reviews in 2019.

337) The Central government has planned to raise the import duty on wheat from 30% to ______
   a) 40%
   b) 35%
   c) 45%
   d) 50%
   e) 55%
   Answer: a)
   The government is likely to raise the import duty on wheat from the current 30% to 40% to rule out any possibility of cheaper imports amid the harvesting of the new crop.

338) As per World Economic Forum (WEF) report, India is set to uplift households out of poverty and reduce the share of households below the poverty line from current 15 percent to 5 percent by which year?
   a) 2025
   b) 2035
   c) 2050
   d) 2030
   e) 2040
   Answer: d)
India will uplift around 25 million households out of poverty and reduce the share of households below the poverty line from 15 percent today to 5 percent by 2030, the World Economic Forum (WEF) said in a report.

339) SEBI has reduced the minimum subscription requirement for InvITs from Rs ______ and its multiple
a) Rs 2 lakh
b) Rs 5 lakh
c) Rs 1 lakh
d) Rs 4 lakh
e) Rs 10 lakh
Answer: c)
Minimum subscription requirement for InvITs: Rs 1 lakh (and its multiple) [earlier it was Rs 10 lakhs]

340) The World Bank has approved Rs.6000 crore to Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation for which scheme?
a) PradhanMantriFasalBimaYojana
b) AtalBhujalYojana
c) Atal Pension Yojana
d) PradhanMantriGaribKalyanYojana
e) Atal Mission for Rejuvenation and Urban Transformation
Answer: b)
The World Bank has approved AtalBhujalYojana (ABHY), a Rs.6000 crore Central Sector Scheme of the Ministry of Water Resources, River Development and Ganga Rejuvenation. The scheme is to be implemented over a period of five years from 2018-19 to 2022-23, with World Bank assistance. The scheme proposal has already been recommended by the Expenditure Finance Committee and the Ministry will be seeking Cabinet approval for the project shortly.

341) Pre-paid Payment Instruments (PPIs) facilitate the purchase of goods and services, including funds transfer, against the value stored on such instruments. Which of the following requirements a does company need to fulfill to issue PPIs in India?
a) The company should be incorporated in India
b) The company should have a minimum paid-up capital of Rs. 5 crore
c) The company should have a positive net worth of Rs. 1 crore at all the times
d) Only a) and b)
e) All a), b) and c)
Answer: e)
Pre-paid Payment Instruments (PPIs) are defined in the RBI Guidelines issued under the Payment and Settlements Systems Act, 2005 as payment instruments that facilitate the purchase of goods and services, including funds transfer, against the value stored on such instruments. The value stored on such instruments represents the value paid for by the holders by cash, by debit to a bank account, or by credit card. Only those companies incorporated in India and have a minimum paid-up capital of Rs. 5 crore and minimum positive net worth of Rs. 1 crore at all the times are permitted to issue PPIs in India.

342) If a banking company fails to maintain the required amount of SLR, what interest is it liable to pay to RBI on the shortfall?
a) Rate of one percent per annum above the Reverse Repo Rate
b) Rate of three percent per annum above the Repo Rate
c) Rate of three percent per annum above the Bank Rate
d) Rate of three percent per annum above the Reverse Repo Rate
e) Rate of one percent per annum above the Bank Rate
Answer: c)
If a banking company fails to maintain the required amount of SLR, it shall be liable to pay to RBI in respect of that default, the penal interest for that day at the rate of three percent per annum above the Bank Rate on the shortfall and if the default continues on the next succeeding working day,
the penal interest may be increased to a rate of five per cent per annum above the Bank Rate for the concerned days of default on the shortfall.

343) The mutual fund shall ensure that the repurchase price of the units of a close-ended scheme shall not be lower than ______ of the Net Asset Value.
   a) 95%
   b) 93%
   c) 107%
   d) 95%
   e) 92%
   Answer: a)

While determining the prices of the units, the mutual fund shall ensure that the purchase price is not lower than 93% of the Net Asset Value and the sale price is not higher than 107% of the Net Asset Value. The repurchase price of the units of a close-ended scheme shall not be lower than 95% of the Net Asset Value.

344) In which year did SEBI provide regulatory notification on mutual funds?
   a) 1989
   b) 1999
   c) 1993
   d) 1975
   e) 1985
   Answer: c)

SEBI notified regulations for mutual funds in 1993. Thereafter, mutual funds sponsored by private sector entities were allowed to enter the capital market. The regulations were fully revised in 1996 and have been amended thereafter from time to time. As far as mutual funds are concerned, SEBI formulates policies, regulates and supervises mutual funds to protect the interest of the investors.

345) Equitas Small Finance Bank is a _____________ based financial institution.
   a) Chennai
   b) Jalandhar
   Answer: a)

Equitas Small Finance Bank is headquartered in Chennai city. It was launched in 2007 as a Microfinance institution with just 4 branches. It was started as a small finance bank in 2016.

346) Who has become the first lender to charge for UPI (Unified Payments Interface) use?
   a) ICICI Bank
   b) RBL Bank
   c) South Indian Bank
   d) Kotak Mahindra Bank
   e) None of these
   Answer: d)

Kotak Mahindra Bank becomes the first lender to Charge for UPI Use. For each Kotak Bank account, the first 30 UPI fund transfers will be free, after which a charge will be levied on all fund transfers from the bank account. Unified Payments Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India facilitating inter-bank transactions.

347) The Union government has decided to give how many billion USD financial assistance to the island nation of Maldives?
   a) $ 1.2 billion
   b) $ 1.4 billion
   c) $ 1.6 billion
   d) $ 1.8 billion
   e) $ 2.0 billion
   Answer: b)

The Union government has decided to give USD 1.4 billion to the island nation of Maldives. This decision came after Maldivian president Ibrahim Mohamed Solih met Prime Minister Narendra Modi during his 3-days visit to India. This is Solih’s first foreign trip after he was sworn in as the
President of Maldives in a ceremony on 17th November 2018, which PM Modi had also attended.

348) Government of India has recently signed $ 300 million loan agreement with which international organisation to support IIFCL (Infrastructure Finance Company Limited) of India?
   a) World Bank  
   b) New Development Bank  
   c) International Monetary Fund  
   d) Asian Development Bank  
   e) None of these  
   Answer: d)  
Recently in November, 2018, the Asian Development Bank (ADB) and the Government of India signed a $300 million Loan Agreement to support lending by ‘India Infrastructure Finance Company Limited (IIFCL)’.

349) Recently Union government has announced to increase the contribution of government up to what percentage in “National Pension Scheme (NPS)”?
   a) 10%  
   b) 14%  
   c) 12%  
   d) 8%  
   e) 15%  
   Answer: b)  
Finance Minister ArunJaitley recently announced the rise in contribution of the government in National Pension Scheme (NPS) to 14 per cent from existing 10 per cent. The change in contribution was recommended by Committee of Secretaries (CoS), thus resulting in a total corpus of 24% from the previous 20%. Out of the 24%, 14 per cent would be contributed by the government and the remaining 10 per cent by the employees. Furthermore, he also made entire withdrawal amount tax free at the time of retirement by enhancing the tax exemption limit for lump sum withdrawal on exit to 60%.

350) What percentage of stake has been acquired by Asian Development Bank in micro-financier company ‘Annapurna Finance’ recently?
   a) 24%  
   b) 14%  
   c) 49%  
   d) 76%  
   e) 51%  
   Answer: b)  
In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long-term funds from global lenders and investors.

351) Deposit Insurance and Credit Guarantee Corporation is a subsidiary of Reserve Bank of India. The authorized capital of DICGC is ______
   a) 100 Crore  
   b) 200 Crore  
   c) 150 Crore  
   d) 50 Crore  
   e) 250 Crore  
   Answer: d)  
DICGC is the fully owned subsidiary of Reserve Bank of India. It was established in 1978 under the Deposit Insurance Credit Guarantee Corporation Act,1961 for the purpose of providing insurance of deposits and guaranteeing of credit facilities. The authorized capital of the Corporation is 50 crore, which is fully issued and subscribed by the Reserve Bank of India (RBI).

352) The CVV/CVC code (Card Verification Value/Code) located on the back of your visa debit card is ___ digit.
   a) Two  
   b) Five  
   c) Four  
   d) Three  
   e) Six  
   Answer: d)
The CVV/CVC code (Card Verification Value/Code) is located on the back of your credit/debit card on the right side of the white signature strip; it is always the 3 digits in case of VISA and MasterCard.

353) Under Liberalised Remittances scheme, remittances be made in ___________
   a) US Dollars only
   b) Euro only
   c) Both the US Dollar & Euro
   d) Any freely convertible foreign currency
   e) None of the above
   Answer: d)
   Under LRS, remittances can be made in any freely convertible foreign currency. All resident individuals, including minors, are allowed to freely remit up to USD 2,50,000 per financial year (April – March) for any permissible current or capital account transaction or a combination of both.

354) A Priority sector lending certificate is valid for ___________
   a) One complete financial year
   b) 3 months
   c) 4 months
   d) 6 months
   e) 18 months
   Answer: a)
   All Priority sector lending certificates are valid in 1 complete financial year, March-April cycle. Priority Sector Lending Certificates (PSLCs) are a mechanism to enable banks to achieve the priority sector lending target and sub-targets by the purchase of these instruments in the event of a shortfall. Under the PSLC mechanism, the seller sells fulfilment of priority sector obligation and the buyer buys the obligation with no transfer of risk or loan assets.

355) Which of the following terms is used to define a loan extended to an individual or a company on a movable property?
   a) Bill of Sale
   b) Balloon Payment
   c) Chattel mortgage
   d) Liquid Asset
   e) Price Ceiling
   Answer: c)
   Chattel mortgage is a loan extended to an individual or a company on a movable property. Here, the ‘chattel’ or the movable personal property could be a car, or a mobile home can be used as a security to extend the loan.

356) IDBI Bank has been categorized as ‘Private Sector Lender’ by RBI. What percentage of stake has been acquired by Life Insurance Corporation of India (LIC) in the bank recently?
   a) 49%
   b) 26%
   c) 65%
   d) 76%
   e) 51%
   Answer: e)
   In March 2019, The Reserve Bank of India categorized IDBI Bank as a Private Sector Bank with effect from January 21, 2019 following Life Insurance Corporation of India (LIC) has acquired 51 per cent of the total paid-up equity share capital of the bank.

357) As announced in Interim Budget 2019-20, what is target of Fiscal deficit for financial year 2019-20?
   a) 3.1% of GDP
   b) 3.5% of GDP
   c) 3.4% of GDP
   d) 4.4% of GDP
   e) 2.8% of GDP
   Answer: c)
   The target of fiscal deficit for 2019-20 is 3.4% of GDP while for next year it is estimated to be 3.1% of GDP.

358) The Defence Acquisition Council (DAC) accorded approval for the acquisition of defence equipment worth
nearly Rs __________ crore which includes BrahMos Missiles, and Armoured Recovery Vehicles (ARVs) for Battle Tank Arjun.

a) Rs. 5000 crore  
b) Rs. 3000 crore  
c) Rs. 7000 crore  
d) Rs. 1000 crore  
e) Rs. 4000 crore  
**Answer: b)**

The Defence Acquisition Council (DAC) accorded approval for the acquisition of defence equipment worth nearly Rs 3000 crore which includes BrahMos Missiles, and Armoured Recovery Vehicles (ARVs) for Battle Tank Arjun. The decision was taken at a meeting chaired by Defence Minister Nirmala Sitharaman.

359) The Central government has announced ______ rupee award for states that would complete the household electrification early under the Saubhagya scheme.

a) 200 crore  
b) 50 crore  
c) 150 crore  
d) 10 crore  
e) 100 crore  
**Answer: e)**

The Power Ministry announced Rs 100 crore award for states that would complete the household electrification early under the Saubhagya scheme.

360) The Union Government, Rajasthan and the World Bank signed a ______ million Development Policy Loan (DPL) to support Rajasthan in improving the performance of its Electricity Distribution Sector under the State’s ‘24x7 Power for All’ program.

a) USD 1200 million  
b) USD 725 million  
c) USD 500 million  
d) USD 250 million  
e) USD 400 million  
**Answer: d)**

The Union Government, Rajasthan and the World Bank signed a USD 250 million Development Policy Loan (DPL) to support Rajasthan in improving the performance of its Electricity Distribution Sector under the State’s ‘24x7 Power for All’ program.

361) An emerging market economy is highly classified with relatively- one in which the country is becoming a developed nation and is determined through many socio________

a) Economic factors  
b) External factors  
c) Commercial factors  
d) GDP factors  
e) Growth factors  
**Answer: a)**

An emerging market economy is highly classified with relatively - one in which the country is becoming a developed nation and is determined through many socio-economic factors.

362) Depositor Education and Awareness Fund (DEAF) is maintained by which of the following?

a) NABARD  
b) RBI  
c) Public Provident Fund Authorities  
d) SIDBI  
e) IRDA  
**Answer: b)**

Depositor Education and Awareness Fund (DEAF) Scheme was established in 2014 and was inserted in the Banking Regulation Act, 1949 empowering the central bank. All banks are required to transfer money lying in accounts that have been inoperative for at least 10 years to the DEAF according to specific guidelines.

363) Indian Financial System Code consists of how many alphanumeric digit?

**Answer:**

Indian Financial System Code consists of 11 alphanumeric digit.
364) For which of the following debt instruments, not having a fixed rate of interest over the life of the instrument, can ‘Floating Interest Rate’ be applied?

a) A loan  
b) A bond  
c) A mortgage  
d) A credit  
e) All of these

**Answer: e)**

An interest rate that is allowed to move up and down with the rest of the market or along with an index. This contrasts with a fixed interest rate, in which the interest rate of a debt obligation stays constant for the duration of the agreement. A floating interest rate can also be referred to as a variable interest rate because it can vary over the duration of the debt obligation.

365) Which of the following component of external sector comes under Current Account in India?

a) FDI  
b) Interest payments received by government  
c) External Commercial Borrowings  
d) FII  
e) NRI bank account

**Answer: b)**

The Indian Financial System Code (IFS Code) is an alphanumeric code that uniquely identifies a bank-branch participating in the two main Electronic Funds Settlement Systems in India.

**366) The Union Government has allocated how many crores rupees for the development of 40 satellite launch vehicles in the next four years?**

a) Rs. 10,000 crore  
b) Rs. 10,200 crore  
c) Rs. 10,300 crore  
d) Rs. 10,700 crore  
e) Rs. 10,900 crore

**Answer: e)**

The Union Government has allocated 10,900 crore rupees for the development of 40 satellite launch vehicles in the next four years. Dr. Sivan stated that Chandrayan Mission will be launched within three months. It will land in one part of the Moon which is still unexplored. The human space flight Gaganyaan is planned to be launched by 2022, the 75th anniversary of Independence.
368) As per RBI Report on Trend and Progress of Banking in India, what % of the total complaints received by all BO offices, is from tier-1 cities like New Delhi, Mumbai, Chennai, Kolkata, Bengaluru and Hyderabad?

a) 67%
b) 75%
c) 49%
d) 79%
e) 57%

Answer: e)

The number of complaints registered at banking ombudsman offices have seen a 25% increase in the fiscal year 2018. “The banking ombudsman offices in tier-1 cities like New Delhi, Mumbai, Chennai, Kolkata, Bengaluru and Hyderabad accounted for more than 57% of the total complaints received by all BO offices,” the RBI Report on Trend and Progress of Banking in India has stated.

369) Which Bank has announced an ESOP scheme with a view to retaining its talent and incentivising staff by issuing up to 10 crore equity shares?

a) Yes Bank
b) HDFC Bank
c) State Bank of India
d) ICICI Bank
e) Punjab National Bank

Answer: e)

State-run Punjab National Bank (PNB) has announced an ESOP scheme with a view to retaining its talent and incentivising staff by issuing up to 10 crore equity shares. The bank stated it will issue up to 10 crore equity shares to its employees under 'Employee Stock Purchase Scheme (ESPS)'. A note is being placed to board in its ensuing meeting dated June 15, 2018 regarding ESPS with a proposal for issuance of up to 10 crore equity shares to its employees, the bank said in a regulatory filing.

370) Prime Minister Narendra Modi has launched Ayushman Bharat, world's largest government-funded healthcare scheme in Jharkhand's capital Ranchi. It will offer a benefit cover of _____________ per family per year.

a) Rs 2 lakh
b) Rs 5 lakh
c) Rs 7 lakh
d) Rs 10 lakh
e) Rs 15 lakh

Answer: b)

Prime Minister Narendra Modi launched Ayushman Bharat, world's largest government-funded healthcare scheme in Jharkhand's capital Ranchi. The Centre's flagship scheme has been renamed as PM Jan ArogyaYojana (PMJAY). The scheme will become operational from September 25 on the birth anniversary of Pandit Deendayal Upadhyay. Ayushman Bharat-National Health Protection Scheme (AB-NHPS) will have a defined benefit cover of Rs 5 lakh per family (on a family floater basis) per year for secondary and tertiary care hospitalisation. It will offer a benefit cover of Rs 5 lakh per family per year. It will subsume the existing Rashtriya Swasthya Bima Yojana (RSBY), launched in 2008 by the UPA government.

371) In Notice Money Market, the tenor of the transactions is from ________

a) 2-7 days
b) 2-14 days
c) 2-21 days
d) 2-28 days
e) 2-90 days

Answer: b)
In money market, the amount that is lent for one day is known as “call money” and, if it exceeds one day or two days to 14 days is referred to as “notice money.”

372) __________ is a voluntary market body for the bond, money and derivatives markets.

   a) RBI  
   b) SEBI  
   c) IRDAI  
   d) FIMMDA  
   e) UIDAI  

**Answer:** d)

The Fixed Income Money Market and Derivatives Association of India (FIMMDA), an association of Scheduled Commercial Banks, Public Financial Institutions, Primary Dealers and Insurance Companies was incorporated as a Company under section 25 of the Companies Act, 1956 on June 3rd, 1998. FIMMDA is a voluntary market body for the bond, money and derivatives markets. FIMMDA has members representing all major institutional segments of the market. The membership includes Nationalized Banks such as State Bank of India, its associate banks and other nationalized banks; Private sector banks such as ICICI Bank, HDFC Bank, IDBI Bank; Foreign Banks such as Bank of America, ABN Amro, Citibank, Financial institutions such as IDFC, EXIM Bank, NABARD, Insurance Companies like Life Insurance Corporation of India (LIC), ICICI Prudential Life Insurance Company, Birla Sun Life Insurance Company and all Primary Dealers.

373) If the claim is exceeding __________ claims can be settled by legal evidence that is by probate of will or succession certificate in Post Office Saving Schemes?

   a) three lakh  
   b) four lakh  
   c) one lakh  
   d) six lakh  
   e) nine lakh  

**Answer:** c)

If the claim is exceeding one lakh claims can be settled by legal evidence that is by probate of will or succession certificate in Post Office Saving Schemes.

374) ‘Shishu’, ‘Kishore’ and ‘Tarun’ are associated with-

   a) SBI  
   b) RESERVE BANK  
   c) IDBI  
   d) MUDRA BANK  
   e) NABARD  

**Answer:** d)

The initial products and schemes (MUDRA) under this umbrella have already been created and the interventions have been named ‘Shishu’, ‘Kishor’ and ‘Tarun’ to signify the stage of growth/development and funding needs of the beneficiary micro unit / entrepreneur as also provide a reference point for the next phase of graduation / growth for the entrepreneur to aspire for:  
Shishu: covering loans upto Rs. 50,000/-  
Kishor: covering loans above Rs. 50,000/- and upto Rs. 5 lakh  
Tarun: covering loans above Rs. 5 lakh and upto Rs. 10 lakh

375) National Income Estimate is prepared by _________

   a) Department of Economics and affairs  
   b) CSO (Central Statistical Organization)  
   c) RBI  
   d) Finance ministry  
   e) SEBI  

**Answer:** b)

The Government of India appointed National Income Committee in 1949. The committee was chaired by Prof. P.C. Mahalanobis and had Prof D.R. Gadgil and Dr. V.K.R.V. Rao as members. The first report of the committee was presented in 1951. According to the first report, the National Income of India for 1948-49 was Rs. 8,710 crore and the per capita income was Rs. 225. Since 1955 the national income estimates are being prepared by Central Statistical Organisation.
376) What is the Bank Rate, according to first Bi-monthly Monetary Policy statement for 2019-20?

a) 5.75%
b) 6.00%c) 6.25%d) 6.50%e) None of these

**Answer: c)**

As per RBI’s first Bi-monthly Monetary Policy statement for 2019-20, The marginal standing facility (MSF) rate and the Bank Rate to 6.25 per cent.

Bank Rate is the rate at which the Reserve Bank is ready to buy or rediscount bills of exchange or other commercial papers for the long term.

377) The farmers pursuing the activities of animal husbandry and fisheries availing long through Kisan Credit Card will be provided with the benefit of ___ interest subvention.

a) 1%
b) 1.6%c) 1.8%d) 2%e) 2.8%

**Answer: d)**

The farmers pursuing the activities of animal husbandry and fisheries availing long through Kisan Credit Card will be provided with the benefit of 2% interest subvention.

378) Which district court has become the first in India to accept e-payments?

a) Pune
b) Bhopal
c) Delhi
d) Lucknow
e) Kolkata

**Answer: a)**

Pune court is first in India to get the facility of e-payment. “The Pune district and sessions court are the first in India to launch the e-payment system. There will be no extra charges for transactions till Rs 2,000; over and above that, charges will be levied.

379) In the event of death of a labourer during service, the amount to be paid by EPFO has been enhanced from Rs. 2.5 lakh to Rs. ____.

a) Rs 3 lakh
b) Rs 6 lach
c) Rs 7 lakh
d) Rs 9 lakh
e) Rs 4 lakh

**Answer: b)**

The ceiling of ESI's eligibility cover has been increased from Rs. 15,000 pm to Rs. 21,000 pm. Minimum pension for every labourer has been fixed at Rs. 1,000 per month. In the event of death of a labourer during service, the amount to be paid by EPFO has been enhanced from Rs. 2.5 lakh to Rs. 6 lakh.

Under Anganwadi and AshaYojana honorarium has been enhanced by about 50% for all categories of workers.

380) Under the PradhanMantriShram Yogi Maan-Dhan scheme, Workers of the unorganised sector will receive how much Rupees pensions after attaining the age of 60 years?

a) Rs. 3000
b) Rs. 1000
c) Rs. 6000
d) Rs. 1200
e) None of these

**Answer: a)**

Under the PradhanMantriShram Yogi Maan-Dhan scheme, workers of the unorganised sector will receive a minimum assured pension of three thousand rupees per month after attaining the age of 60 years. The workers whose monthly income is 15 thousand rupees per month or less and belong to the entry age group of 18 to 40 years are eligible for the scheme.
381) What is the Paid-up Share Capital of Agriculture Insurance Company of India?

a) Rs. 200 crores  
b) Rs. 500 crores  
c) Rs. 750 crores  
d) Rs. 100 crores  
e) Rs. 600 crores

Answer: a)
The paid-up share capital of Agriculture Insurance Company of India is Rs. 200 crores, while the Authorised Share Capital is Rs. 1500 Crores. It was incorporated in 20th December 2002 and commenced operations on 1st April 2003.

382) Which of the following statements in context of Treasury bills (T- Bills) is not correct?

a) T-bills offer short-term investment opportunities, generally up to one year  
b) T-bills are available for a minimum amount of Rs.25,000  
c) T-bills auctions are held at the SEBI headquarter.  
d) Both a) and b)  
e) All of the above are true

Answer: c)
T-bills auctions are held at the Reserve Bank of India, Mumbai. Treasury bills (T-bills) offer short-term investment opportunities, generally up to one year. They are useful in managing short-term liquidity. At present, the Government of India issues four types of treasury bills, namely, 14-day, 91-day, 182-day and 364-day.

383) Which of the following not a function of Reserve Bank of India?

a) Formulates, implements and monitors the monetary policy.  
b) Manages the Foreign Exchange Management Act (FEMA), 1999.  
c) Approving rules and laws pertaining to the stock exchanges.  
d) Maintains banking accounts of all scheduled banks.  
e) All of the above

Answer: c)
SEBI approves rules and laws pertaining to the stock exchanges.To protect the rights of investors and ensuring safety to their investment.To prevent fraudulent and malpractices by having balance between self-regulation of business and its statutory regulations.To regulate and develop a code of conduct for intermediaries such as brokers, underwriters, etc.

384) In which of the following years Forward Markets Commission (FMC) merged with the capital markets watchdog SEBI?

a) 2015  
b) 2010  
c) 2012  
d) 2014  
e) 2008

Answer: a)
In the year 2015, Forward Markets Commission (FMC) merged with the capital markets watchdog SEBI. The merger was precipitated with the National Spot Exchange Ltd. scam, which involved a payment crisis of more than Rs. 5000 crore. This was considered a regulatory failure by the FMC.

385) Which of the following terms is used to define rise in the price of a security or in the value of one currency in terms of another?

a) Appreciation  
b) Accreting  
c) Accrued Interest  
d) Arbitrage  
e) None of the above

Answer: a)
Appreciation is a rise in the price of a security or in the value of one currency in terms of another. It is Increase in the value of an asset which is in excess of the asset's depreciable cost and is due to economic and other factors (such as scarcity or inflation) and not due to additions or improvements made to it.
386) Recently launched LIC's Micro Bachat plan provides the maximum coverage up to _________.
   a) 50000  
   b) 100000  
   c) 150000  
   d) 200000  
   e) 250000  
   **Answer: d)**

LIC's Micro Bachat was recently launched which provides coverage up to Rs. 2 lakh. The minimum basic sum assured is Rs. 50,000. It is a regular premium, non-linked, participating micro-insurance plan which offers a combination of protection and savings. It provides financial support for the family in case of unfortunate death of the policyholder during the policy term and a lump sum amount at the time of maturity for the surviving policyholders.

387) In March 2019, ICICI Lombard partnered with __________ to offer cyber-insurance cover of Rs. 50000 for protection against the online frauds.
   a) Paytm  
   b) Free Charge  
   c) Mobikwik  
   d) PhonePe  
   e) Google Pay  
   **Answer: c)**

ICICI Lombard General Insurance and Mobikwik have partnered to offer cyber-insurance cover of Rs.50000 for protection against online frauds. It aims to provide protection against unauthorized and fraudulent transactions online, across bank accounts, debit/credit cards and mobile wallets. The cyber-insurance can be availed digitally through an app at only Rs. 99 per month and with a sum insured of Rs. 50000.

388) In the first half of FY20, Government is set to raise Rs ______ lakh crore through gilts i.e. instruments issued by the government to borrow money from the market.
   a) 4.42  
   b) 3.11  
   c) 6.67  
   d) 1.77  
   e) None of the above  
   **Answer: a)**

Government is set to raise Rs 4.42 lakh crore through gilts in the first half of FY20. The borrowing for the second half is set at Rs 2.68 lakh crore. The Centre will auction Rs 17,000 crore of gilts per week during April-September.

389) The Reserve Bank of India recently came out with guidelines for banks to set up new currency chests. As per RBI norms the currency chests should have CBL of Rs. ______ crore.
   a) 500  
   b) 1000  
   c) 1500  
   d) 2000  
   e) 2500  
   **Answer: b)**

RBI appointed committee recommended that RBI should encourage banks to open large currency chests with modern facilities and Chest Balance Limit (CBL) of at least Rs.1,000 crore. As per the recommendation currency chests should have CBL of Rs.1,000 crore, subject to ground realities and reasonable restrictions, at the discretion of the Reserve Bank.

390) In order to remain under FPI category, Portfolio Investment by any single investor or investor group should not exceed ______% of the equity of an Indian company.
   a) 5  
   b) 10  
   c) 20  
   d) 25  
   e) 50  
   **Answer: b)**

Portfolio Investment by any single investor or investor group should not exceed 10% of the equity of an Indian company,
beyond which it is treated as FDI. Foreign Portfolio Investor (FPI) stands for those investors who hold a short-term view on the company, in contrast to Foreign Direct Investors (FDI).

391) An emerging market economy is highly classified with relatively- one in which the country is becoming a developed nation and is determined through many socio-________
   a) Economic factors
   b) External factors
   c) Commercial factors
   d) GDP factors
   e) Growth factors
   **Answer: a)**
   An emerging market economy is highly classified with relatively - one in which the country is becoming a developed nation and is determined through many socio-economic factors.

392) Depositor Education and Awareness Fund (DEAF) is maintained by which of the following?
   a) NABARD
   b) RBI
   c) Public Provident Fund Authorities
   d) SIDBI
   e) IRDA
   **Answer: b)**
   Depositor Education and Awareness Fund (DEAF) Scheme was established in 2014 and was inserted in the Banking Regulation Act, 1949 empowering the central bank. All banks are required to transfer money lying in accounts that have been inoperative for at least 10 years to the DEAF according to specific guidelines.

393) Indian Financial System Code consists of how many alphanumeric digit?
   a) 12
   b) 11
   c) 10
   **Answer: b)**
   IFSC is an 11-character codewith the first four alphabetic characters representing the bank name, and the last six characters (usually numeric, but can be alphabetic) representing the branch. The fifth character is 0 (zero) and reserved for future use. Bank IFS Code is used by the NEFT & RTGS systems to route the messages to the destination banks/branches.

The Indian Financial System Code (IFS Code) is an alphanumeric code that uniquely identifies a bank-branch participating in the two main Electronic Funds Settlement Systems in India.

394) For which of the following debt instruments, not having a fixed rate of interest over the life of the instrument, can ‘Floating Interest Rate’ be applied?
   a) A loan
   b) A bond
   c) A mortgage
   d) A credit
   e) All of these
   **Answer: e)**
   An interest rate that is allowed to move up and down with the rest of the market or along with an index. This contrasts with a fixed interest rate, in which the interest rate of a debt obligation stays constant for the duration of the agreement. A floating interest rate can also be referred to as a variable interest rate because it can vary over the duration of the debt obligation.

395) Which of the following component of external sector comes under Current Account in India?
   a) FDI
   b) Interest payments received by government
   c) External Commercial Borrowings
   d) FII
   e) NRI bank account
**Answer: b)**
The Balance of payments for a country is calculated by the difference of Capital Account and Current account. Both the accounts have different components included in it.

*Current Account:* Components – Net Import-Export (Import minus Export); Incomes (Profits, Interests, Dividend); Transfers (Donations, Gifts, etc.)

*Capital Account:* Components – Investment (FDI, FII); Loan (Government Borrowings, External commercial borrowings); Bank account transfers by NRIs, etc.

**396) How much total liquidity has been injected by the Reserve Bank of India (RBI) in the market in 2018-19?**

a) Rs 2.98 lakh crore  
b) Rs 1.50 lakh crore  
c) Rs 5.5 lakh crore  
d) Rs 1.65 lakh crore  
e) Rs 3.00 lakh crore  

**Answer: a)**
The Reserve Bank of India (RBI) injected a total liquidity of Rs 2.98 lakh crore in the market in 2018-19. Liquidity is a measure of the ability of a debtor to pay their debts as and when they fall due.

**397) Who has become the first lender to charge for UPI (Unified Payments Interface) use?**

a) ICICI Bank  
b) RBL Bank  
c) South Indian Bank  
d) Kotak Mahindra Bank  
e) None of these  

**Answer: d)**
Kotak Mahindra Bank becomes the first lender to charge for UPI Use.

For each Kotak Bank account, the first 30 UPI fund transfers will be free, after which a charge will be levied on all fund transfers from the bank account.

Unified Payments Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India facilitating inter-bank transactions.

**398) Fiscal deficit is pegged at _____ per cent of GDP in the Interim Budget 2019-20.**

a) 3.0%  
b) 3.3%  
c) 3.4%  
d) 3.5%  
e) 3.2%  

**Answer: c)**
The fiscal deficit of year 2019-20 is pegged at 3.4% of GDP. However, considering the need for income support to farmers Rs. 20,000 crore was provided in 2018-19 RE and Rs. 75,000 crore in 2019-20 BE. If this is excluded, the fiscal deficit would have been less than 3.3% for 2018-19 and less than 3.1% for year 2019-20.

**399) The GST Council allowed the filing of GST returns with an annual turnover of up to Rs. 5 crore _____.**

a) Yearly  
b) Half-Yearly  
c) Quarterly  
d) Monthly  
e) None of the above  

**Answer: c)**
The GST Council allowed the filing of GST returns with an annual turnover of up to Rs. 5 crore is Quarterly.

**400) National Pension Scheme (NPS) is a government-sponsored pension scheme which was launched in 2004 for government employees. The Government has decided to raise its contribution in NPS from 10% to _______.**

a) 11%  
b) 12%  
c) 13%  
d) 14%  
e) 15%  

**Answer: d)**
National Pension Scheme (NPS) is a government-sponsored pension scheme which was launched in 2004 for government employees. The Government has decided to raise its contribution in NPS from 10% to 14%.

Under the NPS, the subscriber is eligible to withdraw 60 per cent of the corpus. The remaining 40% of the accumulated fund goes towards annuity.

Tax exemption limit for lump sum withdrawal on exit has been enhanced to 60 per cent, the minister said, adding the entire withdrawal will now be exempt from income tax. Out of 60 per cent of the accumulated corpus withdrawn by the NPS subscriber at the time of retirement, 40 per cent is tax exempt and balance 20 per cent is taxable.

### 401) Which of the following is not a feature of gilt edged securities?
- a) Issued by non-governmental service organization
- b) Issued by government entities
- c) Repayment of both principal and interest is secured
- d) They have zero default risk
- e) All of these

**Answer: a)**

These securities are usually referred to as ‘gilt-edged’ securities as repayments of principal as well as interest are totally secured, being the first charge on the nation’s purse. Hence the Central Government securities are considered as safest claims.

### 402) The market price of a share of common stock is determined by:
- a) The board of directors of the firm.
- b) The stock exchange on which the stock is listed.
- c) The president of the company.
- d) Individuals buying and selling the stock.
- e) Securities and Exchange Board of India

**Answer: d)**

The market price of a share of common stock is determined by the market forces ie. Individuals buying and selling the stock.

### 403) When an agent asks a customer to invest in a mutual fund product without telling him/her about the risks involved in the investment, the process is termed as-
- a) Mis-selling
- b) Undertaking
- c) Misappropriation of funds
- d) Cross-selling
- e) None of these

**Answer: a)**

Misselling is a significant problem in financial services industry and for financial industry regulators. Brokers, financial advisors, bank representatives or other salespeople of financial products or services who are compensated based on commissions may have significant incentives to sell investments or investment products based on how much they can earn rather than what is suitable or what is needed by a customer. Misselling may occur with insurance products, annuities, investments, mortgages and a variety of other financial products. A financial loss is not necessarily required to meet the definition of misselling; the sale of an unsuitable product is enough.

### 404) If Indian govt. decides the level of Rupee to be 57 from 55 against 1 dollar, it is called ________.
- a) Depreciation
- b) Devaluation
- c) Appreciation
d) Revaluation
e) Demonetisation

**Answer: b)**

Depreciation refers to a fall in the value of a currency due to market changes while devaluation signifies the deliberate reduction undertaken by a country's government to its own currency.

**405) Which of the following statements is/are correct regarding the MCLR?**

a) It is the minimum interest rate of a bank below which it cannot lend
b) It is an internal benchmark or reference rate for the bank
c) The MCLR methodology has replaced the base rate system
d) The aim of MCLR is to improve the transmission of policy rates into the lending rates of banks
e) All of the above

**Answer: d)**

The marginal cost of funds-based lending rate (MCLR) refers to the minimum interest rate of a bank below which it cannot lend, except in some cases allowed by the RBI.

a) It is an internal benchmark or reference rate for the bank.
b) MCLR actually describes the method by which the minimum interest rate for loans is determined by a bank.
c) MCLR is decided on the basis of marginal cost or the additional or incremental cost of arranging one more rupee to the prospective borrower.

**406) The government of India has doubled the monetary limit to __________ rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.**

a) 20 lakh rupees
b) 30 lakh rupees
c) 10 lakh rupees
d) 60 lakh rupees
e) 50 lakh rupees

**Answer: a)**

The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions. As per the Finance Ministry, the move is aimed at helping reduce pendency of cases in DRTs.

**407) The National Green Tribunal imposed a cost of Rs. 25 lakh on the state government for failing to stop dumping of sewage and untreated water in the Ganga Canal.**

a) Uttar Pradesh
b) Uttarakhand
c) Madhya Pradesh
d) Bihar
e) Jharkhand

**Answer: a)**

The National Green Tribunal imposed a cost of Rs. 25 lakh on the Uttar Pradesh government for failing to stop dumping of sewage and untreated water in the Upper Ganga Canal. A bench headed by NGT Chairperson Justice Adarsh Kumar Goel directed the urban development ministry to deposit a performance guarantee of Rs. 35 lakh.

**408) What was the volume of priority sector lending certificates (PSLCs) in the financial year 2018-19?**

a) Rs 1.9 trillion
b) Rs 50,000 crore
c) Rs 2.1 trillion
d) Rs 3.3 trillion
e) Rs 2.8 trillion

**Answer: d)**

The priority sector lending certificates (PSLCs) volume rocketed to Rs. 3.3 trillion in FY19, up from Rs. 1.9 trillion in the last financial year and Rs. 50,000 crore in FY17. PSLCs are used to enable banks to achieve the priority sector lending target and sub-targets by purchasing these instruments in the event of shortfall. Those falling short of targets have the choice to place money with Nabard and Sidbi at low interest.
rates or invest in PSLCs issued by fellow lenders which carry higher coupon.

409) Union Cabinet approved the establishment of a New Greenfield Airport at which of the following city in an estimated cost of Rs. 1405 crore?
   a) Silchar in Cachar, Assam
   b) Khair in Aligarh, Uttar Pradesh
   c) Hirasar in Rajkot, Gujarat
   d) Tezpur in Sonitpur, Assam
   e) None of these
   Answer: c)
   Union Cabinet approved the establishment of a New Greenfield Airport at Hirasar in Rajkot, Gujarat at an estimated cost of Rs. 1405 crore. Rajkot is the fourth largest city of Gujarat and existing airport of Rajkot is severely land constrained having only 236 acres of land. Therefore the decision to develop new airport was taken by cabinet.

410) Which among the following bank launches paperless account facility for NRIs?
   a) Corporation Bank
   b) Syndicate Bank
   c) Bank of Baroda
   d) IDBI Bank
   e) UCO Bank
   Answer: d)
   The Non-Resident Indians (NRIs) living in nearly 40 countries will now be able to open account in IDBI Bank without submitting paper documents. IDBI Bank has launched 'NRI-Insta-Online' account opening process for NRIs residing in Financial Action Task Force (FATF) member countries. The person will not be required to furnish physical documents as well as KYC proofs for opening an account with the bank.

411) The Reserve Bank of India (RBI) has fined Rs 2 Crore, recently (March 2019), on which of the following bank for violating the regulatory directions regarding SWIFT operations?
   a) Canara Bank
   b) Indian Overseas Bank
   c) HDFC bank
   d) Union Bank of India (UBI)
   e) Punjab National Bank (PNB)
   Answer: e)
   RBI has slapped Rs 2 Crore on Punjab National Bank (PNB) for non-compliance of regulatory directions with regard to SWIFT operations. SWIFT stands for the “Society for Worldwide Interbank Financial Telecommunications”. It is a messaging network that financial institutions use to securely transmit information and instructions through a standardized system of codes. SWIFT assigns each financial institution a unique code that has 8 characters or 11 characters.

412) What is the minimum size of issue and denominations of Certificates of Deposits (CD)?
   a) Rs. 25000
   b) Rs. 50000
   c) Rs. 1 lakh
   d) Rs. 5 lakhs
   e) Rs. 10 lakhs
   Answer: c)
   Minimum amount of a Certificates of Deposits should be Rs.1 lakh, i.e., the minimum deposit that could be accepted from a single subscriber should not be less than Rs.1 lakh and in multiples of Rs. 1 lakh thereafter.

413) The injection of money into a business or organization that is about to collapse is called _____.
   a) Balloon Loan
   b) Bailout
   c) Banque d’affaires
   d) Banker Trojan
   e) Bank Levy
   Answer: b)
   A bailout is the act of a business, an individual or a government providing money and resources to a failing
company. These actions help to prevent the consequences of that business's potential downfall which may include bankruptcy and default on its financial obligations. Bailouts can be in the form of loans, bonds, stocks or cash.

414) SBI has recently linked interest rate applicable on savings account and short-term loans directly with which of the following rate?

a) CRR  

b) Repo rate  

c) SLR  

d) Reverse repo rate  

e) MSF

Answer: B)

SBI has linked interest rate applicable on savings account deposits over Rs. 1 lakh and short-term loans directly with Reserve Bank of India (RBI) repo rate from 1 May, 2019 with an aim to ensure faster monetary transmission. Interest rate will now change automatically every time the regulator (RBI) hikes or lowers its repo rate.

415) What does ‘B’ stands for in FRBMA?

a) Banking  

b) Budget  

c) Balance  

d) Bankrupt  

e) Bill

Answer: b)

The Fiscal Responsibility and Budget Management Act, 2003 (FRBMA) is an Act of the Parliament of India to institutionalize financial discipline, reduce India's fiscal deficit, improve macroeconomic management and the overall management of the public funds by moving towards a balanced budget and strengthen fiscal prudence.

416) “Amber Box” is an important term used in international economy associated with which organization?

a) World Bank  

b) International Monetary Fund  

c) Asian Development Bank  

d) New Development Bank  

e) World Trade Organisation

Answer: e)

In World Trade Organisation terminology, subsidies in agriculture and agricultural produce are identified by “Boxes”. The three boxes are; Amber, Blue and Green boxes. Amber box contains aid to be avoided and reduced by countries.

417) ‘IFSC’ is an 11-digit alpha-numeric code assigned by RBI to identify every bank branch participating in the payment system uniquely. What is the full form of IFSC?

a) Indian Fiscal System Code  

b) Intra-Bank Financial System Code  

c) Indian Fiscal Source Code  

d) International Financial Source Code  

e) Indian Financial System Code

Answer: e)

The Indian Financial System Code (or IFSC) is an 11-digit alpha-numeric code assigned by the Reserve Bank of India to identify every bank branch participating in the payment system uniquely.

418) What do you understand by term ‘Venture Capital’?

a) A short-term capital provided to industries  

b) Funds provided for replacement and renovation of industries  

c) Funds provided to industries at times of incurring losses  

d) A long-term start-up capital provided to new entrepreneurs  

e) None of these

Answer: d)

Venture capital is financing that investors provide to start up companies and small businesses that are believed to have long-term growth potential.

419) ______ is short term international capital movements, motivated by interest rate differential or revaluation hopes/devaluation fears.

a) Cheap Money
b) Dear Money
c) Hot Money
d) Broad Money
e) Narrow Money

Answer: c)
Hot Money is short term international capital movements, motivated by interest rate differential or revaluation hopes/devaluation fears.

420) _____is a temporary finance facility provided to Government of India by RBI to accommodate mismatch in the government's receipts and payments.

a) LAF
b) WMA
c) SLR
d) WACR
e) CRR

Answer: b)
The Reserve Bank of India gives temporary loan facilities to the centre and state governments as a banker to government. This temporary loan facility is called Ways and Means Advances (WMA).

421) A debt which is irrecoverable and is therefore written off as loss in the accounts of an institution or bank is known as _________

a) External debt
b) Good debt
c) Bad debt
d) Internal debt
e) None of these

Answer: c)
The term bad debts usually refers to accounts receivable (or trade accounts receivable) that will not be collected.

422) Which of the following is defined as the difference between current assets and current liabilities?

a) Venture Capital
b) Working Capital
c) Equitable Mortgage
d) Loss Assets
e) Profit and Loss Account

Answer: b)
The capital of a business (working capital) which is used in its day-to-day trading operations, calculated as the current assets minus the current liabilities.

423) Which of the following is an investment strategy in which a fund invests in other types of funds?

a) Bond
b) Securities
c) Stock
d) Funds of Fund
e) None of the given options is true

Answer: d)
Funds of Fund is an investment strategy in which a fund invests in other types of funds.

424) Money Laundering is ___________

a) Conversion of money which is illegally obtained
b) Conversion of money which is legally obtained
c) All converted money
d) All of the above
e) None of the given options is true

Answer: a)
Money laundering is the process of creating the appearance that large amounts of money obtained from serious crimes, such as drug trafficking or terrorist activity (illegally sources) originated from a legitimate source.

425) Fiscal policy is concerned with which of the following?

a) Public revenue and Expenditure
b) Issue of Currency
c) Export Import
d) Population Control
e) Education for all

Answer: a)
Fiscal policy is the policy relating to government revenues from taxes and expenditure on various projects. Monetary
Policy, on the other hand, is mainly concerned with the flow of money in the economy.

426) Under the share swap ratio announced for the proposed merger of Dena, Vijaya with BoB, will enable shareholders of Dena Bank and Vijaya Bank to receive _______ and _______ equity shares respectively of BoB for every 1,000 shares they hold.

a) 110 and 402  
b) 105 and 390  
c) 115 and 425  
d) 101 and 420  
e) 110 and 420

Answer: a)

For every 1,000 equity shares of Vijaya Bank investors will get 402 equity shares of Bank of Baroda. For every 1,000 equity shares of Dena Bank investors will get 110 equity shares of Bank of Baroda.

427) The ‘Krishi Krishak Bandhu’ scheme of the West Bengal government will provide a life insurance cover of how much amount to the families in case of death of a working farmer?

a) Rs. 2 lakh  
b) Rs. 5 lakh  
c) Rs. 1 lakh  
d) Rs. 3 lakh  
e) Rs. 4 lakh

Answer: a)

The state government of West Bengal has announced two initiatives under the ‘Krishi Krishak Bandhu’ scheme to provide financial assistance to the farmers. The first programme will give an annual financial assistance of Rs 5,000 per acre in two installments (Rs 2,500) – one during kharif and another during rabi – for a single crop. Farmers can take the financial assistance at any time. Under the second programme, life insurance cover of Rs. 2 lakh will be given in case of death (irrespective of the cause) of an earning farmer aged between 18 and 60 years.

428) ICICI Bank and Small Business FinCredit have collaborated to provide loan facility of up to _______ to MSMEs

a) Rs. 5 lakh  
b) Rs. 1 crore  
c) Rs. 50 lakh  
d) Rs. 5 crore  
e) Rs. 2 crore

Answer: b)

ICICI Bank and Small Business FinCredit will jointly provide loans worth up to Rs. 1 crore to the small and medium enterprises. It is the first-of-its-kind programme by a bank and an NBFC with the loans of up to Rs 1 crore is for a tenure of 15 years per customer.

429) Which bank has distributed subsidy of more than Rs.1100 crores to more than 51,000 customers under the Government’s flagship scheme PMAY (Prime Minister Housing Scheme)?

a) ICICI Bank  
b) HDFC Bank  
c) Punjab National Bank  
d) State Bank of India  
e) Bank of India

Answer: b)

HDFC Ltd has distributed subsidy of more than Rs.1100 crores to more than 51,000 customers under the Government’s flagship scheme PMAY (Prime Minister Housing Scheme). HDFC has provided loans of over Rs.9,800 crore under PMAY-CLSS (Credit Linked Subsidy Scheme) to customers belonging to EWS (Economically Weaker Section), LIG (Low Income Group) and Middle Income Group (MIG) category.

430) The Reserve Bank of India has initiated steps to set up wide-based digital Public Credit Registry (PCR) to capture loan information of individuals and corporate borrowers. In this regard, RBI has invited expression of
interest from companies having turnover more than ____ in the last three years.

a) Rs. 100 Crore  
b) Rs. 200 Crore  
c) Rs. 300 Crore  
d) Rs. 500 Crore  
e) Rs. 50 Crore

**Answer: a)**

RBI has invited expression of interest (EOI) for developing PSC from companies with turnover of over Rs. 100 crore in last three years. Setting up of PCR assumes significance amidst rising bad loans in financial system. The non-performing assets (NPAs) in Indian banking system is too much.

431) What is the full form of CBLO?

a) Coincidental Bank Lending Option  
b) Collaterised Borrowing and Lending Facility  
c) Call Borrowing and Lending Option  
d) Collateralized borrowing and lending obligation  
e) None of the above

**Answer: d)**

A collateralized borrowing and lending obligation (CBLO) is a money market instrument that represents an obligation between a borrower and a lender as to the terms and conditions of the loan.

432) The government extended the Concessional Financing Scheme (CFS) till _______ to support Indian entities bidding for important infrastructure projects abroad.

a) 2020  
b) 2022  
c) 2023  
d) 2024  
e) 2025

**Answer: c)**

The government extended the Concessional Financing Scheme (CFS) till 2023 to support Indian entities bidding for important infrastructure projects abroad. Under the scheme, the government provides the counter-guarantee and interest equalisation to EXIM bank. Also, the scheme will now cover all Indian entities, compared to the earlier stipulation of minimum 75% Indian shareholding.

433) Under the revamped PradhanMantri Jan-DhanYojana (PMJDY), the accidental insurance cover for new RuPay cardholders has been raised from Rs 1 lakh to ____ for new PMJDY accounts opened after August 28, 2018.

a) Rs.1.5 lakh  
b) Rs.2.00 lakh  
c) Rs.3.00 lakh  
d) Rs.4.00 lakh  
e) Rs.5.00 lakh

**Answer: b)**

Under the revamped PradhanMantri Jan-DhanYojana (PMJDY), the accidental insurance cover for new RuPay cardholders has been raised from Rs 1 lakh to Rs. 2 lakh for new PMJDY accounts opened after August 28, 2018. The overdraft limit for account holders of PradhanMantri Jan DhanYojana has now been doubled to Rs. 10,000 from Rs. 5,000 earlier and there won't be any conditions attached for overdraft up to Rs. 2,000. The age limit for availing overdraft facility has also been revised from 18-60 years to 18-65 years.

434) What does ‘F’ stand for in ‘PMFBY’?

a) Financial  
b) Fiscal  
c) Fund  
d) Fasal  
e) Future

**Answer: d)**

The PradhanMantriFasalBimaYojana (Prime Minister's Crop Insurance Scheme) was launched by Prime Minister of India Narendra Modi on 18 February 2016.
The objective of the scheme is to provide insurance coverage and financial support to the farmers in the event of failure of any of the notified crop as a result of natural calamities, pests & diseases.

It envisages a uniform premium of only 2 per cent to be paid by farmers for Kharif crops, and 1.5 per cent for Rabi crops. The premium for annual commercial and horticultural crops will be 5 per cent.

435) What is the full form of the term LIBOR as used in the financial/banking sectors?
a) Local Indian Bank Offered Rate  
b) London-India Bureau of Regulations  
c) Liberal International Bank Official Ratio  
d) London inter-Bank Offered Rate  
e) None of the above

Answer: d)

LIBOR or ICE LIBOR (previously BBA LIBOR) is a benchmark rate that some of the world’s leading banks charge each other for short-term loans. It stands for Intercontinental Exchange London Interbank Offered Rate and serves as the first step to calculating interest rates on various loans throughout the world. LIBOR is administered by the ICE Benchmark Administration (IBA), and is based on five currencies: U.S. dollar (USD), Euro (EUR), pound sterling (GBP), Japanese yen (JPY) and Swiss franc (CHF), and serves seven different maturities: overnight, one week, and 1, 2, 3, 6 and 12 months.

436) What are index-linked bonds?

a) Bonds whose maturity value is after 15 years.  
b) Bonds in which payment of interest income on the principal is related to a specific price index  
c) Bonds issued by Securities and Exchange Board Of India(SEBI)  
d) Bonds issued at par  
e) Bonds which have Govt. linkage

Answer: b)

An index-linked bond is a bond in which payment of income on the principal is related to a specific price index - often the Consumer Price Index. This feature provides protection to investors by shielding them from changes in the underlying index. The bond's cash flows are adjusted to ensure that the holder of the bond receives a known real rate of return.

437) The Central government and the ____________ have signed 300 million dollar loan agreements for India Energy Efficiency Scale up Programme.

a) World Bank  
b) Asian Development Bank  
c) International Monetary Fund  
d) New Development Bank  
e) Asian Infrastructure Investment Bank

Answer: a)

The Central government and the World Bank have signed 300 million dollar loan agreements for India Energy Efficiency Scale up Programme. They signed 220 million dollar Loan Agreement and an 80 million Guarantee Agreement for the Efficiency Scale-Up Program.

438. The government of India has doubled the monetary limit to ____________ rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.

a) 20 lakh rupees  
b) 30 lakh rupees  
c) 10 lakh rupees  
d) 60 lakh rupees  
e) 50 lakh rupees

Answer: a)

The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions. As per the Finance Ministry, the move is aimed at helping reduce pendency of cases in DRTs.
439. The maximum value of any prepaid payment instrument, where specific limits have not been prescribed, shall not exceed ______
   a) Rs. 25000
   b) Rs. 75000
   c) Rs. 50000
   d) Rs. 100000
   e) None of these
   Answer: c)

   The maximum value of any prepaid payment instrument, where specific limits have not been prescribed, shall not exceed Rs 50,000/-.  

440. The processing charges can be levied by NBFC-Micro Finance Institutions on its customers shall not be more than ______ of gross loan amount.
   a) 1%
   b) 2%
   c) 1.5%
   d) 2.5%
   e) 0.5%
   Answer: a)

   RBI regulated MFIs who takes a registration with RBI and fulfill the accompanying conditions are called NBFC-MFIs or Non-Banking Financial Company-Microfinance Institutions.

   The Processing charges can be levied by NBFC-MFIs shall not be more than 1% of gross loan amount.

441. The maximum value of any prepaid payment instrument, where specific limits have not been prescribed, shall not exceed ______
   a) Rs. 25000
   b) Rs. 75000
   c) Rs. 50000
   d) Rs. 100000
   e) None of these
   Answer: c)

442) Financial Literacy includes the knowledge of making appropriate decisions about personal finance such as ______
   a) Investing
   b) Insurance
   c) Real estate
   d) Tax planning
   e) All of the above
   Answer: e)

   Financial literacy is the education and understanding of various financial areas. This topic focuses on the ability to manage personal finance matters in an efficient manner, and it includes the knowledge of making appropriate decisions about personal finance such as investing, insurance, real estate, paying for college, budgeting, retirement and tax planning.

443) The process by which the central bank of a country controls the supply of money in the economy by exercising its control over interest rates in order to maintain price stability and achieve high economic growth is known as:
   a) Economic Policy
   b) Monetary Policy
   c) Fiscal Policy
   d) Credit Policy
   e) Budgetary Policy
   Answer: b)

   Monetary Policy is the process by which monetary authority of a country, generally a central bank controls the supply of money in the economy by exercising its control over interest rates in order to maintain price stability and achieve high economic growth. In India, the central monetary authority is the Reserve Bank of India (RBI). It so designed as to maintain the price stability in the economy.
444) The International Bank for Reconstruction and Development (IBRD) is an international financial institution that offers loans to-
   a) Multinational Banks
   b) Multinational Financial Institutions
   c) Middle-Income Developing Countries
   d) Non-Government Organizations
   e) None of the given options is true
   **Answer:** c

The International Bank for Reconstruction and Development (IBRD) is an international financial institution that offers loans to middle-income developing countries.

445) __________ a/an electronic trading platform, operated by the Reserve Bank of India, used to facilitate the exchange of government securities and other money market instruments.
   a) Delivery versus Payment (DvP)
   b) Negotiated Dealing System (NDS)
   c) Risk Mitigation
   d) Competition Commission of India (CCI)
   e) None of the given options is true
   **Answer:** b

Till 2002, the Government securities market was mainly a telephone market. Buyers and sellers traded over telephone and submitted physical Subsidiary General Ledger (SGL) transfer forms for transfer of the Government securities and cheques for settlement of the funds to the Reserve Bank of India. These manual operations were inefficient and often resulted in delays. In order to improve efficiency in the market, the Reserve Bank of India took steps to automate the process of trading and settlement of Government securities transactions and the Negotiated Dealing System (NDS) was introduced in February 2002.

446) The government has announced _______ rupee award for states that would complete the household electrification early under the Saubhagya scheme.
   a) 200 crore
   b) 50 crore
   c) 150 crore
   d) 10 crore
   e) 100 crore
   **Answer:** e

The Power Ministry announced Rs 100 crore award for states that would complete the household electrification early under the Saubhagya scheme.

447) The Defence Acquisition Council (DAC) accorded approval for the acquisition of defence equipment worth nearly Rs ___________ crore which includes BrahMos Missiles, and Armoured Recovery Vehicles (ARVs) for Battle Tank Arjun.
   a) Rs 5000 crore
   b) Rs 3000 crore
   c) Rs 7000 crore
   d) Rs 1000 crore
   e) Rs 4000 crore
   **Answer:** b

The Defence Acquisition Council (DAC) accorded approval for the acquisition of defence equipment worth nearly Rs 3000 crore which includes BrahMos Missiles, and Armoured Recovery Vehicles (ARVs) for Battle Tank Arjun. The decision was taken at a meeting chaired by Defence Minister Nirmala Sitharaman.

448) According to Moody’s, Indian economy is expected to grow at ____________ percent in the calendar year 2019 and 2020.
   a) 7.1%
   b) 7.5%
   c) 7.3%
   d) 7.4%
   e) 7.2%
   **Answer:** c

Indian economy is expected to grow at 7.3 per cent in calendar year 2019 and 2020, and the government spending...
announced ahead of elections this year which will support near-term growth.

449) Which of the following is an apex financial institution for housing?

a) AIFI  
b) NHB  
c) DFI  
d) SIDBI  
e) NABARD

Answer: b)  
NHB is an apex financial institution for housing. NHB has been established with an objective to operate as a principal agency to promote housing finance institutions both at local and regional levels.

450) Defence Acquisition Council (DAC) headed by Union Defence Minister NirmalaSitharaman approved the acquisition of defence equipment worth _______ Crore?

a) Rs.3000 Crore  
b) Rs.2700 Crore  
c) Rs.5000 Crore  
d) Rs.1900 Crore  
e) None of these

Answer: b)  
The Defence Acquisition Council (DAC) headed by Union Defence Minister NirmalaSitharaman approved the acquisition of defence equipment at cost of Rs 2700 crores. The following was approved: 3 Cadet Training ships for the Indian Navy to impart basic sea training for officer cadets and women officer trainees. These ships would perform hospital ship duties, providing humanitarian assistance and disaster relief, undertaking search and rescue (SAR) missions and non-combatant evacuation operations.

451) Infrastructure Finance Company (IFC) is a non-banking finance company has a minimum Net Owned Funds of _______.  

a) Rs.100 Crore  
b) Rs.200 Crore  
c) Rs.300 Crore  
d) Rs.400 Crore  
e) Rs.500 Crore

Answer: c)  
IFC is a company which has net owned funds of at least Rs. 300 Crore and has deployed 75% of its total assets in Infrastructure loans is called IFC provided it has credit rating of A or above and has a CRAR of 15%.

452) The most appropriate measure of a country’s economic growth is

a) GDP  
b) NDP  
c) Per capita real income  
d) GNP  
e) None of these

Answer: c)  
Per capita income is the average income of the country. Per capita real income takes inflation into consideration.

453) “CAGR” is a measure of growth over multiple time periods. What “C” denotes in acronym CAGR?

a) Calcaulative  
b) Compound  
c) Co-related  
d) Credit-linked  
e) Cost-linked

Answer: b)  
The Compound Annual Growth Rate (CAGR) is a useful measure of growth over multiple time periods. It can be thought of as the growth rate that gets you from the initial investment value to the ending investment value if you assume that the investment has been compounding over the time period.

454) Which of the following statements are true in regards NBFC?

a) A NBFC can accept demand deposits  
b) A NBFC can issue cheques
c) Credit Guarantee Corporation is available to depositors of NBFCs
d) A NBFC can extend loans and advances
e) None of the above

Answer: d)

NBFC’s lend and make investments and hence their activities are similar to that of banks; however there are a few differences as given below:
i. NBFC cannot accept demand deposits;
ii. NBFCs do not form part of the payment and settlement system and hence cannot issue cheques
iii. Credit Guarantee Corporation is not available to depositors of NBFCs, unlike in case of banks.

455) National income doesn’t include:
a) Income for government expenditure
b) Interest on unproductive national debt
c) The payments by the household to firm the purchase of goods and services
d) Undistributed profit
e) All of the above

Answer: b)
National income doesn’t include interest on unproductive national debt.

456) Bank of Baroda recently signed MoU with ____ firms to develop “Baroda Kisan” to provide solutions for all major agricultural requirements.
a) 2
b) 3
c) 4
d) 5
e) 6

Answer: e)
Bank of Baroda has signed memorandum of understanding (MoU) with six firms namely Skymet Weather Services, Weather Risk Management Services, BigHaat, Agrostar India, EM3 Agri Services and PoortiAgri Services to develop “Baroda Kisan”. It will provide solutions for all major agricultural requirements through its holistic approach. The execution of the platform will be done by IT Centre of Excellence (ITCoE) of Bank of Baroda in partnership with IBM India.

457) As announced in Interim Budget 2019-20, what is target of Fiscal deficit for financial year 2019-20?
a) 3.1% of GDP
b) 3.5% of GDP
c) 3.4% of GDP
d) 4.4% of GDP
e) 2.8% of GDP

Answer: c)
The target of fiscal deficit for 2019-20 is 3.4% of GDP while for next year it is estimated to be 3.1% of GDP.

458) IDBI Bank has been categorized as ‘Private Sector Lender’ by RBI. What percentage of stake has been acquired by Life Insurance Corporation of India (LIC) in the bank recently?
a) 49%
b) 26%
c) 65%
d) 76%
e) 51%

Answer: e)
In March 2019, The Reserve Bank of India categorized IDBI Bank as a Private Sector Bank with effect from January 21, 2019 following Life Insurance Corporation of India (LIC) has acquired 51 per cent of the total paid-up equity share capital of the bank.

459) What percentage of stake has been acquired by Asian Development Bank in micro-financier company ‘Annapurna Finance’ recently?
a) 24%
b) 14%
c) 49%
d) 76%
e) 51%
Answer: b)
In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long-term funds from global lenders and investors.

460) Which state government has launched ‘Pravasi Dividend Pension Scheme’ to provide regular pension to non-resident?
a) Manipur  
b) Uttar Pradesh  
c) Maharashtra  
d) Gujarat  
e) Kerala  
Answer: e)
Kerala state government has launched a ‘Pravasi Dividend Pension Scheme’ to provide regular pension to non-resident Keralites on a one-time payment of Rs.5 Lakhs.

461) According to RBI guidelines, what is the minimum percent of Capital to Risk Assets Ratio (CRAR) that all Regional Rural Banks (RRBs) must maintain? 
a) 5%  
b) 7%  
c) 9%  
d) 11%  
e) 12%  
Answer: c)
According to RBI guidelines, all Regional Rural Banks or RRBs are advised to achieve and maintain a minimum Capital to Risk Assets Ratio (CRAR) of 9%. CRAR is expressed as a percentage of a bank's risk credit exposures and is also known as Capital Adequacy Ratio (CAR). It is the amount of money that a bank must keep with itself in form of cash. It is used by any bank in case of NPA or other financial problem to continue its operation or return the money of depositor. It protects depositor money and promote the stability and efficiency of financial systems.

462) ________ is a situation where the prices go out of control and the monetary authorities are unable to impose any check on it.
a) Creeping inflation  
b) Deflation  
c) Galloping inflation  
d) Hyperinflation  
e) Stagflation  
Answer: d)
Creeping Inflation: This is also known as mild inflation or moderate inflation. This type of inflation occurs when the price level persistently rises over a period at a mild rate. When the rate of inflation is less than 10 per cent annually, or it is a single digit inflation rate, it is moderate inflation.

Deflation is the reverse of inflation. It refers to a sustained decline in the price level of goods and services. It occurs when the annual inflation rate falls below zero percent (a negative inflation rate), resulting in an increase in the real value of money.

If mild inflation is not checked and if it is uncontrollable, it may assume the character of galloping inflation. Inflation in the double or triple digit range of 20, 100 or 200 percent a year is called galloping inflation.

Hyperinflation occurs when the prices go out of control and the monetary authorities are unable to impose any check on it.

463) In NEFT, the maximum amount per transaction is limited to ______ for cash-based remittances within India.  
a) Rs. 25000  
b) Rs. 50000  
c) Rs. 2 Lakh  
d) Rs. 75000  
e) Rs. 1 Lakh  
Answer: b)
National Electronic Funds Transfer (NEFT) is a nation-wide payment system facilitating one-to-one funds transfer. The
maximum amount per transaction is limited to Rs.50,000/- for cash-based remittances within India and also for remittances to Nepal under the Indo-Nepal Remittance Facility Scheme.

464) Bank loans up to a limit of ____ per borrower for building social infrastructure in Tier II to Tier VI centers are eligible for classification under priority sector.
   a) Rs. 10 millions
   b) Rs. 50 millions
   c) Rs. 100 millions
   d) Rs. 25 millions
   e) Rs. 40 millions
   **Answer: b)**

Bank loans up to a limit of Rs. 50 millions per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities (including loans for construction/ refurbishment of toilets and improvement in water facilities in the household) in Tier II to Tier VI centers are eligible for classification under priority sector.

465) Assets which loss has been identified by the bank and remains uncollectable are termed as _______ assets.
   a) Substandard
   b) Standard
   c) Doubtful
   d) Loss
   e) None of the above
   **Answer: d)**

Loss assets are those where loss has been identified by the bank and remains uncollectable

Standard asset for a bank is an asset that is not classified as an NPA.

NPA is a loan or advance for which the principal or interest payment remains overdue for a period of 90 days

Sub Standard assets are the assets which have remained NPA for a period less than or equal to 12 months

466) What is the housing loan limit under priority sector lending for metropolitan cities?
   a) Rs. 35 lakhs
   b) Rs. 50 lakhs
   c) Rs. 20 lakhs
   d) Rs. 25 lakhs
   e) Rs. 40 lakhs
   **Answer: a)**

Loans to individuals up to Rs. 35 lakhs in metropolitan centres (with population of ten lakh and above) and loans up to Rs. 25 lakhs in other centres for purchase/construction of a dwelling unit per family, are eligible to be considered as priority sector provided the overall cost of the dwelling unit in the metropolitan centre and at other centres does not exceed Rs. 45 lakhs and Rs. 3 lakhs, respectively. Housing loans to banks’ own employees are not eligible for classification under priority sector.

467) ‘Mi Pay’, a UPI-Based Payments App launched recently by mobile company Xiaomi in India. Which bank is service provider of this application?
   a) Axis Bank
   b) ICICI Bank
   c) IDBI Bank
   d) Kotak Mahindra Bank
   e) HDFC Bank
   **Answer: b)**

In March 2019, Xiaomi launched ‘MiPay’, a UPI (Unified Payments Interface) based mobile payment service in India to send money from one bank account to another or between UPI (Unified Payments Interface) accounts. The service provider of this application is ICICI Bank.

468) What amount of loan agreement was recently signed between the government of India, government of Andhra Pradesh and the World Bank for implementation of the ‘Andhra Pradesh Health Systems Strengthening Project’?
469) Which state has announced a Rs. 2250 crores scheme named as “MukhyaMantriKrishiYojana” to help farmers to double their income by 2022?

a) Jharkhand  
b) Chhattisgarh  
c) Karnataka  
d) Odisha  
e) Jammu & Kashmir  

Answer: a)

In December, 2018, Jharkhand chief minister Raghubar Das announced a Rs. 2250 crores scheme named as “MukhyaMantriKrishiYojana” which will help around 22.76 lakhs medium and marginal farmers to double their income by 2022. The Central Government has set a goal to double the income of all the farmers by 2022.

470) Which multilateral institution has acquired 14% stake in micro-financier Annapurna Finance?

a) International Monetary Fund  
b) Asian Development Bank  
c) World Bank  
d) New Development Bank  
e) None of these  

Answer: b)

In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long-term funds from global lenders and investors.

471) Which among the following determines the ability of any organization to meet the financial losses?

a) Liquidity Ratio  
b) Investment Ratio  
c) Leverage Ratio  
d) Transfer Ratio  
e) None of the above  

Answer: c)

Leverage Ratio is defined as the financial ratio that is used to determine the ability of an organization to meet its financial losses. It is a measure of risk used extensively in the banking and financial industry. This is mainly a measure of the debt load of any organization with respect to its asset base.

472) Banks can borrow up to ________ of their Net Demand and Time Liabilities under the Marginal Standing Facility (MSF) window.

a) 1%  
b) 2%  
c) 0.5%  
d) 1.5%  
e) None of the above  

Answer: a)

The Marginal Standing Facility (MSF) is a window created by the Reserve Bank of India to meet overnight liquidity requirements by banks and approved financial organizations. The organizations can borrow up to 1% of their net demand and time liabilities through this window. The present rate of Marginal Standing Facility is 6.75%.

473) LORO Account is a ________ for one bank who opened the bank.

a) Nostro Account  
b) Vostro Account  
c) NRO Account  
d) NRE Account  
e) LORO Account  

Answer: b)

In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long-term funds from global lenders and investors.
Answer: a)
The LORO Account is a Nostro Account for one bank who opened the bank and Loro Account for another bank who refers first one account. Loro accounts are generally held by a 3rd party bank, other than the account maintaining bank or with whom the account is maintained. Loro Account is a Current Account maintained by one Domestic Bank on behalf of another domestic bank in a foreign bank in foreign currency.

474) The major components of market risk are ________.
a) Interest rate risk, Equity risk, Forex risk, Commodity risk
b) Forex risk, Market risk, Operational risk, Equity risk
c) Financial risk, Operational risk, Commodity risk, Capital risk
d) Interest rate risk, Commodity risk, Capital risk, Forex risk
e) Financial risk, Commodity risk, Capital risk, Equity risk

Answer: a)
The Basel Committee on Banking Supervision defines market risk as the risk of losses in on- or off-balance sheet positions that arise from movement in market prices. The major components of market risk include: interest rate risk, equity risk, forex risk and commodity risk.

475) Which of the following is/are not a small finance bank?
(1) Equitas Bank
(2) Janalakshmi Bank
(3) AU Bank
(4) ESAF Bank
(5) Suryoday Bank
a) Both 1 and 2
b) Only 2, 3 and 4
c) All are Small Finance Banks
d) Only 2, 3, 4 and 5
e) Only 1

Answer: c)

Except for Dhanalaxmi Small Finance Bank, all others are small finance banks. The list of small finance banks in India are given below:
- AU Small Finance Bank
- Capital Small Finance Bank
- Equitas Small Finance Bank
- ESAF Small Finance Bank
- Fincare Small Finance Bank
- Janalakshmi Small Finance Bank
- Suryoday Small Finance Bank
- Ujjivan Small Finance Bank
- Utkarsh Small Finance Bank

476) The Union Cabinet approved ________% hike in Dearness Allowance to central government employees and Dearness Relief to pensioners with effect from January 1, 2019.
a) 1.5
b) 2
c) 2.5
d) 3
e) 3.5

Answer: d)
The Union Cabinet approved 3% hike in Dearness Allowance to central government employees and Dearness Relief to pensioners with effect from January 1, 2019. The combined impact of the hike in dearness allowance and dearness relief will amount to Rs 9,168.12 crore per annum. Dearness allowance is provided as an adjustment to compensate for the increase in the cost of living due to inflation.

477) On which of the following banks did RBI impose a monetary fine of Rs. 4 crore on 4 March 2019?
a) Karnataka Bank
b) United Bank of India
c) KarurVysya Bank
d) Dena Bank
e) Yes Bank

Answer: a)
RBI imposed a total monetary fine of Rs 8 crore on 3 banks - Karnataka Bank, United Bank of India and KarurVysya Bank. Banks were charged for non-compliance of directions on Swift messaging software. Rs 4 crore fine was imposed on Karnataka Bank, United Bank faced a penalty of Rs 3 crore, and Rs 1 crore fine on KarurVysya Bank. Rs 1 crore was also charged on Yes Bank for the same reason.

478) The PradhanMantriShramyogiManvDhanYojana will assure a monthly pension of Rs.________ on retirement for workers in the organised and unorganised sectors who have a monthly income below Rs.15,000.

a) 1,500  
b) 2,000  
c) 2,500  
d) 3,000  
e) 3,500  
Answer: d)

Center has announced its proposal to launch a pension scheme for workers in the organised and unorganised sectors who have a monthly income below Rs. 15,000. The scheme called PradhanMantriShramyogiManvDhanYojana will assure a monthly pension of Rs.3000 on retirement. It is expected to benefit 10 crore workers in the unorganized sector.

479) Which of the following is/are true regarding the North East in the interim budget of 2019?

a) Allocation to be increased by 21% to Rs. 58,166 crore in 2019-20.  
b) Arunachal Pradesh came on the air map recently.  
c) Meghalaya, Tripura and Mizoram came on India’s rail map for the first time.  
d) Container cargo movement through improved navigation capacity of the Brahmaputra.  
e) All are correct  
Answer: e)

All are true regarding the North East in the interim budget of 2019.

480) A loan agreement of what amount was signed between the Union Government, Government of Himachal Pradesh and World Bank, for bringing clean and reliable drinking water to the citizens of Greater Shimla area?

a) $50 million  
b) $40 million  
c) $60 million  
d) $70 million  
e) $80 million  
Answer: b)

A loan agreement of $40 million was signed between the Union Government, Government of Himachal Pradesh and World Bank, for bringing clean and reliable drinking water to the citizens of Greater Shimla area.

481) Certificate of Deposit (CD) is a _____ instrument.

a) Shot term  
b) Long term  
c) Negotiable money market instrument  
d) Unsecured money market  
e) None of these  
Answer: c)

Certificate of Deposit (CD) is a negotiable money market instrument and issued in dematerialised form or as a Usance Promissory Note against funds deposited at a bank or other eligible financial institution for a specified time period.

482) The objective of the Capital market operations is _______
a) To raise funds from the public with the aim to put the investor’s wealth to productive long-term use  
b) To raise the value of a country’s currency  
c) To search for the best price of capital goods  
d) All the above  
e) None of the above  
**Answer: a)**

The Capital market in India mainly operates through its two apex stock exchanges: Bombay Stock Exchange (BSE) and National Stock Exchange (NSE). Its objective is to raise funds from public and put the investor’s wealth to productive long-term use. It is used for long-term credit. In Capital market borrowing and lending of money takes place for more than 1 years.

Composition of Capital Market- It is mainly divided into three categories-

a) Securities Market  
b) Development Financial Institutions  
c) Financial Intermediaries  

483) A segment of the financial market in which financial instruments with high liquidity and very short maturities are traded is known as __________

a) Money market  
b) Stock Market  
c) Derivative market  
d) Equity market  
e) None of these  
**Answer: a)**

A segment of the financial market in which financial instrument with high liquidity and very short maturities are traded. Some of the money market instruments are treasury bill etc.

484) Which of the following is not a function of the Securities and Exchange Board of India (SEBI)?

a) Supervising the working of the stock Exchanges  
b) Underwriting new Capital Issues  
c) Regulating the working of depositories, custodians of securities  
d) Promoting the development of a healthy Capital market  
e) To protect the interests of investors in securities market  
**Answer: b)**

Underwriting new Capital Issues is not a function of the Securities and Exchange Board of India (SEBI). As the name suggests, the main focus of this function of SEBI is to protect the interest of investor and security of their investment. The various functions of SEBI are: To protect the interests of investors in securities market. To promote the development of securities market. To regulate the business in stock exchanges and any other securities markets.

485) The amount to be paid to the holder of a financial obligation at the obligation's maturity is known as __________.

a) Paid-up value  
b) Surrender Value  
c) Maturity value  
d) Sum Assured  
e) None of these  
**Answer: c)**

Maturity value is the amount payable to an investor at the end of a debt instrument's holding period (maturity date). For most bonds, the maturity value is the face amount of the bond. For some certificates of deposit (CD) and other investments, all of the interest is paid at maturity.

486) How much percent of life insurer’s premium income was grown for the year 2019, as per Insurance Regulatory and Development Authority of India (IRDAI)?

a) 15%  
b) 14%  
c) 13%  
d) 11%  
e) None of these  
**Answer: d)**
11 percent of life insurer’s premium income was grown for the year 2019, as per Insurance Regulatory and Development Authority of India (IRDAI)

487) Which among the following infrastructure major has bagged orders worth nearly Rs. 2,360 Crore for rural development projects?
   a) Larsen and Toubro (L&T)
   b) Delhi Land & Finance Limited (DLF)
   c) Tata Group
   d) Jaiprakash Associates Ltd.
   e) Unitech Limited

Answer: a)
The construction arm of infrastructure major Larsen and Toubro (L&T) has bagged orders worth nearly Rs. 2,360 Crore for rural development projects. L&T’s Water and Effluent Treatment and Transportation Infrastructure Business have secured order worth Rs. 1,281 Crore from the Andhra Pradesh Capital Region Development Authority (AP CRDA). Another turnkey order worth Rs. 1,076 Crore has been secured by Water and Effluent Treatment Business from the Madhya Pradesh Jal Nigam Maryadit (MPJNM) for the execution of multi village rural water supply schemes in Jabalpur, Narsinghpur, Seoni and Damoh districts of Madhya Pradesh

488) As per the report by the World Bank, India’s power sector has an efficiency gap that costs the Indian economy about _______ of GDP per year.
   a) 3.2%
   b) 4%
   c) 2.8%
   d) 5%
   e) 6.6%

Answer: b)
According to the report titled 'In the Dark: How Much Do Power Sector Distortions Cost South Asia' by the World Bank, India’s power sector has an efficiency gap that costs the Indian economy about 4% of GDP a year which is equivalent to $86 billion in the fiscal year 2016. The report analyzed the overall societal costs - instead of just the fiscal costs - of subsidies, blackouts and other distortions in the power sector.

489) In February 2019, the Reserve Bank of India has doubled the limit for 'Bulk Deposits' to ________.
   a) Rs. 1 Crore
   b) Rs. 50 Lakh
   c) Rs. 2 Crore
   d) Rs. 3 Crore
   e) Rs. 5 Crore

Answer: c)
Reserve Bank of India has doubled the limit for bulk deposits from Rs.1 Crore to Rs.2 Crore. This would enhance the operational freedom of banks. Commercial banks offer a lower rate of interest on bulk deposits. Banks would maintain their bulk deposit interest rate cards in the core banking system for supervisory review.

490) The Reserve Bank of India will infuse Rs ________ crore into the banking system through Open Market Operations in 2019.
   a) 10,000
   b) 15,000
   c) 20,000
   d) 25,000
   e) 30,000

Answer: d)
The Reserve Bank of India (RBI) will infuse Rs 25,000 crore into the banking system through Open Market Operations (OMO). The RBI will conduct purchase of government securities through multi-security auction using the multiple price method. The decision on OMO is based on review of the evolving liquidity conditions in the banking system.

491) What is the expand form of ‘OTC’?
   a) Opposite Tenure Counter
   b) Over Term Counter
   c) Over Transfer of Cash
d) Opposite Transfer of Cash

Answer: e)

OTC – Over the Counter

The phrase "over-the-counter" can be used to refer to stocks that trade via a dealer network as opposed to on a centralized exchange. It also refers to debt securities and other financial instruments, such as derivatives, which are traded through a dealer network.

492) In Economics, the business of buying trade debts at a discount and making a profit when debt is realized and also taking over a collection of trade debts at agreed prices is termed _____.

a) Forfeiting

b) Factoring

c) Exfoliation

d) Hypothecation

e) None of the above

Answer: b)

Forfeiting: In International Trade when an exporter finds it difficult to realize money from the importer, he sells the right to receive money at a discount to a forfaiteur, who undertakes inherent political and commercial risks to finance the exporter, of course with assumption of a profit in the venture.

Factoring: Business of buying trade debts at a discount and making a profit when debt is realized and also taking over collection of trade debts at agreed prices.

493) In the context of Indian economy, ‘Open market Operations’ refers to ___________.

a) Purchase and sale of Government securities by the Government

b) Purchase and sale of Government securities by the RBI

c) Borrowing by the scheduled commercial banks from RBI

d) Lending by commercial banks to Industries and traders

e) None of the above

Answer: b)

Open Market Operations (OMO): The buying and selling of eligible securities in the money market by RBI for the purpose of curtailing or expanding the volume of credit. By selling securities the RBI can absorb funds, and buying the securities can release funds also into the market. The purpose of OMO is to influence the volume of cash reserves with the commercial banks and thus influence the volume of loans and advances they can make to the industrial and commercial sector.

494) Which agency maintains the Micro Finance Development and Equity Fund in India?

a) SEBI

b) NABARD

c) RBI

d) Ministry of Finance

e) SIDBI

Answer: b)

In the Union budget of 2000-01, creation of Micro Finance Development Fund (MFDF) came into existence. The objective of the MFDF is to facilitate and support the orderly growth of the micro finance sector through diverse modalities for enlarging the flow of financial services to the poor, particularly for women and vulnerable sections of society, consistent with sustainability. Consequently, MFDF with a corpus of Rs.200 crore was established in NABARD.

495) As per Coinage Act 1906, in India, coins can be issued upto the denomination of?

a) Rs. 50

b) Rs. 100

c) Rs. 500

d) Rs. 1000

e) None of these

Answer: d)

The Reserve Bank can also issue notes in the denominations of one thousand rupees, five thousand rupees and ten thousand rupees, or any other denomination that the Central Government may specify. There cannot, though, be notes in
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denominations higher than ten thousand rupees in terms of the current provisions of the Reserve Bank of India Act, 1934. Coins can be issued up to the denomination of Rs.1000.

496) What is the revised interest rate of Employee’s Provident Fund (EPF) for 2018-19?
   a) 8.45%
   b) 8.55%
   c) 8.35%
   d) 8.65%
   e) None of these
   Answer: d)

The Department of Financial Services, a wing of the Ministry of Finance, has approved an Employee’s Provident Fund (EPF) interest rate hike of 10 basis point to 8.65 percent for 2018-19, as decided by the retirement fund body Employee’s Provident Fund Organisation (EPFO). This move will benefit more than 6 crores formal sector workers. Earlier in 2017-18, the interest rate on EPF was 8.55 percent. In February 2019, the EPFO’s apex decision making body, the Central Board of Trustees headed by Labour Minister Santosh Gangwar, had decided to hike the interest rate on EPF to 8.65 percent for 2018-19 from 8.55 percent for 2017-18. This hike was the first increase in the last three years.

497) What is the revised GDP growth of India for the financial year 2019-20, as per India Ratings and Research company?
   a) 7.2%
   b) 7.1%
   c) 7.3%
   d) 7.5%
   e) None of these
   Answer: c)

India’s GDP growth projection for 2019-20 lowered to 7.3 percent by India Ratings and Research, a Fitch Group company, due to below normal monsoon prediction, continued agrarian distress and loss of momentum in industrial output. The earlier projected GDP growth was 7.5 percent. Other reason for lowered growth projection is slow progress on cases referred to the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016. Investment Expenditure Growth which is measured by gross fixed capital formation (GFCF) has also been downgraded to 9.2 percent from the earlier forecast of 10.3 percent for the year 2019-20, is another reason cited for lowering the growth forecast.

498) Name the Cryptocurrency Exchange in India, which has launched the first Indian Platform for Wholesale Cryptocurrency Trading?
   a) Zebpay
   b) Belfrics
   c) BuyUcoin
   d) Coinsecure
   e) None of these
   Answer: c)

BuyUcoin, second oldest Cryptocurrency Exchange in India, has introduced a new and unique platform for wholesale cryptocurrency trading. This platform works on ‘free trading model’ which means it charges zero fee on any trade. This wholesale platform also known as OTC (Over-the-counter) Desk allows users to trade on a large scale with low price fluctuations. This new platform will help to improve the problem of liquidity of cryptocurrency in Indian market. This will also help in quicker transactions, better prices and market stability.

499) Which motif is depicted in the back side of the new Rs.20 denomination note?
   a) Mangalyaan
   b) Ellora caves
   c) Hampi with Chariot
   d) Sanchi Stupa
   e) None of these
   Answer: b)
The Reserve Bank of India (RBI) will issue new Rs 20 denomination banknotes having a base colour of greenish-yellow with size of 63 X 129 mm. The first Rs 20 notes were issued in the Mahatma Gandhi Series in August 2001. The new note will have a motif of Ellora caves on the dorsal side.

500) Reserve Bank of India (RBI) has extended the ombudsman scheme coverage to non-deposit taking Non-banking Financial Companies (NBFCs) having asset size of how much worth?

a) 100 crore  

b) 50 crore  

c) 20 crore  

d) 75 crore  

e) None of these  

Answer: a)

The Reserve Bank of India (RBI) extended the ombudsman scheme coverage to non-deposit taking (NBFCs) Non-banking Financial Companies having asset size of Rs.100 crore or higher. This was notified in the Statement of Developmental and Regulatory Policies under the Monetary Policy Statement. The objective of this was to provide a cost-free and swift complaint-redressal mechanism relating to shortage in the services, concerning loan and other issues by NBFCs under the scheme. The scheme before the extension to some categories of NBFCs was effective for deposit-accepting NBFCs.