

Current Trends & Development (MCQ)

1. **RBI implemented the Basel – III recommendations in India, wef:**
 - A. 01.01.2013
 - B. 31.03.2013
 - C. 01.04.2013
 - D. 30.09.2013

2. **Basel III recommendations shall be completely implemented in India by:**
 - A. 31.03.2019
 - B. 31.03.2018
 - C. 31.03.2017
 - D. 31.03.2016

3. **Basel III capital regulations are based on three mutually reinforcing pillar. These pillars are (I) Minimum capital standards, (II) Supervisory review and (III) Market discipline.**
 - A. All are correct
 - B. Only 1 and 2 are correct
 - C. Only 2 and 3 are correct
 - D. Only 1 and 3 are correct

4. **In India, the banks are required to maintain a minimum Pillar 1 capital to risk weighted assets ratio (or minimum total capital to risk weighted assets ratio) of as on**
 - A. 8%, 31st March each year
 - B. 9% , 31st March each year
 - C. 8% , ongoing basis
 - D. 9%, ongoing basis.

5. **What is the objective of securitization of financial assets?**
 - A. To enable the banks in speedy recovery of bad loans
 - B. To sell the securities without intervention of the court, only if loan goes bad
 - C. To acquire assets and then sell the same at profit
 - D. Recycling of funds and reduce concentration risk

6. **RBI's model for rating of Indian Banks is known as:**
 - A. CAMELS
 - B. CAMEL
 - C. eRATING
 - D. Ecamel

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7. **The letter C in the rating model CAMELS being used by RBI for rating Public Sector Banks represents:**
- A. Capital fund
 - B. Capital adequacy
 - C. Capital contributed to subsidiaries
 - D. B & C
8. **Under the rating system called CAMELS the term M stands for which of the following:**
- A. Management of assets and liabilities
 - B. Management of non-performing assets
 - C. Management of human resources
 - D. Management effectiveness
9. **When repo rate is reduced by RBI, it leads to :**
- A. Reduction of cost to borrowers on loans from banks
 - B. Increase in cost of loans to borrowers from banks
 - C. Reduction in cost of borrowing by banks from RBI
 - D. Increase in cost of borrowing by banks from RBI
10. **Which of the following instruments represent the share in Indian companies in India being traded in America / Europe?**
- A. GDR/ADR
 - B. IDR/ADR
 - C. GDR/IDR
 - D. Zero Coupon Bonds
11. **BLRC represents for:**
- A. Bankruptcy Law Reforms Commission
 - B. Banks for Law Reforms Commission
 - C. Board of Law for Restructuring of Companies
 - D. Board of Law for Reforms of Companies
12. **Gold Deposit Scheme, 1999 is replaced with:**
- A. Gold Monetization Scheme, 2015
 - B. Sovereign Gold Bond Scheme
 - C. Gold Bond Tax Saving Scheme
 - D. Gold Infrastructure Scheme

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- 13. The Reserve Bank has operationalized a CFR wef 20 Jan 2016 as a searchable centralized database for use by banks along with early detection mechanisms for frauds. The CFR stands for:**
- A. Centralized File Report
 - B. Central Fraud Registry
 - C. Central Fraud Report
 - D. None of these
- 14. MUDRA stands for**
- A. Micro unit development refinance agency
 - B. Monitoring of urban development restructure account
 - C. Micro urban dairy refinance agency
 - D. None of the above
- 15. The government has launched MUDRA bank. Which of the following is true about the MUDRA bank**
- A. It will provide credit up to Rs. 10lac to small entrepreneurs
 - B. It will have a corpus of Rs. 20000 crore
 - C. It will have a credit guarantee corpus of Rs. 3000 crore
 - D. All the above
- 16. In view of recent developments in strengthening the system of collection and maintenance of credit information, the Reserve bank has permitted schedule commercial banks to grant ----- including partial credit enhancement to those customers, who do not avail any fund based facility from any bank in India, subject to certain conditions.**
- A. Fund based facilities
 - B. Non fund based facilities
 - C. Both of above
 - D. None of above
- 17. The schedule commercial banks have been permitted by RBI to grant non fund facilities to customers who do not avail any fund based facility from any bank in India, subject to which of the following conditions**
- A. Banks shall formulate a comprehensive board approved loan policy for grant of non-fund based facility to such borrowers
 - B. Banks shall undertake the same level of credit appraisal as has been laid down for fund based facility
 - C. Compliance with KYC norms / AML standards / CFT / obligation of banks under PMLA, 2002
 - D. All of the above

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- 18. With a view to providing operational freedom to banks, the Reserve bank has allowed banks to offer all their products and services through the ---- channels provided the technology permits offering the product and service.**
- A. ATM
 - B. Mobile banking
 - C. Net banking
 - D. All of the above
- 19. The Reserve bank has re-worded the 'Criteria for inclusion of Perpetual Debt Instruments in additional Tier 1 capital'. As per the clause, coupons must be paid out of distributable items out of current year profits. However, if current year profits are not sufficient, coupons may be paid subject to availability of sufficient ----- or credit balance in profit and loss account, if any**
- A. Capital reserves
 - B. Revenue reserves
 - C. General reserves
 - D. Any of above
- 20. The Reserve bank has permitted ----- to open foreign currency current accounts of units operating in the International Finance Services Centres and of non-resident institutional investors to facilitate their investment transactions.**
- A. International banking units
 - B. IFSC banking units (IBUs)
 - C. Indian banking units
 - D. None of these
- 21. The Reserve bank has amended its master direction on Gold Monetization scheme. As per the amended norms, gold deposits made by depositors in short term bank deposits scheme for a period of ----- years would accrue interest in gold units.**
- A. 1-2 years
 - B. 2-4 years
 - C. 1-3 years
 - D. 2-3 years
- 22. In case of medium and long term gold deposits, where medium term deposits have a 5-7 year term and long term deposits have a ----- year term, the interest will be calculated in rupees with reference to the value of gold at the time of deposit while the principal will be denominated in gold**

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- A. 8-10 years
 - B. 9-12 years
 - C. 10-12 years
 - D. 12-15 years
- 23. As per amended gold monetization scheme, the depositors will now be able to withdraw medium term and long term government deposits prematurely after the minimum lock in period of ---- years in the case of medium term deposits and after --- years in the case of long term deposits.**
- A. 1; 3
 - B. 2; 4
 - C. 3; 5
 - D. 5; 7
- 24. As per the amendments, the government will pay the participating banks a total commission of 2.5% in the first year which includes ---- percent handling charges and ---- percent commission**
- A. 2%; 0.5%
 - B. 1.25%; 1.25%
 - C. 1%; 1.5%
 - D. 1.5%; 1%
- 25. Which of the following are eligible for investment in Sovereign Gold Bond scheme 2015-16**
- A. A person resident in India, being an individual, in his capacity as such individual
 - B. On behalf of minor child, or jointly with any other individual
 - C. Trust, Charitable Institution and University
 - D. All of the above
- 26. Minimum investment in the Gold Bonds shall be ----- grams with a maximum limit of subscription of ----- grams per person per fiscal year (April-March)**
- A. 1; 100
 - B. 1; 300
 - C. 2; 250
 - D. 2; 500
- 27. The Gold Bonds shall bear interest at the rate of ----- (fixed rate) per annum on the amount of initial investment**
- A. 2.5%
 - B. 2.75%

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- C. 3%
- D. 3.25%
- 28. Interest shall be paid in ----- rests and the last interest shall be payable on maturity along with the principal**
- A. Monthly
- B. Quarterly
- C. Half yearly
- D. Yearly
- 29. The Reserve bank has circulated the revised guidelines on interest subvention scheme on credit to women SHG during the year 2015-16 under ----- for implantation by public sector banks**
- A. National Rural Livelihoods Mission (NRLM)
- B. National Urban Livelihoods Mission (NULM)
- C. SRMS
- D. None of these
- 30. The Reserve bank has released guidelines to banks for computing interest rate on advances. As per the guidelines, all rupee loans sanctioned and credit limits renewed wef April 1, 2016 will be priced with reference to the ----- which will be the internal benchmark for such purpose.**
- A. Marginal cost of funds based lending rate (MCLR)
- B. Average cost of funds based lending rate
- C. Total costs of funds
- D. None of the above
- 31. Who has been elected vice-chairman of the Bank of International Settlement (BIS) for a term of three years**
- A. Raghuram Rajan
- B. Tirath Singh Thakur
- C. Subir Gokaran
- D. Deepak Singhal
- 32. Who has been appointed as the 43rd Chief Justice of India**
- A. Suresh N Patel
- B. R. K. Takkar
- C. Tirath Singh Thakur
- D. Harshvardhan Neotia

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- 33. Who has been appointed as an Executive Director of the Board of International Monetary Fund (IMF)**
- A. Subir Gokaran
 - B. Raghuram Rajan
 - C. Mahesh Kumar Jain
 - D. J. K. Garg
- 34. New Executive Director of RBI is**
- A. Deepak Sighal
 - B. J. K. Garg
 - C. Harshvardhan Neotia
 - D. Mahesh Kumar Jain
- 35. Who has been elected as the President of Federation of Indian Chamber of Commerce and Industry (FICCI) for the year 2016**
- A. Harshvardhan Neotia
 - B. J. K. Garg
 - C. Arundhati Bhattacharya
 - D. Shikha Sharma
- 36. As per Fortune India, who is the most powerful women in the Indian business sector**
- A. Chanda Kochar
 - B. Arundhati Bhattacharya
 - C. Shikha Sharma
 - D. Kiran Kher
- 37. Union minister of Finance has decided to impose ----- Swachh Bharat Cess on all taxable services which will be charged in addition to existing - ---- service tax**
- A. 0.5%; 14%
 - B. 0.5%; 13.5%
 - C. 1%; 14%
 - D. 1%; 13.5%
- 38. Who has partnered with telecom PSU BSNL to create 100 WiFi hotspots in rural areas of western and southern India**
- A. Face book
 - B. Google

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- C. Microsoft
- D. WhatsApp

39. As per Forbes magazine, Indian Prime Minister ranked ----- as the most powerful person of the world

- A. Ninth
- B. Fourteen
- C. Sixth
- D. Second

40. Basel III recommendations shall be completely implemented in India w.e.f.

- A. 31.03.2020
- B. 31.03.2019
- C. 31.03.2018
- D. 31.03.2018

41. As per Basel III implementation in India, minimum Tier I capital must be% of risk weighted assets on ongoing basis.

- A. 5.5%
- B. 7%
- C. 9%
- D. 11%

42. Exposure to uncertainty in economic value of an investment that could not be marked to market is called

- A. Trading Risk
- B. Business Risk
- C. Market Risk
- D. Liquidity Risk

43. A foreign exchange dealer forget to square the overbought position in a foreign currency. It is a

- A. Foreign Exchange Risk
- B. Settlement Risk
- C. Liquidity Risk
- D. Operational Risk

44. Risk that is associated with failure of internal processes of a bank or business organization

- A. Settlement Risk
- B. procedural Risk
- C. Operational Risk

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D. Credit Risk

45. A bank has failed to meet its obligation on account of a payment on due date due to its incapacity to pay. What kind of risk it is?

- A. Credit Risk
- B. Liquidity Risk
- C. Settlement Risk
- D. Payment Risk

46. Risk associated with changes in the credit profile of the borrowers and counter parties, is called

- A. Credit Risk
- B. Market Risk
- C. Counter party Risk
- D. Liquidity Risk

47. The customer service in a bank branch, has been disrupted for 2 hours, due to failure of the central server. What type of risk it is?

- A. Reputation Risk
- B. Systemic Risk
- C. Operational Risk
- D. Settlement Risk

48. When a bank selling third party products, which type of risk it involved?

- A. Reputation Risk
- B. Operational Risk
- C. Credit Risk
- D. Liquidity Risk

49. Project i SMART (iMPLEMENT SYSTEMS - MOBILIZE ADVANCES - REACH TARGET) was launched on

- A. 01.01.2015
- B. 01.01.2016
- C. 01.04.2015
- D. 01.04.2016

50. Name of our Part-Time Non-Official Director of Board is:

- A. Dr. Shashank Saksena
- B. Prof. Radha R. Sharma
- C. Shri A. Udgata
- D. Shri Sanjeev Kr. Sharma

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Answer sheet

Qn. No	Ans
1	C
2	B
3	A
4	D
5	D
6	A
7	B
8	D
9	C
10	A
11	A
12	A
13	B
14	A
15	D
16	B
17	D
18	A
19	B
20	B
21	C
22	D
23	C
24	D
25	D

Qn. No	Ans
26	D
27	B
28	C
29	A
30	A
31	A
32	C
33	A
34	A
35	A
36	B
37	A
38	A
39	A
40	B
41	B
42	B
43	D
44	C
45	C
46	A
47	C
48	B
49	A
50	B