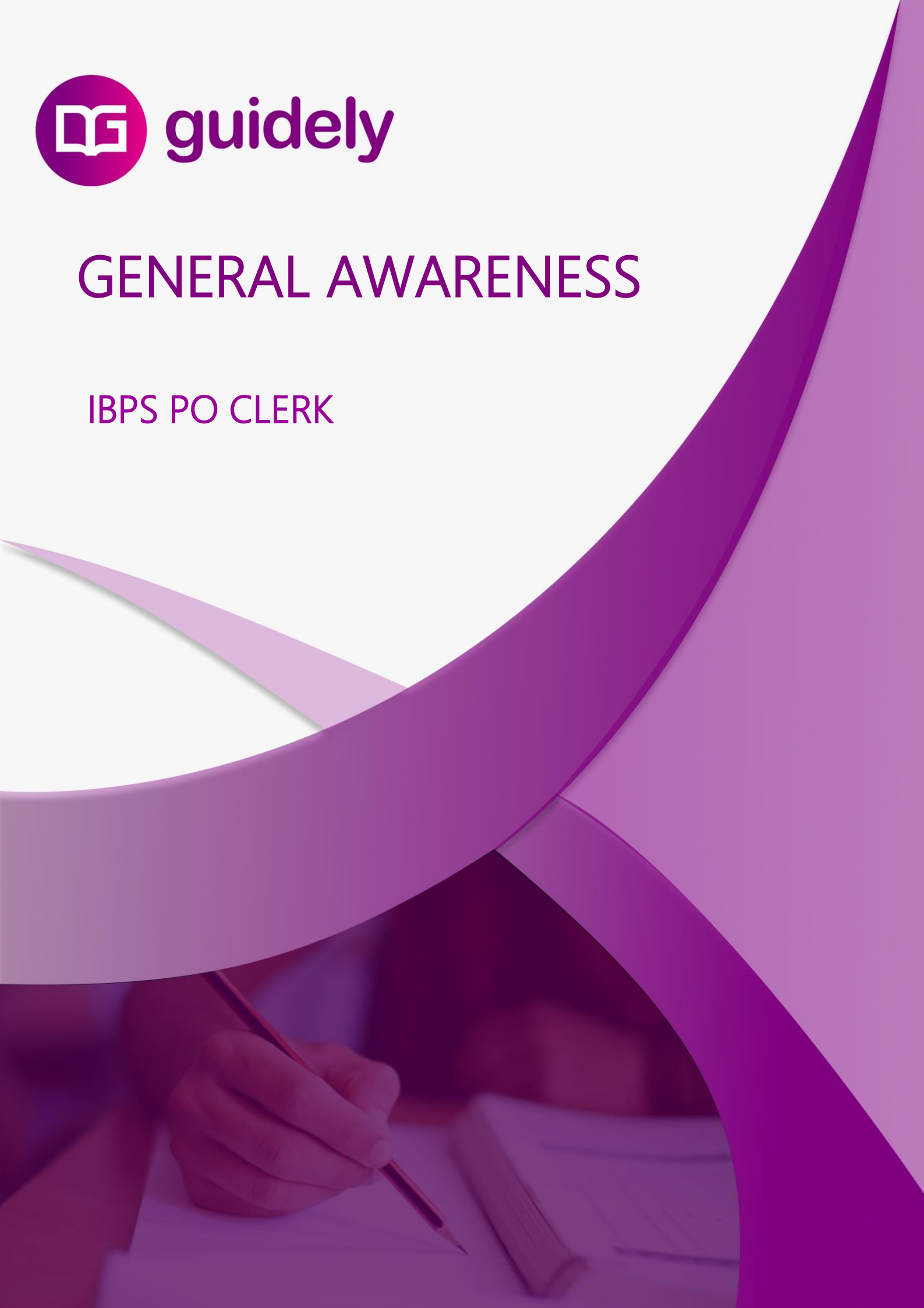




GENERAL AWARENESS

IBPS PO CLERK



- 1) RBI has discontinued LOUs issued by banks in India. What does 'U' stand for?
 - a) Understanding
 - b) Undertaking
 - c) Underwritten
 - d) Understandable
 - e) Under-inspection

- 2) Which of the following is/are included while calculating GDP?
 - a) Final goods and services sold for money
 - b) Transfer payments
 - c) Sales of used goods
 - d) Non-monetary compensated work
 - e) All of these

- 3) What is the estimated (projected) fiscal deficit for 2020-21 as a percentage of GDP?
 - a) 2.5%
 - b) 2.8%
 - c) 3.8%
 - d) 3.0%
 - e) 3.5%

- 4) Small Finance Banks are licensed under _____ of Banking Regulation Act, 1949.
 - a) Section 2
 - b) Section 10

- c) Section 9
 - d) Section 22
 - e) Section 25
- 5) What is the applicable limit for social infrastructure loans under priority sector?
- a) Rs 5 crore
 - b) Rs 10 crore
 - c) Rs 20 crore
 - d) Rs 12 crore
 - e) Rs 8 crore
- 6) Which bank launched the digital fixed-deposit product called 'Express FD' in India?
- a) Yes Bank
 - b) ICICI Bank
 - c) Standard Chartered Bank
 - d) Axis Bank
 - e) HDFC Bank
- 7) Which state government launched "Abhinandan scheme" to give a Rs. 50,000 subsidy to education loans?
- a) Arunachal Pradesh
 - b) Sikkim
 - c) Assam
 - d) Nagaland
 - e) Manipur

8) Reserve Bank of India recently mandated non-banking financial companies (NBFCs) with assets of more than ₹5,000 crore to appoint a CRO. What is 'R' in CRO?

- a) Reporting
- b) Representative
- c) Reinstate
- d) Recall
- e) Risk

9) Which among the following statement is not true regarding RBI (Reserve Bank Of India)?

- a) RBI was originally setup as a private entity in 1935, but it was nationalized in 1949
- b) RBI is governed by a central board of directors, appointed by the government
- c) RBI manages all foreign exchanges under Foreign Exchange Management Act of 1999
- d) RBI issues notes of every denomination except one rupee note and coins
- e) In 1956 RBI replaced minimum reserve system by proportional reserve system

10) "AePS" is a bank-led model for transactions at micro-ATMs. Here, A stands for _____

- a) Actual
- b) Arbitrary
- c) Approved
- d) Aadhar
- e) Association

Answers :

1) Answer: B

Letter of Undertaking (LOU) are instruments under which a bank allowed its customer to raise money from another Indian bank's foreign branch in the form of a short term credit.

The LOU served the purpose of a bank guarantee for a bank's customer for making payment to its offshore suppliers in the foreign currency.

Following the highlight of banking scams last year, they were discontinued since May 2018.

2) Answer: A

Final goods and services sold for money i.e. Only sales of final goods are counted, while calculating GDP because the transaction concerning a good used to make the final good.

3) Answer: D

Fiscal deficit is an indicator of borrowings by the government for financing its expenditures. The projected fiscal deficit for 2020-21 as a percentage of GDP is 3.0 %.

Revenue deficit is the excess of revenue expenditure over revenue receipts. Such a deficit implies the government's need to borrow funds to meet expenses which may not provide future returns. The estimated revenue deficit for 2019-20 is 2.3% of GDP. Primary deficit is the difference between the fiscal deficit and interest payments. The estimated primary deficit for 2019-20 is 0.2% of GDP.

FRBM targets for deficits (as % of GDP)

Sources: Medium Term Fiscal Policy Statement, Union Budget 2019-20; PRS.

4) Answer: D

Small Finance Banks are licensed under Section 22 of the Banking Regulation Act, 1949 and are governed by the provisions of RBI Act, 1934.

These are niche banking units whose clients include small business units, small farmers, MSMEs and various other unorganised sectors.

In 2014, RBI issued guidelines for setting up SFBs in the country.

5) Answer: A

Bank can offer loans up to a limit of Rs 5 crore per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities.

Total target for scheduled commercial banks regarding priority sector lending is 40 per cent of Adjusted Net Bank Credit of the bank's balance sheet.

6) Answer: D

Axis Bank announced the launch of a digital fixed-deposit product called 'Express FD'. Customer can open an Express FD account in three minutes through the digital mode without opening a savings account with the bank. Express FD offers attractive interest rates & zero issuance fees. Amitabh Chaudhry is the managing director and chief executive officer of Axis Bank. Axis bank headquarters is in Mumbai. 'Badhti ka naam zindagi' is the bank tagline.

7) Answer: C)

Assam launched Abhinandan scheme to give Rs. 50,000 as subsidy to people and students who have taken out education loans previously and or will choose to take it in the years to come. This has been done to encourage students to pursue higher education. The education loan should be of a minimum of INR 1 lakh and should have been sanctioned before March 31, 2019. State also launched Aponar Apon Ghar Scheme for home loan subsidy.

8) Answer: E

The Reserve Bank of India told non-banking finance companies with assets size of over Rs 5000 crore to appoint a chief risk officer to improve standards of their risk management.

As per RBI notification, Boards of NBFCs should strive to follow best practices in risk management. The CRO is required to function independently so as to ensure highest standards of risk management.

The CRO shall be a senior official in the hierarchy of an NBFC and shall have professional qualification/ experience in the area of risk management.

9) Answer: E

In 1956 RBI replaced proportional reserve system by minimum reserve system. Under minimum reserve system RBI is required to hold at least Rs 115 Crores worth of gold as backing against the currency issued.

10) 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.

