

Quiz Date: 11th June 2020

Q1. Which of the following are not the Priority Sector categories?

- (a) Education
- (b) Housing
- (c) Roadways
- (d) Micro, Small and Medium Enterprises
- (e) Export Credit

Q2. The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, _____.

- (a) 2012
- (b) 2010
- (c) 2008
- (d) 2004
- (e) 2006

Q3. Which organisation has been given the sole privilege to operate Pradhan Mantri Vaya Vandana Yojana?

- (a) TRAI
- (b) IRDAI
- (c) SEBI
- (d) LIC of India
- (e) State Bank of India

Q4. What is the loan limit for individuals to education under priority sector?

- (a) Rs. 100 million
- (b) Rs. 5 million
- (c) Rs. 10 million
- (d) Rs. 1 million
- (e) Rs. 3 million

Q5. A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. _____ lakh.

- (a) Rs. 20 lakh
- (b) Rs. 25 lakh
- (c) Rs. 50 lakh
- (d) Rs. 100 lakh
- (e) Rs. 10 lakh

Q6. The concerned pension sanctioning authorities in the Ministries/Departments/forward the PPOs to bank branches wherefrom the pensioner desires to draw his/her pension. What is the full form of PPOs?

- (a) Pension Payment Over
- (b) Permanent Parcel Orders
- (c) Pension Pending Orders
- (d) Pension Payment Owner
- (e) Pension Payment Orders

Q7. In which of the following year Liberalised Remittance Scheme (LRS) was introduced?

- (a) 2012
- (b) 2008
- (c) 2004
- (d) 2006
- (e) 2016



Q8. The mission of NABARD is Promote sustainable and equitable agriculture and rural prosperity through effective credit support, related services, institution development and other innovative initiatives. What is meaning of "R" IN NABARD?

- (a) Regional
- (b) Rural
- (c) Reconstruction
- (d) Revised
- (e) Remittance

Q9. In terms of Section _____ of the RBI Act 1934, RBI has the obligation to undertake the receipts and payments of the Central Government and to carry out the exchange, remittance and other banking operations, including the management of the public debt of the Union.

- (a) Section 21
- (b) Section 20
- (c) Section 23
- (d) Section 25
- (e) Section 17

Q10. PSLCs are a mechanism to enable banks to achieve the priority sector lending target and sub-targets by purchase of these instruments in the event of shortfall. What is the full form of PSLCs?

- (a) Priority Sector Lending Certificates
- (b) Public Sector Lending Certificates
- (c) Priority Security Lending Certificates
- (d) Priority Sector Lending Centers
- (e) Private Service Lending Certificates

Q11. Which Bank has been categorized as a private sector lender following the acquisition of majority stake by Life Insurance Corporation?

- (a) UCO Bank
- (b) Vijaya Bank
- (c) Corporation Bank
- (d) IDBI Bank
- (e) State Bank of India

Q12. The Reserve Bank of India (RBI) named State Bank of India (SBI), ICICI Bank and _____ as D-SIBs, which in other words mean banks that are too big to fail.

- (a) HDFC Bank
- (b) Bank of Baroda
- (c) Axis Bank
- (d) Punjab National Bank
- (e) HSBC Bank

Q13. Which Bank has launched a new service called 'YONO Cash' for its customers using which customers can withdraw money from ATMs without using debit cards?

- (a) HDFC Bank
- (b) Union Bank of India
- (c) Bank of Baroda
- (d) ICICI Bank
- (e) State Bank of India

Q14. D-SIBs has already been phased-in from 01st April 2016 and fully effective from 01st April 2019. What is the full form of D-SIBs?

- (a) Dividend Systemically Important Banks
- (b) Domestic Security Important Banks
- (c) Domestic Systemically Important Banks
- (d) Domestic Systemically International Banks
- (e) Domestic Systemically Interface Banks

Q15. YONO is an integrated digital banking platform offered by State Bank of India (SBI) to enable users to access a variety of financial and other services such as taxi bookings, online shopping, or medical bill payments. YONO stands for-

- (a) You Only Need Only
- (b) You Only Need One
- (c) You Only Nation One
- (d) Yahoo Only Need One
- (e) You Only Never One

Solutions

S1. Ans.(c)

Sol. Priority Sector includes the following categories:

- (i) Agriculture
- (ii) Micro, Small and Medium Enterprises
- (iii) Export Credit
- (iv) Education
- (v) Housing
- (vi) Social Infrastructure
- (vii) Renewable Energy
- (viii) Others

S2. Ans.(e)

Sol. The Government of India has enacted the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 in terms of micro, small and medium enterprises.

S3. Ans.(d)

Sol. LIC of India has been given the sole privilege to operate Pradhan Mantri Vaya Vandana Yojana.

S4. Ans.(d)

Sol. Loans to individuals for educational purposes including vocational courses upto Rs. 1 million irrespective of the sanctioned amount are eligible for classification under priority sector.

S5. Ans.(b)

Sol. A micro enterprise is an enterprise where investment in plant and machinery does not exceed Rs. 25 lakh.

S6. Ans.(e)

Sol. The concerned pension sanctioning authorities in the Ministries/Departments/forward the Pension Payment Orders (PPOs) to bank branches wherefrom the pensioner desires to draw his/her pension.

S7. Ans.(c)

Sol. Under the Liberalised Remittance Scheme, all resident individuals, including minors, are allowed to freely remit up to USD 2,50,000 per financial year (April – March) for any permissible current or capital account transaction or a combination of both. Further, resident individuals can avail of foreign exchange facility for the purposes mentioned in Para 1 of Schedule III of FEM (CAT) Amendment Rules 2015, dated May 26, 2015, within the limit of USD 2,50,000 only. The Scheme was introduced on February 4, 2004, with a limit of USD 25,000. The LRS limit has been revised in stages consistent with prevailing macro and micro economic conditions.

S8. Ans.(b)

Sol. NABARD stands for National Bank for Agriculture and Rural Development.

S9. Ans.(b)

Sol. In terms of Section 20 of the RBI Act 1934, RBI has the obligation to undertake the receipts and payments of the Central Government and to carry out the exchange, remittance and other banking operations, including the management of the public debt of the Union. Further, as per Section 21 of the said Act, RBI has the right to transact Government business of the Union in India.

S10. Ans.(a)

Sol. Priority Sector Lending Certificates (PSLCs) are a mechanism to enable banks to achieve the priority sector lending target and sub-targets by purchase of these instruments in the event of shortfall. This also incentivizes surplus banks as it allows them to sell their excess achievement over targets thereby enhancing lending to the categories under priority sector. Under the PSLC mechanism, the seller sells fulfilment of priority sector obligation and the buyer buys the obligation with no transfer of risk or loan assets.

S11. Ans.(d)

Sol. As per RBI notification, IDBI Bank has been categorized as a private sector lender following the acquisition of majority stake by Life Insurance Corporation. IDBI Bank has been under the prompt corrective action framework of RBI that bans it from corporate lending and branch expansions, salary hikes and other regular activities.

S12. Ans.(a)

Sol. The Reserve Bank of India (RBI) named State Bank of India (SBI), ICICI Bank and HDFC Bank as Domestic Systemically Important Banks (D-SIBs), which in other words mean banks that are too big to fail. As per the norms, these banks will have to set aside more capital for their

continued operation. Inclusion in D-SIB indicates that failure of any of these banks would have a cascading effect on the Indian financial system.

S13. Ans.(e)

Sol. The State Bank of India has launched a new service called 'YONO Cash' for its customers using which customers can withdraw money from ATMs without using debit cards. This facility is available over 16,500 of its ATMs through the You Only Need One (YONO), mobile app platform for the first time in the country. The ATMs enabled for this service will be called as YONO Cash Point.

S14. Ans.(c)

Sol. SBI, ICICI Bank and HDFC Bank continue to be in the Reserve Bank of India's list of Domestic Systemically Important Banks (D-SIBs) for 2018. The additional Common Equity Tier 1 (CET1) requirement for D-SIBs has already been phased-in from 1st April 2016 and fully effective from 01st April 2019, the RBI stated, releasing the list for 2018.

S15. Ans.(b)

Sol. YONO (You Only Need One) is an integrated digital banking platform offered by State Bank of India (SBI) to enable users to access a variety of financial and other services such as taxi bookings, online shopping, or medical bill payments. YONO is offered as a smartphone app for both Android and iOS.

