GENERAL AWARENESS

IBPS PO CLERK

1) RBI issued its first paper currency in January 1938. Which of the following denomination was it?

a) 5

b) 10

c) 20

d) 100

e) 1000

2) As per Economic Survey 2019, Working age population is expected to grow by roughly ____________ mn per year during 2031-41.

a) 9.7

b) 8.7

c) 4.2

d) 5.2

e) 5.7

3) Which among the following is/are correct regarding the Money Transfer Service Scheme (MTSS)?

a) No outward remittances are allowed under the MTSS Scheme.

b) The number of transactions allowed under MTSS Scheme in a calendar year is 25.

c) The maximum amount that can be remitted inward under MTSS Scheme is Rs 50000.

d) Both 2 and 3

e) Both 1 and 3

4) Which among the following is/are NOT correct regarding Treasury Bills?

a) T-Bills are high risk money market instruments.

b) T-Bills are issued by central government as well as state governments.

c) T-Bills can be issued for the maximum duration of 180 days.

d) Both 1 and 3

e) All 1, 2 and 3

5) Which of the following refers to a situation where a person or an organization is likely to have a tendency or a willingness to take a high-level risk, even if it's economically unsound.

a) Systematic risk

b) Business risk

c) Capital risk

d) Moral hazard

e) Investment Risk

6) The Basic Statistical Returns Code (BSR) consists of ________.

a) 6 digits

b) 8 digits

c) 10 digits

d) 7 digits

e) 5 digits

7) Which among the following has been authorized by the RBI as the Bharat Bill Payment Central Unit?

a) State Bank of India

b) National Payments Corporation of India

c) National Automated Clearing House

d) Clearing Corporation of India

e) None of the above

8) Which among the following is a type of financial contract the value of which is dependent on the value of the underlying assets?

a) Debentures

b) Bonds

c) Derivatives

d) Equity Share

e) Preference Share

9) What is the minimum amount of loan for which the loan account can be brought under the purview of the SARFAESI Act 2002?

a) Rs 1 lakh

b) Rs 2 lakhs

c) Rs 5 lakhs

d) Rs 50000

e) None of the above

10) The Fiscal Responsibility and Budget Management Act was passed in the year ________.

a) 2001

b) 2000

c) 2003

d) 2005

e) 2004

Answers :

1) Answer: a)

RBI issued its first paper currency note of Rs. 5 in January 1938.It had a portrait of King George VI.

2) Answer: c)

The Economic Survey 2019 said that "Demographic projections show that India's population growth will continue to decline over the next two decades, growing less than 1% during 2021-31 and under 0.5% during 2031-41".

The age distribution, however, implies that India's working-age population will grow by roughly 9.7mn per year during 2021-31 and 4.2mn per year in 2031-41.

The share of India's young — 0-19 years — in its overall population has already started to decline and is projected to drop from as high as 41% in 2011 to 25% by 2041.

On the other hand, the share of the elderly (60 years and above) population will continue to rise steadily, nearly doubling from 8.6% in 2011 to16% by 2041.

3) Answer: e)

The MTSS scheme is used in order to send inward remittances to India from foreign countries. No outward remittance is allowed under the MTSS Scheme. A maximum of Rs 50000 can be remitted inward as per the provisions of this scheme. A maximum of 30 transactions is allowed per the calendar year in this scheme.

4) Answer: e)

The Treasury Bills are issued by RBI on behalf of the Government of India.

The State Governments cannot issue T-Bills in India.

These are zero risk instruments since these have the sovereign guarantee.

There are three types of T-Bills – 91-day, 182-day and 364-day.

5) Answer: d)

Economists describe moral hazard as any situation in which one person makes the decision about how much risk to take, while someone else bears the costs if things go badly. "Too-big-to-fail" is nothing but moral hazard in a sense.

If banks high -level risk leads to higher profit – Bank Benefits

If banks high -level risk leads to bankruptcy – then it will be paid by government

6) Answer: d)

The Basic Statistical Returns (BSR) Code is a 7-digit code that is issued by the RBI to the banks. The banks have to quote the BSR Code in the challans while filing the TDS/TCS returns. The first three digits represent the bank whereas the remaining digits represent the branch.

7) Answer: b)

Bharat Bill Payment System (BBPS) is an integrated bill payment system that will offer interoperable and accessible bill payment service to the customers.

The RBI has authorized the National Payment Corporation of India as the central unit under the BBPS.

The Bharat Bill Payments Operating Units will function in the ground level under the Bharat Bill Payment System.

NPCI name itself makes it clear that it is the payment unit.

8) Answer: c)

The derivative is a kind of financial contract in which the value of the security depends on the value of the underlying asset. Derivative by itself does not have any value. Debentures are the debt securities by which companies raise money from the market same as the bonds. Bonds are unsecured whereas debentures are secured debt instruments. Equity Shares are part ownership rights of a company whereas preference shares are hybrid instruments having both debt and equity instrument characteristics.

9) Answer: a)

The SARFAESI Act 2002 was enacted in India in order to enable the banks and financial organizations to auction the mortgaged properties.

For any loan to come under the purview of this act, the loan amount should be more than Rs 1 lakh.

It does not apply to unsecured loans and also in cases where the remaining loan amount is below 20% of the original loan amount.

The first ever asset reconstruction company, ARCIL was set up under the provisions of SARFAESI Act 2002.

The Securitisation and Reconstruction of Financial Assets and Enforcement of Securities Interest Act, 2002 (also known as the SARFAESI Act).

10) Answer: c)

The FRBM Act was passed in the year 2003 in order to enforce fiscal discipline in the country.

It aimed at institutionalizing financial discipline, controlling fiscal deficit, improvement of public debt management in the country.

The review panel for FRBM Act 2003 was headed by NK Singh based on the recommendations of which amendments to FRBM Act 2003 were passed in the parliament.