GENERAL AWARENESS

IBPS PO CLERK

1) QIP is a basically capital raising tool introduced by 'Security and Exchange Board of India (SEBI)'. 'I' in 'QIP' stands for _________.

a) Investor

b) Institutional

c) Infrastructure

d) Indicator

e) Inflationary

2) Commercial Papers can be issued by a corporate company with tangible net-worth not less than ___________.

a) Rs. 4 crores

b) Rs. 1 crore

c) Rs. 25 crores

d) Rs, 25 lakhs

e) Rs. 7 crores

3) SNA is the internationally agreed standard set of recommendations on how to compile measures of economic activity. 'S' in 'SNA' stands for _________.

a) Standard

b) Statutory

c) Set

d) Secondary

e) System

4) Which of the following is correct about 'Sovereign Gold Scheme'?

a) There is no possibility of 'Capital loss' at any period.

b) Investor can lose units of gold which he has paid for.

c) Joint holding is allowed in this scheme.

d) 1 and 2

e) 2 and 3

5) 'Card Validation Data(CVD)' is a ________digit number printed on the back of the RuPay card.

a) 10

b) 12

c) 7

d) 3

e) 5

6) _____________ is a share given to the existing shareholders without any charge.

a) Future Share

b) Sweat Share

c) Scrip Share

d) Take share

e) Slow share

7) 'Money Multiplier' is the ratio of __________.

a) M2 to M1

b) M3 to M0

c) M1 to M0

d) M3 to M2

e) M2 to M0

8) Maximum amount of Professional Tax that can be levied by any State per year is _______.

a) Rs. 7500

b) Rs. 2500

c) Rs. 5000

d) Rs. 10000

e) Rs. 1000

9) LRM is an effective tool for constantly evaluating the quality of loan book. 'R' in 'LRM' stands for _________.

a) Risk

b) Result

c) Real

d) Review

e) Rating

10) NTRP is a one-stop window to citizens / corporates/other users for making online payment. What does "R" stand for in NTRP?

a) Revenue

b) Redressal

c) Receipt

d) Reserve

e) Registered

Answers:

1) Answer: B

'Qualified institutional placement (QIP)' is a capital-raising tool, primarily used in India and other parts of southern Asia, whereby a listed company can issue equity shares, fully and partly convertible debentures, or any securities other than warrants which are convertible to equity shares to a qualified institutional buyer (QIB).

The 'Securities and Exchange Board of India (SEBI)' introduced the QIP process through a circular issued on May 8, 2006 to prevent listed companies in India from developing an excessive dependence on foreign capital.

2) Answer: A

Commercial Paper (CP) is a note in evidence of the debt obligation of the issuer. It is thus an unsecured promissory note privately placed with investors at a discount rate to face value determined by market forces.

A company shall be eligible to issue CP provided,

The minimum maturity period of a commercial paper is 7 days.
The tangible net worth of the company is not less than Rs. 4 crores.
The working capital (fund-based) limit of the company from the banking system is not less than Rs.4 crores.
The borrowable account of the company is classified as a Standard Asset by the financing bank/s.
3) Answer: E

The 'System of National Accounts (SNA)' is the internationally agreed standard set of recommendations on how to compile measures of economic activity.
The SNA describes a coherent, consistent and integrated set of macroeconomic accounts in the context of a set of internationally agreed concepts, definitions, classifications and accounting rules.
4) Answer: C

'Sovereign Gold Bonds (SGBs)' are government securities denominated in grams of gold. They are substitutes for holding physical gold.
Investors have to pay the issue price in cash and the bonds will be redeemed in cash on maturity.
The Bond is issued by Reserve Bank on behalf of Government of India.
There may be a risk of capital loss if the market price of gold declines.
However, the investor does not lose in terms of the units of gold which he has paid for.
Joint holding is allowed.

5) Answer: D

'Card Validation Data (CVD)' is a three-digit number printed on the back of the RuPay card same as 'Card Verification Value (CVV)' as referred to by other international schemes.

6) Answer: C

'Scrip Share' is a share given to the existing shareholders without any charge. It is also known as 'Bonus share'.
'Sweat Share' is a share given to the employees of the company without any charge.
7) Answer: B

'Money Multiplier' is the ratio of Broad money (M3) divided by Reserve Money (M0).
In a monetary framework, the three factors that are related to nominal income are reserve money, money multiplier and the velocity of circulation of money.
The factor linking the additional reserves to additional money supply is the money multiplier.
The value of the money multiplier depends on two behavioural variables: the currency-deposit ratio and the reserves-deposit ratio.
8) Answer: B

Profession tax is the tax levied and collected by the state governments in India.
A person earning an income from salary or anyone practicing a profession such as chartered accountant, company secretary, lawyer, doctor etc. are required to pay this professional tax.
Different states have different rates and methods of collection. However, not all states impose this tax.
Profession tax is levied by particular Municipal Corporations and majority of the Indian states impose this duty.
It is a source of revenue for the government.
The maximum amount payable per year is INR 2,500 and in line with tax payer' s salary.
It is also payable by members of staff employed in private companies.
9) Answer: D

'Loan Review Mechanism (LRM)' is an effective tool for constantly evaluating the quality of loan book and to bring about qualitative improvements in credit administration.
Banks should put in place proper Loan Review Mechanism for large value accounts with responsibilities assigned in various areas such as, evaluating the effectiveness of

loan administration, maintaining the integrity of credit grading process, assessing the loan loss provision, portfolio quality, etc.

10) Answer: C

NTRP stands for Non-Tax Receipt Portal. The Non-Tax Receipt Portal (NTRP) of the Government of India provides a one-stop window to the public for making online payment of non-tax dues payable to the government.