

Quiz Date: 18<sup>th</sup> May 2020

Q1. Liquidity ratio is fixed by the Reserve Bank of India under the powers conferred on it by?

- (a) Reserve Bank of India Act, 1934
- (b) Companies Act, 1956
- (c) Banking Regulation Act, 1949
- (d) Special Powers given by the Union Ministry of Finance
- (e) None of the above

Q2. Currency Swap is an instrument to manage?

- (a) Currency risk
- (b) Interest rate risk
- (c) Currency and interest rate risk
- (d) Cash flows in different currency
- (e) None of the above

Q3. What is the full form of FDI?

- (a) Fixed Deposit Interest
- (b) Fixed Deposit Investment
- (c) Foreign Direct Investment
- (d) Future Derivative Investment
- (e) None of the above

Q4. Which of the following committees has given its recommendations on “Financial Inclusion”?

- (a) Rakesh Mohan Committee
- (b) Rangarajan Committee
- (c) Sinha Committee
- (d) All of the above
- (e) None of the above

Q5. A customer wishes to purchase some US dollars in India. He/she should go to?

- (a) Public Debt Division of the RBI only
- (b) American Express Bank only
- (c) RBI or any branch of a bank which is authorized for such business
- (d) Only (b) and (c)
- (e) None of the above

Q6. The “Service are Approach” was an strategy launched to improve which of the following?

- (a) Micro, Small and medium Enterprising
- (b) Unorganized Sector
- (c) Rural Lending
- (d) Urban Industrial Lending

(e) None of the above

Q7. Which among the following is correct full form of CAS in context with banking markets in India?

- (a) Cash Authorization Scheme
- (b) Credit Authorization Scheme
- (c) Credit Access System
- (d) Credit Arrangement System
- (e) None of the above



Q8. Which of the following is NOT the part of the structure of the financial System in India?

- (a) Industrial Finance
- (b) Agricultural Finance
- (c) Government Finance
- (d) Personal Finance
- (e) None of the above

Q9. Grameen Bank and Micro Credit are associated with which person?

- (a) Manmohan Singh
- (b) Bill Gates
- (c) Md. Yunus
- (d) Aung San Su Ki
- (e) None of the above

Q10. In India national income is estimated by?

- (a) Finance Commission
- (b) Central Statistical Organisation
- (c) Planning Commission
- (d) Finance Ministry
- (e) None of the above

Q11. The RBI has given permission for cash withdrawal at “POS terminals”. What is the full form of “POS”?

- (a) Permitted on Sale

- (b) Potential of Service
- (c) Point of Sale
- (d) Permission of Sale
- (e) None of the above

Q12. "Doing Business Report" is prepared by which of the following organizations every year?

- (a) Asian Development Bank (ADB)
- (b) World Bank
- (c) International Monetary Fund (IMF)
- (d) World Trade Organisation (WTO)
- (e) None of the above

Q13. Which of the following is considered as the financial capital of India?

- (a) New Delhi
- (b) Kolkata
- (c) Ahmedabad
- (d) Mumbai
- (e) All of the above

Q14. Many times we see in newspapers that some projects are launched by the government authorities on 'PPP' basis. What is the full form of 'PPP'?

- (a) Preferential Payment Plan
- (b) Public-Private Partnership
- (c) Partial Payment Project
- (d) Popular Private Project
- (e) None of the above

Q15. The Reserve Bank of India has decided to help banks, as a temporary measure, by providing additional liquidity support under LAF. What is the full form LAF?

- (a) Loan Adjustment Fund
- (b) Liquidity Adjustment Facility
- (c) Long Awaited Funds
- (d) Loan Against Funds
- (e) None of the above

### Solutions

S1. Ans.(c)

Sol. Liquidity ratio is fixed by the Reserve Bank of India under the powers conferred on it by Banking Regulation Act, 1949.

S2. Ans.(d)

Sol. Currency Swap is an instrument to manage cash flows in different currency.

S3. Ans.(c)

Sol. A foreign direct investment (FDI) is an investment in the form of a controlling ownership in a business in one country by an entity based in another country.

S4. Ans.(b)

Sol. Rangarajan Committee has given its recommendations on “Financial Inclusion”.

S5. Ans.(c)

Sol. A customer wishes to purchase some US dollars in India. He/she should go to RBI or any branch of a bank which is authorized for such business.

S6. Ans.(c)

Sol. The “Service are Approach” was an strategy launched to improve Rural Lending.

S7. Ans.(b)

Sol. The Credit Authorisation Scheme (CAS) for bank advances was introduced by the Reserve Bank of India in 1965.

S8. Ans.(d)

Sol. Personal Finance is not the part of the structure of the financial System in India.

S9. Ans.(c)

Sol. Md. Yunus has, first and foremost through Grameen Bank, developed micro-credit into an ever more important instrument in the struggle against poverty.

S10. Ans.(b)

Sol. In India the estimates of national income are prepared by central statistical organization (C.S.O).

S11. Ans.(c)

Sol. “POS” is an abbreviation for point of sale, which refers to any place where a transaction can happen, whether it's for a product or service.

S12. Ans.(b)

Sol. “Doing Business Report” is prepared by World Bank.

S13. Ans.(d)

Sol. Mumbai, Maharashtra is considered as the financial capital of India.

S14. Ans.(b)

Sol. Public-private partnership (PPP) is a funding model for a public infrastructure project such as a new telecommunications system, airport or power plant. The public partner is represented by the government at a local, state and/or national level.

S15. Ans.(b)

Sol. A liquidity adjustment facility (LAF) is a tool used in monetary policy, primarily by the Reserve Bank of India (RBI), that allows banks to borrow money through repurchase agreements (repos) or for banks to make loans to the RBI through reverse repo agreements.



**BANKERS**

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