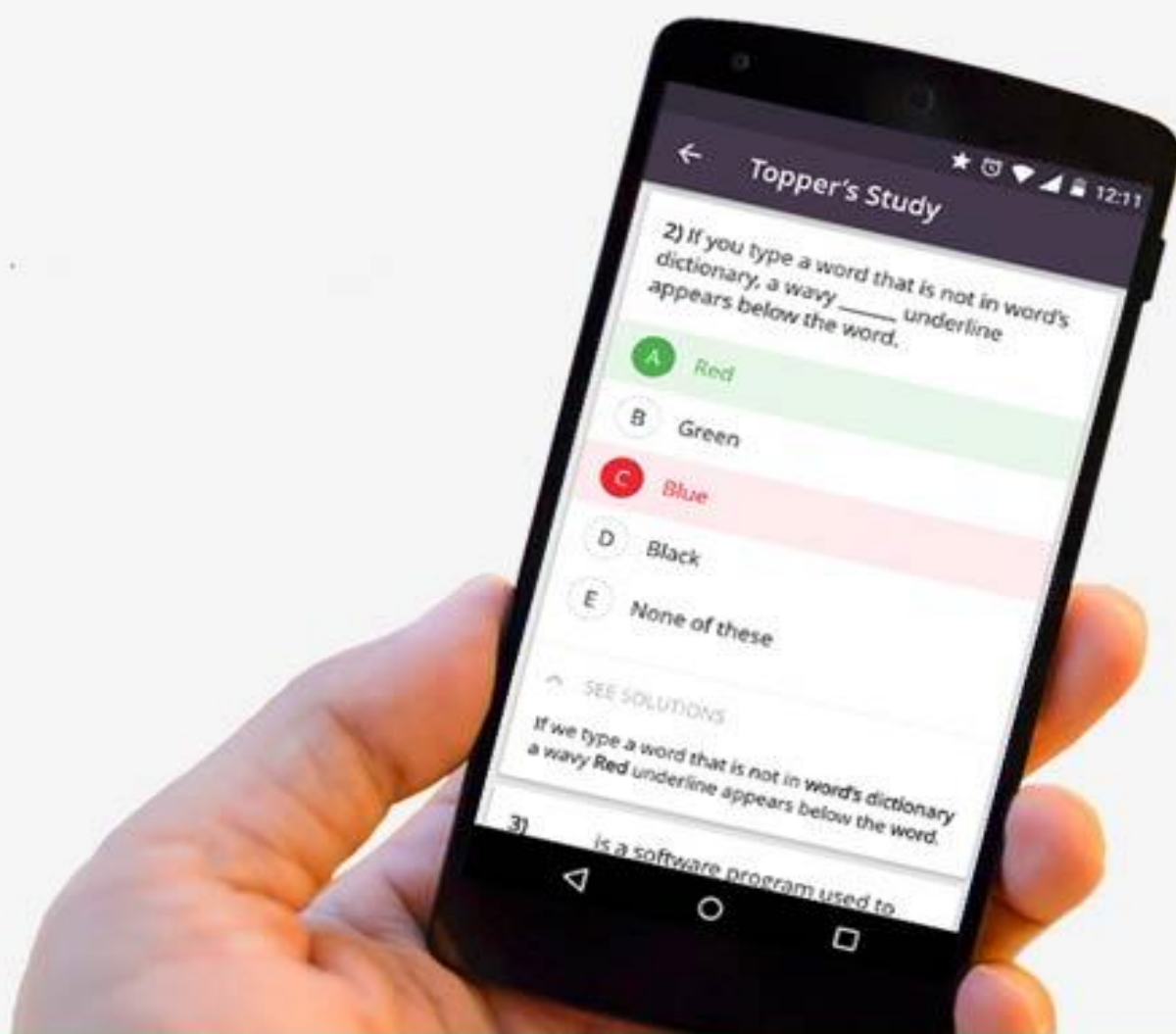




# ONE LINERS

for  
Banking Awareness



## One Liners - Banking Awareness

This One Liners Banking Awareness is a compilation of important & expected Banking Awareness questions which was asked in previous year Bank exams of SBI PO 2014, SBI Clerk 2014, SBI Associate PO 2014, IBPS PO 2014 and IBPS Clerk 2014 and RBI Assistant 2014.

Also we have covered some important & expected questions from **Banking Awareness Quiz** which was posted on **GradeUp blog**. This One Liners Banking Awareness is relevant for Lakshmi Vilas Bank 2016 Exam and for all upcoming Banking exams like – SBI PO 2016 Exam, IBPS PO & IBPS Clerk, RBI Assistant, RBI Grade B 2016 Exam.

**Presented by –  
GradeUp Team**

**RBI Keeps interest rate unchanged** - On 2<sup>nd</sup> February 2016, the Reserve Bank of India in its 6<sup>th</sup> bi – monthly policy review, key policy interest rates were kept unchanged on the basis of an assessment of the current and evolving macroeconomic situation in the country.

### Current Policy & Reserve Rates:

1.Repo Rate	6.75% (unchanged)
2.Reverse Repo	5.75% (unchanged)
3.CRR(Cash Reserve ratio)	4.00% (unchanged)
4.SLR (Statutory Liquidity Ratio)	21.50% (unchanged)
5.MSF (Marginal Standing Facility)	7.75% (changed)
6.Bank Rate	7.75% (changed)

## Important Banking Awareness Questions From Previous year Bank Exams

1. MICR code consists of how many digits?

**Ans: 9 digits.**

(First three digits denotes city, next three digits representing the bank and the last three digits representing the bank branch)

2. What is the minimum limit in RTGS system?

**Ans: 2 lakhs** (there is no upper limit in RTGS)

3. What is full form of CTS?

**Ans: Cheque Truncation System**

4. Under which service, customers may access their bank account and perform basic transactions from any of the member branch offices.

**Ans: Core Banking Solution (CBS)**

5. Exchange of cash flow in different currency is known as: **Ans: Currency Swap**

6. Assets or loans which stop performing after 90 days is known as: **Ans: Non Performing Asset (NPA)**

7. Who controls the Monetary Policy in India?

**Ans: RBI (Reserve Bank of India)**

8. Which card is issued by NPCI (National Payments Corporation of India)?

**Ans: RuPay Card**

9. Definition of Current Account deficit:

**Ans:** A measurement of a country's trade in which the value of goods and services it imports exceeds the value of goods and services it exports.

10. Full form IFSC – **Ans: Indian Financial System Code**

11. Commercial paper can be issued for a maximum period of: **Ans: 365 days or 1 year.**

12. The Mutual funds in India follow accounting standards laid by:

**Ans: SEBI (Securities and Exchange Board of India)**

13. Minimum amount for Certificate of Deposit has been fixed at: **Ans: Rs. 1 Lakh**

14. AML is a term mainly used in the financial and legal industries. Expand the term AML:

**Ans: Anti Money Laundering**

15. PIN is a number allocated to an individual and used to validate electronic transactions. Expand PIN:

**Ans: Personal Identification Number**

16. What is Repo rate?

**Ans:** It is the rate at which RBI lends money to the commercial banks.

17. What is Stale Cheque?

**Ans:** A cheque which is presented to a bank after 3 months from date of issue is considered as stale cheque and will often not be honored for cash or deposit at a bank.

18. What is Bancassurance?

**Ans:** The selling of life assurance and other insurance products and services by banking institutions.

19. The objective of KYC guidelines is to prevent banks from being used, intentionally or unintentionally, by criminal elements for money laundering or terrorist financing activities. What is the full form of KYC?

**Ans:** Know Your Customer (KYC)

20. Know Your Customer (KYC) guidelines are issued under: **Ans:** Section 35A of the **Banking Regulation Act, 1949**

21. In BSBDA (Basic Savings Bank Deposit Account) the credits in a financial year does not exceed rupees:

**Ans: Rs. 1 lakh**

22. In BSBDA (Basic Savings Bank Deposit Account) the balance at any point of time does not exceed rupees:

**Ans: Rs. 50,000**

23. In BSBDA (Basic Savings Bank Deposit Account) the withdrawals and transfers in a month does not exceed rupees: **Ans: Rs. 10,000**

24. At which rate RBI give loans to commercial banks?

**Ans: Repo rate**

25. Full form of CASA:

**Ans:** Current Account Saving Account

26. In what denominations Commercial Paper (CP) can be issued? **Ans: Rs. 5 lakh**

27. What is the minimum denomination of Treasury bills to issue in India? **Ans: Rs. 25,000**

28. Who cannot issue Certificate of Deposit (CD)?

**Ans:** Regional Rural Banks (RRBs) and Local Area Banks (LABs)

29. Expand ASBA:

**Ans: Application Supported by Blocked Amount**

30. Depositor Education and Awareness Fund (DEAF) is maintained with: **Ans: RBI**

31. Cash Reserve Ratio (CRR) is the amount of funds that the banks have to keep with: **Ans: Central Bank (RBI)**

32. What is the maximum amount per transaction NEFT limit for cash-based remittances to Nepal?

**Ans: Rs. 50,000**

33. What does CAR stands for?

**Ans: Capital Adequacy Ratio**

34. IFSC code consists of \_\_\_\_ alpha numeric code.

**Ans: 11 digits**

(The IFSC is an 11 digit alpha numeric code, with the first four digits identifying the bank, fifth is numeric (kept 0) and the last six digits represent the bank branch.)

35. When money is lent or borrowed for one day or on overnight basis it is known as: **Ans: Call Money**

36. When money is lent or borrowed for between 2 days and 14 days it is known as: **Ans: Notice money**

37. When money is lent or borrowed for a period of more than 14 days, it is known as: **Ans: Term money**

38. Treasury Bills and Certificate of Deposit are considered as the \_\_\_\_ instruments.

**Ans: negotiable money market**

39. Commercial Paper (CP) is an unsecured money market instrument issued in the form of a \_\_\_\_.

**Ans: Promissory note.**

40. What is the upper limit in Public Provident Fund (PPF)?

**Ans: Rs. 1.5 lakhs**

41. As per RBI guidelines, with effect from April 1, 2012, the validity period of Cheques, Demand Drafts, Pay Orders and Banker's Cheques is \_\_\_\_.

**Ans: 3 months**

42. What is the time limit for an asset or loan to be declared as Non-Performing Asset? **Ans: 90 days**

43. Deposit Insurance and Credit Guarantee Corporation (DICGC) does not cover:

**Ans: Primary co-operative societies**

44. RBI measure to liquidate the market: **Ans: Repo rate.**

45. Full form of EFT: **Ans: Electronic Fund Transfer**

46. Fastest mode of transaction: **Ans: RTGS**

47. Alphanumeric code on cheque is known as:

**Ans: Indian Financial System Code (IFSC)**

48. Bank pays interest on savings account?

**Ans: Daily Basis**

49. What is the loan limit for education under priority sector for studies abroad? **Ans: Rs. 20 lakh**

(Loans to individuals for educational purposes including vocational courses upto Rs.10 lakh for studies in India and Rs. 20 lakh for studies abroad are included under priority sector.)

50. RuPay Card is an Indian version of credit/debit card is launched by which organization:

**Ans: NPCI (National Payments Corporation of India)**

51. Fixed Deposit (FD) Account may be opened for a minimum period of: **Ans: 7 days**

52. What is the minimum amount required to open a Fixed Deposit (FD)? **Ans: Rs.1000**

53. The Banks has converted all 'no - frills' accounts' into:

**Ans: Basic Savings Bank Deposit Accounts**

54. 'Pradhan Mantri Jan Dhan Yojana' is a Scheme for:  
**Ans: Financial inclusion**
55. How much overdraft facility to be provided in 'Pradhan Mantri Jan Dhan Yojana' scheme?  
**Ans: Rs. 5,000**
56. In CBS, C stands for: **Ans: Core**
57. In CRAR, A stands for:  
**Ans: Assets (Capital to Risk Weighted Assets Ratio)**
58. IMPS - Immediate Payment Service is an interbank electronic instant mobile money transfer service through mobile phones in India, the facility is provided by:  
**Ans: NPCI (National Payment Corporation of India)**
59. The Central Bank of India has adopted new measure of inflation:  
**Ans: Consumer Price Index (CPI)**
60. When a cheque is torn into two or more pieces and presented for payment, such a cheque is called:  
**Ans: mutilated cheque**
61. How much fee charged to file a complaint under Banking Ombudsman?  
**Ans: Banking Ombudsman does not charge any fee**
62. Who is the appellate authority in Banking Ombudsman?  
**Ans Deputy Governor of RBI**
63. If any customer is not satisfied by the decision of Banking Ombudsman, customer can appeal against the award before the appellate authority within how many days from the date of receipt?  
**Ans 30 days**
64. ATMs or Cash Dispensing machine which are owned and operated by Non-Banking Financial Companies are called: **Ans: White Label ATMs.**
65. RBI gave in-principle for Banking license to:  
**Ans: IDFC and Bandhan**
66. Minimum capital requirement for new banks in private sector is: **Ans: Rs. 500 crore**
67. A Non-Banking Financial Company (NBFC) is a company registered under the:  
**Ans: Companies Act, 1956**
68. Minimum capital requirement for Non-Banking Financial Company (NBFC) is: **Ans: Rs. 500 crore**
69. The NBFCs are allowed to accept/renew public deposits for a minimum period of:  
**Ans: 12 months ( and maximum period of 60 months)**
70. A NBFCs cannot offer interest rates higher than the ceiling rate prescribed by RBI? What is the present ceiling?  
**Ans: 12.5 per cent per annum**
71. Minimum capital requirement for Foreign banks that want to set up operations in India is:  
**Ans: Rs. 500 crore**
72. What is the minimum paid-up capital requirement of both small banks and payments banks in India?  
**Ans: Rs. 100 crore**
73. RBI extended the timeline for full implementation of Basel III norms till: **Ans: 31 March 2019**
74. SLR ((Statutory Liquidity Ratio)is the amount a commercial banks needs to maintain in the form of \_\_\_\_\_ before providing credit to its customers.  
**Ans: cash, or gold, or govt. approved securities (Bonds)**
75. \_\_\_\_\_ is the rate at which banks borrow funds overnight from the Reserve Bank of India (RBI) against approved government securities.  
**Ans: Marginal Standing Facility (MSF)**
76. Who issues Treasury bills (T-bills) in India?  
**Ans: Government of India**
77. Treasury bills are available for a minimum amount of:  
**Ans: Rs. 25,000**
78. Minimum & Maximum Limit of NEFT: **Ans: no limit**
79. Full form of CASA –  
**Ans: Current Account Saving Account**
80. Govt. to implement GST (Goods & Services Tax) new indirect tax regime from: **Ans: 1st April 2016**
81. RBI extends deadline for exchanging pre-2005 currency from December 31, 2015 to – **30 June 2016**
82. How much amount RBI allows in 'Tap and pay' transactions without PIN?  
**Ans: Rs. 2000**
83. RBI lifted a ban on carrying Indian bank notes of Rs 1,000 and Rs. 500 denominations to and from:  
**Ans: Nepal and Bhutan**
84. C stands for in "KYC": **Ans: Customer**
85. Pension scheme for unorganized sector:  
**Ans: Swavalamban**
86. Full form of REIT:  
**Ans: Real State Investment Trust**
87. Forward Market Commission merge with: **Ans: SEBI**
88. Purpose of starting Minor account for 10 years children: **Ans: Financial inclusion**
89. Full form of CVV: **Ans: Card Verification Value**
90. Bank of International Settlement headquarter:  
**Ans: Switzerland**
91. Who appoints Banking Ombudsman officer? **Ans: RBI**
92. IFRS full form:  
**Ans: International Financial Reporting Standards**



93. Corporate Social Responsibility committee headed is by

**Ans: Anil Bajjal**

94. Which is the Regulatory body for RRBs?

**Ans: NABARD**

95. RBI policy related to money laundering?

**Ans: Know Your Customer**

96. Mutual funds regulated by:

**Ans: SEBI (Securities and Exchange Board of India)**

97. What is the full form of MTSS?

**Ans: Money Transfer Service scheme**

98. How much amount of money can RBI lend to a bank?

**Ans: 2% of NDTL**

99. What RBI does to Increase its Monetary Base?

**Ans: OMO Open Market Operations**

100. Which rate does RBI Reduces to Increase liquidity in market? **Ans: Repo Rate**

101. After completion of 15 years, Public Provident Fund (PPF) can be extended up to how many years?

**Ans: 5 years**

102. Short term Money lending process is known as:

**Ans: Call Money**

103. Treasury bill tenure:

**Ans: 91 days, 182 days, 364 days**

104. Minimum limit for medium scale enterprises is Rs. 5 Cr. what is maximum limit? **Ans: 10 Cr.**

105. Prime Lending Rate is replaced by: **Ans: Base rate**

106. Banks cannot grant Loan below which rate:

**Ans: Base Rate**

107. If RBI reduces CRR, what happens:

**Ans: Credit Supply increases, loans get cheaper.**

108. Name the scheme to include every people under banking system: **Ans: Financial Inclusion**

109. Special Drawing Right (SDR) is a monetary unit of:

**Ans: IMF**

110. Cheque which is not crossed is called:

**Ans: Open cheque**

111. Teaser rates are related to which type of loans:

**Ans: Home loans**

112. What is Teaser loan?

**Ans: If a bank offers a slightly lower rate in the initial years and higher rate in later years, it is called a teaser loan.**

113. The RBI policy rate which is purely an indicative rate used by RBI to signal long – term outlook on interest rates is: **Ans: Bank rate**

114. The term 'pre – shipment' finance relates to:

**Ans: export credit**

115. A receipt listed in India and traded in rupees declaring ownership of shares of a foreign company:

**Ans: Indian Depository Receipt (IDR)**

116. With effect from July 2012, for calculating of lending rates, the RBI has advised banks to switch over to the:

**Ans: Base Rate systems**

117. Mobile banking fund transfer limit in a day:

**Ans: Rs. 50,000**

118. The seed capital of Bhartiya Mahila Bank is:

**Ans: Rs.1000 crore**

119. "Lender of the Last Resort" by Banks is known as:

**Ans: RBI**

120. "Fixed deposit" is also referred to as: **Ans: Term Deposit**

121. The holidays for the banks are declared as per:

**Ans: Negotiable Instruments Act**

122. In banking business, when the borrowers avail a term Loan, initially they are given a repayment holiday and this is referred as: **Ans: Moratorium**

123. Regulator of Micro, Small and Medium enterprises in India:

**Ans: SIDBI (Small Industries Development Bank of India)**

124. A worldwide financial messaging network which exchanges between banks and financial institutions is known as:

**Ans: Structured Financial Messaging System (SFMS)**

125. The term "Smart Money" refers to:

**Ans: Credits Card**

126. The maximum deposit amount insured by DICGC?

**Ans: Rs. 1 lakh per depositors across all banks**

127. With reference to a cheque which is the 'drawee bank'?

**Ans: The bank upon which the cheque is drawn**

128. In which of the following fund transfer mechanisms, can funds be moved from one bank to another and where the transaction is settled instantly without being bunched with any other transaction?

**Ans: RTGS**

129. Bad advances of a Bank are called:

**Ans: Non – performing Asset**

130. By increasing repo rate, the economy may observe the following effects:

**Ans: rate of interest on loans and advances will be costlier**

131. Increased interest rates, as is existing in the economy at present will:

**Ans: mean higher cost of raw materials**

132. The sole authority to issue and manage currency in India: **Ans: RBI**

133. In India, one- rupee coins are issued by:

**Ans: Govt. of India**

134. Fixed deposits and recurring deposits are:

**Ans: repayable after an agreed period**

135. When a bank returns a cheque unpaid, it is called:

**Ans: dishonour of the cheque**

136. What is 'Demat Accounts'?

**Ans: Accounts in which shares of various companies are traded in electronic form**

137. When the rate of inflation increases:

**Ans: purchasing power of money decreases**

138. Banks in India are regulated under:

**Ans: Banking Regulation Act, 1949**

139. Banking sector falls under which of the following sectors? **Ans: Service Sector**

140. ASBA scheme is related to the purchase of:

**Ans: IPO**

141. In a bank, which of the following are the usual types of accounts?

**Ans: Current accounts, Savings bank accounts and Term deposit accounts**

142. The most powerful tool used by the Reserve Bank of India to control inflation is to:

**Ans: raise interest rates**

143. NEFT and RTGS in banking terminology speak of:

**Ans: electronic fund transfer from bank to bank**

144. The ownership of public sector banks rests:

**Ans: jointly with the Government of India and the shareholders from the public**

145. If a cheque is postdated, the bank on which it is drawn:

**Ans: will not honour the cheque before the date of the cheque**

146. Regulator of Capital Market in India:

**Ans: SEBI**

147. First Indian Bank to introduce credit card:

**Ans: Central Bank of India**

148. RBI nationalized in: **Ans: January 1, 1949**

149. Loans of very small amounts given to low income groups is called: **Ans: Micro Credit**

150. RBI established in: **Ans: April 1, 1935**

## Important & Expected Questions – 2015/16

1. The Government of India re-appointed \_\_\_ as the Deputy Governor of the Reserve Bank of India, for a further period of three years - **Dr. Urjit R. Patel**

2. Which bank will become the India's first Small Finance Bank (SFB) - **Capital Local Area Bank Ltd**

**Note: The Jalandhar-based Capital Local Area Bank Ltd (CLABL) will become the India's first small area finance bank (SFB) by flagging-off its operations on April 13, 2016.**

3. First Indian to be elected as Vice – Chairman in the Bank for International Settlements (BIS) - **RBI Governor Dr Raghuram Rajan**

4. RBI proposed marginal **cost of funds methodology** to calculate – **Base Rate**

5. RBI extends deadline to exchange pre-2005 notes to - **June 30, 2016**

6. MUDRA Bank is a wholly-owned subsidiary of – **SIDBI**

7. As per budget 2015-16, MUDRA Bank is to be set up with refinance **corpus of - Rs 20,000 Crore**

8. Maximum Loan Mudra Bank can grant is – **Rs 10 lakh**

9. The headquarter of Asian Infrastructure Investment Bank (AIIB) is located in - **Beijing, China**

10. First President of AIIB - **Jin Liqun**

11. India elected to new AIIB Bank's First Board - **Dinesh Sharma**

12. Which bank launches FlexiPay Home Loan Scheme for Professionals - **SBI**

13. SBI opens first branch in - **South Korea**

14. SBI Launches First Dedicated Branch For Startups- **InCube**

15. ICICI Bank opens its first branch in - **South Africa**

16. India gets more voting rights in IMF reforms - India's voting rights increased by - **0.3% from the current 2.3% to 2.6%.**

17. Which bank to sell loans to non-customers through ATMs - **HDFC Bank**

18. Which bank commits **\$5 bn** for climate action in India – **Yes Bank**

19. Which among the following bank has launched the "Smart Vault" first of its kind fully automated digital locker facility in India? - **ICICI**

20. "Buddy" is a mobile app which aims at providing convenient and secure digital payment system to its customers, launched by which among the following banks?

**Ans** - India's largest banking **entity State Bank of India** (SBI) launched a Mobile wallet application dubbed as 'SBI Buddy'.

21. First Multi- Currency Contactless Card service launched by – **Axis Bank**

**Note:** Axis Bank has launched the first Contactless Debit, Credit and Multi-Currency Forex Card in association with VISA payWave in the country.

22. Union Government has launched a seven pronged plan called Indradhanush Mission to revamp functioning of - **Public Sector Banks (PSBs)**

**Note:** Union Government has launched a seven pronged plan called Indradhanush Mission to revamp functioning of public sector banks (PSBs). It was launched by Union Finance Minister Arun Jaitley in New Delhi.

23. What is the minimum denomination of Treasury bills to issue in India - **Rs.25,000**

**Note:**

(i) Treasury bills are available for a minimum amount of **Rs.25,000** and in multiples of **Rs. 25,000**.

(ii) At present, the Government of India issues three types of treasury bills through auctions, namely, 91-day, 182-day and 364-day. There are no treasury bills issued by State Governments.

24. In CRAR, A stands for: Assets

**Note: Capital to Risk Weighted Assets Ratio**

CRAR is the acronym for capital to risk weighted assets ratio, a standard metric to measure balance sheet strength of banks.

25. \_\_\_\_\_ is the rate at which banks borrow funds overnight from the Reserve Bank of India (RBI) against approved government securities.

**Marginal Standing Facility (MSF)**

**Note: MSF** is a new scheme announced by the Reserve Bank of India (RBI) in its Monetary Policy (2011-12) and refers to the penal rate at which banks can borrow money from the central bank over and above what is available to them through the LAF window.

26. The availability of cash and other cash-like marketable instruments that are useful in purchases and investments are commonly known as: **Liquidity**

**Note:** The availability of cash and other cash-like marketable instruments that are useful in purchases and investments are commonly known as **Liquidity**.

27. RBI grants "in-principle" approval to Reliance Industries Limited to set up Payments Banks in the country. To which among the following RIL has partnered with for Payment Bank Licence?

**Ans** - **Reliance** partnered with **SBI** (State Bank of India) for Payment Bank Licence. **RIL** will be the **promoter** and SBI will be the **joint venture partner** with equity investment of up to 30%.

28. National Electronic Funds Transfer (NEFT) is a nationwide payment system facilitating one-to-one funds transfer. What is the limit on the amount that could be transferred using NEFT?

**Ans** - There is **no limit** – **either minimum or maximum** – on the amount of funds that could be transferred using **NEFT**.

However, maximum amount per transaction is limited to **Rs.50,000/-** for cash-based remittances within India and also for remittances to **Nepal under the Indo-Nepal Remittance Facility Scheme**.

29. What is the maximum value to be stored in a prepaid card?

**Ans** - As per extant instructions, the **maximum value** that can be stored in any **prepaid card** (issued by banks and authorised non-bank entities) at any point of time is **Rs 50,000/-**

30. Reserve Bank of India (RBI) has constituted a committee to prepare a 5 year action plan to spread the reach of financial services across country to unbanked population. The committee will be headed by \_\_\_\_.

**Ans** - The committee will be headed by **RBI** executive director **Deepak Mohanty**. It will review the existing policy of **financial inclusion**, including customer protection framework and **supportive payment system**.

31. Money lent for one day is called:

**Ans** - 'Call **Money**' is the borrowing or lending of **funds for 1day**.

**Note:** Where money is **borrowed** or lend for period between **2 days and 14 days** it is known as '**Notice Money**'. And '**Term Money**' refers to borrowing/lending of funds for **period exceeding 14 days**.

32. Treasury bills or T-bills, which are money market instruments, are short term debt instruments issued by \_\_\_\_.

**Ans** - **Treasury bills or T-bills**, which are **money market instruments**, issued by the **Government of India** and are presently issued in three tenors, namely, **91 day, 182 day and 364 day**. Treasury bills are **zero coupon securities** and pay **no interest**.

33. India's first International Financial Services Centre opened at – **Gujarat**

**Note: India's first** International Financial Services Centre set up in **Gujarat** International Finance Tec-City (GIFT).

34. A Reserve Bank of India (RBI) committee has recommended conversion of Urban Cooperative Banks (UCBs) with business size of 20,000 crore rupees or more into regular banks. This recommendation was given by the High Powered Committee on UCBs headed by - **RBI Deputy Governor R Gandhi**.

35. The Public Provident Fund is savings-cum-tax-saving instrument in India, introduced by the National Savings Institute of the Ministry of Finance in 1968. What is the minimum amount to be invested in PPF account?

**Ans** - The minimum investment of **Rs. 500** and the maximum amount is **Rs. 1.5 lakh** per annum. **RATE OF INTEREST** - 8.70%

36. The transitional period for full implementation of Basel III Capital Regulations in India is extended upto - **March 31, 2019**

37. RBI has increased the limit for foreign exchange (FOREX) remittances under Liberalised Remittance Scheme (LRS) from \$125,000 to \_\_\_\_ per person per year.

**Ans** - **\$250,000 (Rs. 1.5 crore)** per person per year.

38. According to the guidelines released by RBI, a Payments banks can open small savings accounts and accept deposits of up to \_\_\_\_ **Rs.1 lakh per individual** customer.

39. Which bank has launched "Saras-Rural Housing Loan" scheme for weaker sections of society?

**Ans** - ICICI Bank

40. What is the minimum capital requirement for New Banks in the Private Sector - **Rs. 500 crore**

41. Many times we read a term 'ECB' in financial newspapers. What is the full form of ECB?

**Ans** - **External Commercial Borrowing**

**Note:** An external commercial borrowing (ECB) is an instrument used in India to facilitate the access to foreign money by Indian corporations and PSUs (public sector undertakings).

42. Which among the following banks had launched 'Dhanchayat', an educational film to raise awareness on the dangers of borrowing money from unorganised sources?

**Ans** - **HDFC Bank Ltd.**

43. Which among the following has launched a Smart Humsafar Plan, a unique plan which offers multiple benefits of savings and insurance cover for husband and wife under a single policy?

**Ans** - Private insurer **SBI Life Insurance**

44. What is the maximum monthly pension for the subscribers under Atal Pension Yojana?

**Ans** - **Rs 5000**

**Note:** The Atal Pension Yojana (APY) is open to all Indians between the **age of 18 and 40**. Under the scheme, the minimum monthly pension for the subscribers ranging between **Rs 1000 and Rs 5000 per month**.

45. What is the minimum amount to be invested under Sukanya Samriddhi Scheme?

**Ans** - **Rs. 1000**

**Note:** **Rs. 1000 is the minimum** and Rs. 1.5 lakh is the maximum amount to be invested under Sukanya Samriddhi Scheme.

46. Under Pradhan Mantri Jan-Dhan Yojana (PMJDY), the accidental insurance cover of \_\_\_\_ will be provided to all the beneficiaries.

**Ans** - **Rs.1.00 lac**

**Note:** **Under Pradhan Mantri Jan-Dhan Yojana (PMJDY)**, the accidental insurance cover of **Rs. 1 lakh** will be provided to all the beneficiaries. **Life insurance** cover of **Rs.30,000**.

47. The Reserve Bank of India advised banks to make the Know Your Customer (KYC) procedures mandatory while opening and operating the accounts. RBI has issued the KYC guidelines under Section 35 (A) of the \_\_\_\_ **Banking Regulation Act, 1949**

48. At which rate the RBI lends money to a public sector bank on a long term basis?

**Ans** - **Bank Rate**

**Note:** **Bank rate** is the rate of interest implemented by **RBI** when it lends money to a public sector bank on a **long term basis**, i.e. from a period ranging from **90 days to 1 year**

**Note:** **Repo Rate** is the rate at which RBI lends money to **commercial banks** in the event of **any shortfall of funds**. It is the rate of interest which RBI implements on the **short term loans**, i.e., from a period ranging between 2 days to 3 months (90 Days).

49. India's gross domestic product (GDP) grew at what percent in 2014-15. The growth is based on new methodology with a \_\_\_\_ as base year - **2011-12**

50. What is the full form of PPP?

**Ans** - **Purchasing power parity**

**Note:** **Purchasing power parity (PPP)** is a component of some economic theories and is a technique used to determine the relative value of different currencies.

51. Which of the following is the first North East state to achieve 100 percent success in implementing the Pradhan Mantri Jan Dhan Yojana?



**Ans: Meghalaya**

**Note: Meghalaya became** the first state in India to **achieve 100 percent** success in implementing the **Pradhan Mantri Jan Dhan Yojana**.

52. What is the name given to Union Finance Ministry's flagship project which aims at widening the tax base by catching tax evaders using technology?

**Ans - Project Insight**

**Note: Project Insight** is an ambitious project of the **Union Finance Ministry** to bring into net **black money hoarders and tax evaders** by using optimum technology. It will primarily track the Permanent Account Numbers (PAN) being quoted on financial transactions and tally them with income tax filings

53. What is the Minimum amount of transfer required for RTGS is \_\_\_\_.

**Ans - Rs. 2 lakh**

**Note: Minimum amount** of transfer required for **RTGS (Real Time Gross Settlement)** is **Rs. 2 lakh**. There is **no upper limit**, though. The beneficiary bank has to credit the beneficiary's account within two hours of receiving the funds transfer message.

54. Who is the sole authority to issue and manage currency in India – RBI

**Note:** In terms of **Section 22 of RBI** is the sole authority for **issue of currency** in India.

55. Which bank has opened its branch in Shanghai, China – ICICI

**Note:** To help Indian and Chinese corporates in cross-border businesses, top private sector lender **ICICI Bank** opened its first branch in **Shanghai, China**, which was inaugurated by **Prime Minister Narendra Modi**.

56. MICR code is used for - **For Electronic Clearance of Cheques**

**Note: Magnetic Ink Character Recognition Code (MICR Code)** is a character-recognition technology used mainly by the banking industry to ease the processing and clearance of cheques and other documents.

57. The Statutory Liquidity Ratio (SLR), the amount of liquid assets such as cash, precious metals and other short-term securities are kept with: **Individual banks**

**Note: Statutory liquidity ratio (SLR)** is the Indian government term for reserve requirement that the **commercial banks** in India require to maintain in the **form of cash, gold**, government approved securities before providing credit to the customers.

58. Which country launched world first Facial recognition ATM – China

**Note: China** has unveiled the **world's first facial recognition ATM**. The new cash machine was

developed by Tsinghua University, a research university in Beijing.

59. A cheque is considered a valid cheque if the date entered on the cheque is within \_\_\_\_ of the actual date on which it is presented. **3 months**

**Note:** A cheque is considered a valid cheque if the date entered on the cheque is **within 3 months** of the actual date on which it is presented. For example, a cheque with the date of 10th Jan 2015 will be valid if it is presented to the bank on or before 10th April 2015.

60. As per the Banking Ombudsman Scheme, any person can file a complaint before the Banking Ombudsman, if the satisfied reply is not received from the bank within a period of - **one month**

**Note:** One can file a complaint before the **Banking Ombudsman** if the reply is not received from the bank within a **period of one month after the bank** concerned has received one's representation, or the bank rejects the complaint, or if the complainant is not satisfied with the reply given by the bank.

61. The headquarter of BRICS Bank "The New Development Bank (NDB)" located in - **Shanghai, China**

**Note: The New Development Bank (NDB)** headquarter located in **Shanghai, China**.

62. Money lent for more than one day but less than 15 days in the money market is known as: **Notice Money**

**Note:** The period of lending may be for a period of 1 day which is known as call **money** and between 2 days and 14 days which is known as **notice money**. Term **money** refers to borrowing/lending of **funds** for a period exceeding 14 days.

63. National Electronic Funds Transfer (NEFT) is a nationwide payment system facilitating one-to-one funds transfer. What is the limit on the amount that could be transferred using NEFT?

**No limit**

**Note:** There is **no limit – either minimum or maximum** – on the amount of funds that could be transferred using **NEFT**. However, maximum amount per transaction is limited to **Rs.50,000/-** for cash-based remittances within India and also for remittances to **Nepal under the Indo-Nepal Remittance Facility Scheme**.

64. Smart Money' is a term used for – Credit Card

**Note: SMART Money** term used for Credit Card, is an electronic wallet, that allows you to Shop, pay bills, etc.

65. The Indian Financial System Code (IFS Code) is an alphanumeric code that uniquely identifies a bank-branch participating in the two main Electronic Funds

Settlement Systems in India. IFSC code consists of how many alphanumeric codes?

**Ans - 11**

**Note:** IFSC is an 11- alphanumeric code with the **first four** alphabetic characters representing the **bank name**, and the **last six characters** (usually numeric, but can be alphabetic) representing the branch. The fifth character is 0 (zero) and reserved for future use. Bank IFS Code is used by the NEFT & RTGS systems to route the messages to the destination banks/branches.

66. Which among the following committee constituted on Payment Banks license?

**Ans - Dr. Nachiket Mor**

**Note:** **Payment Banks** applicant applications are analyzed and evaluated by an External Advisory Committee (EAC). The EAC Committee for Payment Banks is chaired by **Dr. Nachiket Mor**, Director, Central Board of the Reserve Bank of India.

67. The Reserve Bank has revised priority sector lending norms to ensure a phased increase in loans to small farmers. As per the new guidelines, credit to small and marginal farmers should be at least how much per cent of a bank's total credit by March 2017? **8 percent**

**Note:** **The Reserve Bank** has revised priority sector lending norms to ensure a phased increase in loans to small farmers, and also made it clear that smaller foreign banks will have to meet the **40 percent target over the next five years. As per the new guidelines**, credit to small and marginal farmers should be at **least 8 percent of a bank's** total credit by **March 2017**.

68. The initial total committed resources of the Contingent Reserve Arrangement (CRA) shall be \$100 billion in BRICS Development Bank. What is the total contribution of South Africa?

**Ans - \$5 billion**

**Note:** In BRICS Development Bank, the initial total committed resources of the Contingent Reserve Arrangement (CRA) is **\$100 billion**, with the following individual commitments: **China – \$ 41 billion; Brazil – \$18 billion; Russia – \$18 billion; India – \$18 billion and South Africa – \$5 billion.**

69. SARFAESI Act 2002 is related -

**Ans - Recovery of bad loans**

**Note:** The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (**SARFAESI**) empowers Banks / Financial Institutions to recover their **non-performing assets (bad loans)** without the intervention of the Court.

70. Who among the following is the head of the committee constituted on the controversial issue of payment of Minimum Alternate Tax (MAT) by foreign institutional investors?

**Ans - AP Shah**

**Note:** The Justice **AP Shah committee** looking into the issue of levying **minimum alternate tax (MAT)** on foreign portfolio investors (FPI).

71. The govt scheme, which gives accidental death-cum-disability cover of Rs two lakh to all the savings bank account holders in the age group of 18 to 70 years for a premium of Rs 12 per annum, is

**Ans - Pradhan Mantri Suraksha Bima Yojana (PMSBY)**

**Note:** **Pradhan Mantri Suraksha Bima Yojana (PMSBY)** - Account holders between 18 years (completed) and 70 years (age nearer birthday) who give their consent to join / enable auto-debit, as per the modality, will be enrolled into the scheme. **Premium:** Rs. 12 per annum.

**Risk Coverage:** Total coverage (sum-insured) under the scheme is Rs. 2 Lakh.

72. What is the full form of the term NDTL, as used in banking environment?

**Ans - Net Demand and Time Liability**

**Note:** It is a **sum of demand and time liabilities** (deposits) of banks with public and other banks wherein assets with other banks is subtracted to get net liability of other banks. Deposits of banks are its liability and consist of demand and time deposits of public and other banks.

73. Magnetic Ink Character Recognition (MICR) is a 9 digits code is used mainly by the banking industry to ease the processing and clearance of cheques and other documents. The first three digits represent the – **City**
- Note:** **Magnetic Ink Character Recognition Code (MICR Code)** is a character-recognition technology used mainly by the banking industry to ease the processing and clearance of cheques and other documents.

**Note:** MICR code consists of **9 digits**. First 3 digits **represent the city**, next 3 digits **represent the bank** and the last 3 digits **represent the branch**.

74. The implementation of Goods and Services Tax (GST) is expected by: **April 2016**

**Note:** Implementation of Goods and Services Tax is expected by **April 2016**.

75. Union Cabinet approved how much per cent FDI in white label ATMs through automatic route? **100 percent**

**Note:** The Union Cabinet on 9 September 2015 approved **100 percent Foreign Direct Investment (FDI)** in **white label Automated Teller Machines (WLAs)**.

76. What is the name of the platform launched by State Bank of India (SBI) that enables customers to book their foreign exchange transactions online? **SBI eforex**

**Note:** State Bank of India launched “SBI eforex”, an internet-based platform that enables customers to book their foreign exchange transactions online.

77. India has become the second largest player in the China-led Asian infrastructure and Investment Bank (AIIB). What is India's stake in the bank's shares in AIIB  
**Ans - 8.52%**

**Note:** Bank share - China has received a **30.34 percent** stake in the bank's shares; India and Russia have **8.52** and **7.5 percent** respectively. **Voting share** - India has become the second largest player in the China-led Asian infrastructure and Investment Bank (AIIB), with a **7.5 percent** voting share, while China and Russia gained **20.06 percent** and **5.2% respectively**.

78. A savings as well as current account should be treated as inoperative / dormant if there are no transactions in the account for over a period of \_\_\_\_ years.

**Ans - Two**

**Note:** **Dormant means inactive** and inoperative means which is not being operated i.e. no transactions have been undertaken recently. In terms of RBI guidelines "A savings as well as current account should be treated as inoperative / dormant if there are no transactions in the account for over **a period of two years**".

79. According to the World Bank Report, which among the following states has topped in ease of doing business in India? **Gujarat**

**Note:** **Gujarat** has been placed to **top** position in **World Bank's first ever ranking** of States on the **ease of doing business in India**. All States were assessed over a six-month period from January to June 2015 on the basis of percentage scores in a 98-point reforms agenda. **Top 5 States:** Gujarat (71.14%), Andhra Pradesh (70.12%), Jharkhand (63.09%), Chhattisgarh (62.45%) and Madhya Pradesh (62.00%).

80. In CDR, “R” stands for - **Restructuring**

**Note:** **Corporate Debt Restructuring (“CDR”)** mechanism is a voluntary non statutory mechanism under which financial institutions and banks come together to restructure the debt of companies facing financial difficulties due to internal or external factors, in order to provide timely support to such companies.

81. A measurement of a country's trade in which the value of goods and services it imports exceeds the value of goods and services it exports is known as - **Current Account Deficit**

**Note:** It is a measurement of a country's trade in which the value of goods and services it imports exceeds the value of goods and services it exports.

82. The Bank for International Settlements (BIS) is the world's oldest international financial organization established on 17 May 1930. The mission of the BIS is to serve central banks in their pursuit of monetary and financial stability, to foster international cooperation in those areas and to act as a bank for central banks. The head office of BIS is located in \_\_\_\_.

**Ans - Switzerland**

83. What is the minimum amount required to open a Fixed Deposit (FD)?

**Ans - Rs. 1000**

**Note:** A **fixed deposit (FD)** is also known as Term Deposit a financial instrument provided by banks which provides investors with a higher rate of interest than a regular savings account, until the given maturity date. The minimum deposit amount required for the FD account is **Rs 1,000**. There is no fixed **multiple or upper limit**. FD can be opened for a **minimum period of 7 days** up to **maximum period of 10 years**.

84. What is the maximum deposit amount insured by the Deposit Insurance and Credit Guarantee Corporation (DICGC)?

**Ans - Rs. 1 lakh**

**Note:** Deposit Insurance and Credit Guarantee Corporation ( DICGC ) is a subsidiary of Reserve Bank of India. DICGC insures all bank deposits, such as saving, fixed, current, recurring deposits for up to the limit of **Rs. 100,000** of each deposits in a bank

85. If one is not satisfied with the decision passed by the Banking Ombudsman, one can approach the appellate authority to \_\_\_\_.

**Ans - Deputy Governor of the RBI**

**Note:** If one is not satisfied with the decision passed by the Banking Ombudsman, one can approach the appellate authority who is the **Deputy Governor of the RBI**.

86. The revised Financial Sector Legislative Reforms Commission (FSLRC) report which was released by the Finance Ministry proposes to subsume a number of existing sector specific financial regulators (SEBI, IRDA, PFRDA, FMC) into a Unified Financial Authority (UFA). FSLRC is headed by \_\_\_\_.

**Ans - BN Srikrishna**

**Note:** Financial Sector Legislative Reforms Commission (FSLRC) was set up by the Indian Government in pursuance of the announcement made in Union Budget 2010-11, to help rewriting and harmonizing the

financial sector legislation, rules and regulations so as to address the contemporaneous requirements of the sector. The Commission is chaired by **Supreme Court Justice (Retired) B. N. Srikrishna**, and had ten members with expertise in the fields of finance, economics, law and other relevant fields

87. National Investment and Infrastructure Fund (NIIF) is a fund created by the Government of India for enhancing infrastructure financing in the country. To be operational by the year end, the headquarter of NIIF located in \_\_\_\_.

**Ans - Mumbai**

**Note:** NIIF, proposed to be set up as a Trust, would raise debt to invest in the equity of infrastructure finance companies such as Indian **Rail Finance Corporation (IRFC)** and **National Housing Bank (NHB)**. The idea is that these infrastructure finance companies can then leverage this extra equity, manifold. In that sense, NIIF is a banker of the banker of the banker.

88. The committee on Urban Cooperative Bank (UCB) which is headed by R. Gandhi (Deputy Governor of RBI) has recommended that UCBs with business size more than \_\_\_\_ be allowed to convert into universal commercial banks.

**Ans - Rs. 20,000 cr**

**Note:** To overhaul and strengthen the **urban cooperative bank** (UCB) structure, an internal committee of the Reserve Bank of India (RBI) chaired by **deputy governor R Gandhi** has recommended that UCBs with business size more than **Rs 20,000 crore** be allowed to convert into **universal commercial banks** while those with a lower size be converted to **small finance banks**.

89. The Global Investor Meet 2015 held in - **Chennai**

**Note:** The Global Investors Meet (GIM 2015) was on 10 September 2015 held in **Tamil Nadu** to woo investors to invest in the state. The GIM 2015 was officially inaugurated by Tamil Nadu Chief Minister **J Jayalithaa** at the **Chennai** Trade Centre.

90. Special drawing rights (SDRs) are international foreign exchange reserve assets issued by- **IMF**

**Note:** The Special Drawing Right (SDR) is an international reserve asset, created by the International Monetary Fund (IMF) in 1969 to supplement the existing official reserves of member countries.

91. In Deposits Account "KYC" (Know Your Customer) has been implemented in 2002 as per directive of: **RBI**

**Note:** It is a process by which banks obtain information about the identity and address of the customers. KYC

has been implemented in 2002 as per directive of **Reserve Bank of India**.

92. Which of the following indexes used as the key measure of inflation in India?

**Ans - Consumer Price Index**

**Note:** The Central Bank of India (RBI) had adopted the new **Consumer Price Index (CPI)** as the key measure of inflation. Earlier, RBI had given more weightage to **Wholesale Price Index (WPI)** than CPI as the key measure of inflation for all policy purposes.

93. A major Public Sector Bank has decreased the interest rates on loans by 25 basis points – was news in some major financial newspaper recently. This means bank has decreased interest rate by 25 basis points of \_\_\_\_.

**Base Lending Rate**

**Note:** RBI has reduced the policy rate by 75 basis points since the beginning of this calendar year while most banks have reduced **base lending rates** by just 25 basis points.

94. Who among the following names as the first President of New Development Bank of BRICS nations?

**Answer - K. V. Kamath** appointed as the first head of the **new development bank the BRICS** group.

95. The SARFAESI Act 2002 empowers Banks / Financial Institutions to recover their non-performing assets (bad loans) without the intervention of the Court. In "SARFAESI" second "S" stands for \_\_\_\_.

**Answer - In "SARFAESI" second "S" stands for – Security.** The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (**SARFAESI**) empowers Banks / Financial Institutions to recover their **non-performing assets (bad loans)** without the intervention of the Court.

96. The Reserve Bank of India (RBI) doubled the limit for cash withdrawal at points of sale (PoS) in tier III to VI cities to \_\_\_\_.

**Answer - The Reserve Bank of India (RBI)** doubled the limit for cash withdrawal at points of sale (PoS) in **tier III to VI cities from Rs 1,000 to Rs 2,000 per day**. The facility will be available for debit cards and open system pre-paid cards issued by banks. The limit remains **unchanged at Rs1,000 per day for tier I and II cities**.

97. The mobile banking app "LIME" has been launched by which of the following banks?

**Answer - Axis Bank.**

98. Many a times we read in the newspapers that RBI has changed or revised a particular ratio/rate by a few basis points. What is basis point?



**Ans - Basis points - One hundredth of one percentage point** (used chiefly in expressing differences of interest rates).

99. Reserve Bank of India (RBI) declared State Bank of India (SBI) and ICICI Bank as D – SIBs. What is the expand form as D – SIBs?

**Domestic Systemically Important Banks**

**Answer** - The Reserve Bank of India (RBI) declared State Bank of India (SBI) and ICICI Bank as Domestic Systemically Important Banks (D- SIBs).

100. Union Government has decided to set up a Bank Board Bureau (BBB) to monitor key performance indicators of two dozen public sector banks (PSBs). BBB will start functioning from \_\_\_\_.

**Ans - 1st April 2016.**

101. India and United States have signed Inter Governmental Agreement to implement the FATCA. This agreement will promote transparency on tax matters. Expand the term FATCA.

**Foreign Account Tax Compliance Act**

**Note:** India and United States have signed Inter Governmental Agreement to implement the Foreign Account Tax Compliance Act (FATCA). This agreement will promote transparency on tax matters.

102. Which among the following statements are correct/s in the context with Payment Banks?

- A. The minimum paid-up capital requirement for payments banks is Rs. 100 crore
- B. Payment banks will offer both deposits as well as loan products.
- C. Payments banks will have to invest in government securities with a maturity of up to 1 year
- D. Payments banks can open small savings accounts and accept deposits of up to Rs.1 lakh per individual customer.

**Ans (1) A, C, D** The main objective of payment banks is **to increase financial inclusion in the country** via a primary focus on domestic payments services by providing small savings accounts.

**Note: Payments banks** will be used only for transaction and **deposits purposes**. Unlike **Small banks**, payments banks cannot **offer loan products to the customers**.

103. Union Government has launched Indradhanush Mission to revamp functioning of public sector banks (PSBs). How many pronged plan has been classified in Indradhanush Mission – 7

**Note:** Union Government has launched a **seven** pronged plan called **Indradhanush Mission** to revamp functioning of public sector banks (PSBs). It was

launched by Union Finance Minister **Arun Jaitley** in New Delhi.

The seven shades of Indradhanush mission include **(i)** appointments, **(ii)** Bank Board Bureau (BBB), **(iii)** capitalisation **(iv)** de-stressing PSBs, **(v)** empowerment, **(vi)** framework of accountability and **(vii)** governance reforms.

104. The Employees Provident Fund Organisation (EPFO) increased the life insurance cover of its subscribers from 3.6 lakh to – **6 lakh**

**Note: The Employees Provident Fund Organisation (EPFO)** on 16 September 2015 increased the life insurance cover of its **subscribers from 3.6 lakh to 6 lakh rupees**. About 40 million contributing members of the EPFO will be benefitted from the decision taken at the 208th CBT meeting in Hyderabad.

105. What is the full form of CVV - **Card Verification Value**

**Answer (D)** Full form of CVV is - "**Card Verification Value**" on your credit card or debit card is a 3 digit number on VISA, MasterCard etc.

106. The selling of life assurance and other insurance products and services by banking institution is known as: **Bancassurance**

107. In what denominations Commercial Paper (CP) can be issued – Rs. 5 lakh

**Note:** Commercial Paper (CP) can be issued in denominations **of Rs.5 lakh or multiples thereof**. Commercial Paper (CP) is an unsecured money market instrument issued in the form of a promissory note.

108. What is the loan limit for education under priority sector for studies abroad – 20 lakh

**Note:** Loans to individuals for educational purposes including vocational courses **up to Rs.10 lakh for studies in India and Rs. 20 lakh for studies abroad** are included under priority sector.

109. What is the time limit for an asset or loan to be declared as Non-Performing Asset- **90 days**

**Note:** A Non-performing asset (NPA) is defined as a credit facility in respect of which the interest and/or installment of Bond finance principal has remained 'past due' for a specified period of time. Once the borrower has failed to make interest or principle payments **for 90 days the loan** is considered to be a **non-performing asset**

110. Reserve Bank will issue \_\_\_\_bank notes with 3 additional features to aid the visually impaired in identification.

**Answer -** Reserve Bank will issue **Rs 500 and Rs 1,000** bank notes with 3 additional features to aid the visually impaired in identification.

**111.** Foreign exchange Reserves in India are kept in the custody of: **Reserve Bank of India**

**112.** Who is heading the committee to evaluate applications received for the proposed small finance banks that was constituted by the RBI in 2014?

**Ans:** Usha Thorat is the head of the committee to evaluate applications received for the proposed small finance banks in India.

**113.** Simply click a card launched by SBI special for - **Online Shopping.**

**114.** A receipt listed in India and traded in rupees declaring ownership of shares of a foreign company is known as - **Indian Depository Receipt (IDR)**

**115.** Recently, RBI declared which of the following as Domestic Systemically Important Banks (D- SIBs)?

**Ans -** The Reserve Bank of India (RBI) recently, designated **State Bank of India (SBI) and ICICI Bank Ltd**, the country's two largest lenders, as **Domestic Systemically Important Banks (D-SIBs)**. The banks have been named Domestic Systemically Important Banks (D-SIBs), with SBI falling in **bucket three** while ICICI Bank is in **bucket one**.

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