



GENERAL AWARENESS

IBPS PO CLERK



1) Read the following sentences carefully:

1. SBI has issued draft guidelines on liquidity management for the NBFCs and proposed a liquidity coverage ratio for large NBFCs.
2. It covers all deposit taking NBFCs and non-deposit taking NBFCs with an asset size of ₹5,000 crore and above.
3. Company fixed deposits (FDs), unlike bank FDs, don't come with insurance.

Which of the above sentences is/are correct?

- a) Only 1
- b) Only 1 and 3
- c) Only 2 and 3
- d) Only 1 and 2
- e) All are correct

2) Recently, S&P Global Ratings reduced India's growth projection for 2019-20 from 7.1% to _____%.

- a) 6.9
- b) 6.7
- c) 6.5
- d) 6.3
- e) 6.1

3) India's largest lender is hoping to capitalize on the country's shadow banking crisis by building its _____.

- a) Mortgage
- b) Small business loan book
- c) Shares
- d) Both 1 and 2
- e) All are correct

4) The government of India projected an increase of _____ in non-Goods and Services Tax collection in 2022-23.

- a) 25%
- b) 24%
- c) 25.5%
- d) 26.6%
- e) 24.3%

5) Which of the following banks are not removed from Prompt Corrective Action Framework?

- a) Lakshmi Vilas Bank
- b) Allahabad Bank
- c) Corporation Bank
- d) Dhanlaxmi Bank
- e) Bank of Maharashtra

6) Which of the following alongwith Insurance Regulatory and Development Authority of India (IRDAI) set up Regulatory Sandbox for fintech innovations in 2019?

- a) Pension Fund Regulatory and Development Authority
- b) Telecom Regulatory Authority of India
- c) Securities and Exchange Board of India
- d) Association of Mutual Funds in India
- e) NASSCOM

7) Which bank has launched 'Corp SME Suvidha', a product for GST-registered MSMEs?

- a) HDFC Bank

- b) Corporation Bank
- c) Central Bank of India
- d) Axis Bank
- e) Punjab National Bank

8) Which of the following statement is true w.r.t Substandard Asset?

- a) Substandard Asset is the asset which remained as non performing Assets for 3 months.
- b) Substandard Asset is the asset which remained as non performing Assets for 6 months.
- c) Substandard Asset is the asset which remained as non performing Assets for 9 months.
- d) Substandard Asset is the asset which remained as non performing Assets for 12 months.
- e) None of the above

9) Which of the following security is immovable property but remains in possession of the borrower instead of the lender?

- a) Pledge
- b) Hypothecation
- c) Mortgage
- d) Lien
- e) Assignment

10) As per the RBI, bank credit to infrastructure sector grew by 18.5% to ₹ _____ lakh crore as of 2018-19, the highest since 2012-13 fiscal.

- a) 7.55
- b) 8.55
- c) 10.55
- d) 11.55
- e) 14.55

Answers :
1) Answer: C

RBI has issued draft guidelines on liquidity management for the NBFCS and proposed a liquidity coverage ratio for large NBFCS.

It covers all deposit taking NBFCS and non-deposit taking NBFCS with an asset size of ₹5,000 crore and above.

Company fixed deposits (FDs), unlike bank FDs, don't come with insurance.

2) Answer: D

S&P Global Ratings reduced India's growth projection for 2019-20 from 7.1% to 6.3%. In the April-June quarter, the economy expanded by just 5%.

Data released by IHS Markit showed the India Manufacturing PMI at 51.4 in September and the lowest since May 2018.

The output of India's eight infrastructure sectors contracting for the first time in more than four years in August at 0.5%.

3) Answer: D

India's shadow lenders have been under pressure since last year. Privately-owned banks are also showing greater caution, providing another opportunity for SBI.

India's largest lender is hoping to capitalize on the country's shadow banking crisis by building its mortgage and small business loan book as the non-banks are forced to pull back.

4) Answer: D

The Centre has projected a sharp increase of 26.6% in non-Goods and Services Tax collection in 2022-23. In the same year, total GST collection is expected to gross Rs 9,80,807 crore, a growth of just 2.3% compared to 12.1% and 12.3% in FY21 and FY22, respectively. The government has estimated to mop up Rs 7.61 lakh crore in GST collection during 2019-20.

5) Answer: A

RBI's Prompt Corrective Action (PCA) Framework is a set of guidelines through which it judges banks if they slip below certain norms on three parameters — capital ratios, asset quality and profitability.

The PCA is an early intervention package or resolution guideline by the RBI when a bank turns weak in terms of the identified indicators. RBI initiated Prompt Corrective Action (PCA) against Lakshmi Vilas Bank recently in October, 2019.

Allahabad Bank and Corporation Bank, from the public sector, and Dhanlaxmi Bank, Bank of India, Bank of Maharashtra and Oriental Bank of Commerce were out of the Reserve Bank of India’s (RBI) prompt and corrective action (PCA) framework in month of February.

6) Answer: C

The Securities and Exchange Board of India (SEBI) and Insurance Regulatory and Development Authority of India (IRDAI) set up Regulatory Sandbox (RS) for fintech innovations.

RS is an infrastructure that helps fintech players live test their products or solutions, before getting the necessary regulatory approvals for a mass launch. It saves start-ups time and cost.

7) Answer: B

Corporation Bank has launched ‘Corp SME Suvidha’, a product for GST-registered MSMEs. The product has been designed as part of the bank’s efforts to provide best products to MSME sector. PV Bharathi is the Managing Director and Chief Executive Officer of the bank

8) Answer: D

Non-Performing Asset (NPA) is a credit facility (i.e. term loan, cash credit, and overdraft, bills purchased and discounted and other loans) where no payment is received even after 90 days, either towards principal or interest.

NPA as defined by the RBI, “if for a period of more than 90 days, the interest or instalment amount is overdue then that loan account can be termed as a Non-Performing Asset.

| Category | Conditions |
|--------------------|--|
| Substandard Assets | Remained NPA for a period not less than or equal to 1 year. |
| Doubtful Assets | Remained in the substandard category beyond 1 year. |
| Loss Assets | Asset considered uncollectible and of little value but not written off wholly by the bank. |

9) Answer: C

A mortgage is used for creating charge against immovable property which includes land, buildings or anything that is attached to the earth or permanently fastened to anything attached to the earth

The best example when a mortgage is created is when someone takes a Housing Loan / Home Loan.

In this case, the house is mortgaged in favour of the bank/financer but remains in possession of the borrower, which he uses for himself or even may give on rent.

10) Answer: C

Bank credit to infrastructure sector grew by 18.5% to ₹10.55 lakh crore as of 2018-19, the highest since 2012-13 fiscal, as per the RBI data. Outstanding bank credit to the sector was ₹8.91 lakh crore as at March 2018. In FY18 and FY17, growth in bank credit to the sector was negative at 1.7% and 6.1%, respectively.

