

Quiz Date: 29th June 2020

Q1. The financial assistance of loans of Rs. 10000 by a bank to very a small borrower will be called-?

- (a) Business Finance
- (b) Government Finance
- (c) Micro Finance
- (d) Small Finance
- (e) KYC Finance

Q2. What is an Indian Depository Receipt (IDR)?

- (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

Q3. Many times, we read about future trading in newspapers. What is 'future trading'?

I. It is nothing but a trade between any two stock exchanges, wherein it is decided to purchase the stocks of each other on a fixed price throughout the year.

II. It is an agreement between two parties to buy or sell an underlying asset in the future at a predetermined price.

III. It is an agreement between stock exchanges that they will not trade the stocks of each other under any circumstances in future or for a given period of time.

Select the correct answer using the codes given below

- (a) Only I
- (b) Only II
- (c) Only III
- (d) II and III
- (e) None of the given options is true

Q4. Which of the following cannot be called as a debt instrument as referred in financial transactions?

- (a) Certificate of deposits
- (b) Bonds
- (c) Stocks
- (d) Commercial Papers
- (e) None of the given options is true

Q5. 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 given options is true

Q6. Equity schemes managed strong NAV gains which boost their assets' was a new in some financial newspapers. What is the full form of NAV used as in above headlines?

- (a) Nill Accounting Variation
- (b) Net Accounting Venture
- (c) Net Asset Value
- (d) New Asset Venture
- (e) Normal Asset Venture

Q7. SEBI is a/an-

- (a) Advisory body
- (b) Statutory body
- (c) Constitutional body
- (d) Non-statutory body
- (e) Registered as a society

General Awareness
Based on GA POWER CAPSULE
RBI ASSISTANT MAINS
bankersadda.com
2500 + Questions
Current Affairs | Banking | Static

TEST SERIES
Bilingual
Video Solutions
RBI ASSISTANT MAINS
25 Total Tests | eBooks

RS
247

Q8. Which of the following bodies promoted Securities Trading Corporation of India Limited (STCI) jointly with the public sector banks?

- (a) SEBI
- (b) TRAI
- (c) NABARD
- (d) RBI
- (e) IRDAI

Q9. Commercial paper are issued by-

- (a) Company to a bank
- (b) Banks to companies
- (c) Bank to banks
- (d) Company to its suppliers
- (e) None of the above

Q10. Which of the following can be identified as a demat account?

- (a) Accounts which can have zero balance
- (b) Accounts opened to facilitate repayment of loan
- (c) Accounts in which shares of companies are traded in electronic form
- (d) Accounts maintained by mutual fund companies for investors
- (e) None of the given options is true

Q11. General Insurance Corporation (GIC) of India is a state owned enterprise in India. Where is the head office of GIC?

- (a) Kolkata
- (b) Chennai
- (c) New Delhi
- (d) Mumbai
- (e) Hyderabad

Q12. Life Insurance Corporation of India is an Indian state-owned insurance group and investment company. In which year LIC was founded?

- (a) 1956
- (b) 1952
- (c) 1961
- (d) 1935
- (e) 1955

Q13. General Insurance Corporation (GIC) of India was incorporated on _____ under the Companies Act, 1956 as a private company limited by shares.

- (a) 01st July 1955
- (b) 01st April 1935
- (c) 22nd November 1972
- (d) 12th April 1992
- (e) 12th November 1992

Q14. LIC was formed by an Act of Parliament, viz. LIC Act, 1956, with a capital contribution of Rs. _____ from the Government of India.

- (a) Rs. 10 crore
- (b) Rs. 50 crore
- (c) Rs. 100 crore
- (d) Rs. 1 crore
- (e) Rs. 5 crore

Q15. Who is present Chairman-cum-Managing Director of General Insurance Corporation of India?

- (a) Tajinder Mukherjee

- (b) Devesh Srivastava
- (c) TL Alamelu
- (d) Atul Sahai
- (e) AV Girija Kumar

Solutions

S1. Ans.(c)

Sol. The financial assistance of loans of Rs. 10000 by a bank to very a small borrower will be called Microfinance.

S2. Ans.(c)

Sol. An IDR is an instrument denominated in Indian Rupees in the form of a depository receipt created by a Domestic Depository (custodian of securities registered with the Securities and Exchange Board of India) against the underlying equity shares of issuing company to enable foreign companies to raise funds from the Indian securities Markets.

S3. Ans.(b)

Sol. It is an agreement between two parties – a buyer and a seller – wherein the former agrees to purchase from the latter, a fixed number of shares or an index at a specific time in the future for a pre-determined price.

S4. Ans.(c)

Sol. Debt instruments are assets that require a fixed payment to the holder, usually with interest. Examples of debt instruments include bonds (government or corporate), mortgages, Commercial Paper and Certificate of Deposits.

S5. Ans.(c)

Sol. Arbitrage is basically buying a security in one market and simultaneously selling it in another market at a higher price, profiting from the temporary difference in prices. This is considered risk-free profit for the investor/trader.

S6. Ans.(c)

Sol. Equity schemes managed strong Net Asset Value (NAV) gains which boost their assets' was a new in some financial newspapers.

S7. Ans.(b)

Sol. Securities and Exchange Board of India (SEBI) is the regulator for the securities market in India. It was established in the year 1988 and given statutory powers on 30 January 1992 through the SEBI Act, 1992.

S8. Ans.(d)

Sol. STCI Finance Ltd. (formerly known as Securities Trading Corporation of India Limited), is a systemically important non-deposit taking NBFC registered with Reserve Bank of India. Presently STCI Finance Ltd is classified as a loan NBFC.

S9. Ans.(c)

Sol. Commercial paper is an unsecured form of promissory note that pays a fixed rate of interest. It is typically issued by large banks or corporations to cover short-term receivables and meet short-term financial obligations, such as funding for a new project.

S10. Ans.(c)

Sol. Dematerialized account number is quoted for all transactions to enable electronic settlements of trades to take place. Every shareholder will have a Dematerialized account for the purpose of transacting.

S11. Ans.(d)

Sol. GIC of India is a state owned enterprise in India. The head office of GIC is in Mumbai.

S12. Ans.(a)

Sol. Life Insurance Corporation of India is an Indian state-owned insurance group and investment company headquartered in Mumbai. It was founded in 1956.

S13. Ans.(c)

Sol. General Insurance Corporation of India (GIC) was formed in pursuance of Section 9(1) of GIBNA. It was incorporated on 22 November 1972 under the Companies Act, 1956 as a private company limited by shares. GIC was formed for the purpose of superintending, controlling and carrying on the business of general insurance.

S14. Ans.(e)

Sol. LIC formed by an Act of Parliament, viz. LIC Act, 1956, with a capital contribution of Rs. 5 crore from the Government of India.

S15. Ans.(b)

Sol. Mrs Devesh Srivastava is present Chairman-cum-Managing Director of General Insurance Corporation of India.

