

Quiz Date: 24<sup>th</sup> August 2020

Q1. Which committee has recommended the setting up of Special Tribunals to reduce the time required for settling cases and accepting the recommendations, DRTs were established?

- (a) Kelkar committee
- (b) Justice Reddy committee
- (c) Rangarajan Committee
- (d) Sivaraman Committee
- (e) Narasimham Committee

Q2. DRT has been constituted under Section 3 of the Recovery of Debts Due to Banks and Financial Institutions Act, 1993. DRT stands for-

- (a) Debt Recovery Tribunals
- (b) Demand Recovery Tribunals
- (c) Deposit Recovery Tribunals
- (d) Debt Refinance Tribunals
- (e) Debt Recovery Treaty

Q3. What is the financial limit Under MUDRA's Tarun scheme?

- (a) Rs. 40 lakh to Rs. 50 lakh
- (b) Rs. 30 lakh to Rs. 40 lakh
- (c) Rs. 20 lakh to Rs. 30 lakh
- (d) Rs. 10 lakh to Rs. 20 lakh
- (e) Rs. 5 lakh to Rs. 10 lakh

Q4. Who can set up an SEZ?

- (a) Private sector
- (b) Public sector
- (c) State government
- (d) All of the above
- (e) Only (a) and (b)

Q5. Securitisation act 2002 is enables the banks to issue notices to defaulters who have to pay the debts within \_\_\_\_\_ days.

- (a) 90 days
- (b) 60 days
- (c) 30 days
- (d) 120 days
- (e) None of the given options is true

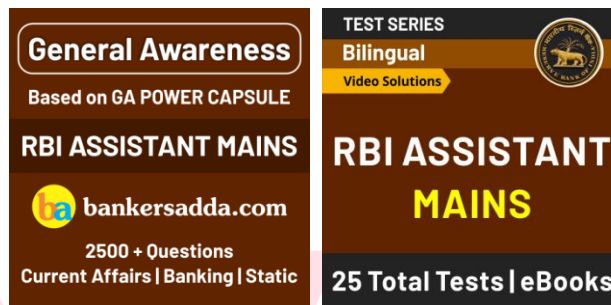
Q6. \_\_\_\_\_ is vested with the responsibility of conducting monetary policy.

- (a) RBI
- (b) SBI

- (c) NABARD
- (d) SIDBI
- (e) Finance Ministry

Q7. In which year the Reserve Bank of India (RBI) Act, 1934 was amended to provide a statutory basis for the implementation of the flexible inflation targeting framework?

- (a) May 2013
- (b) May 2014
- (c) May 2015
- (d) May 2016
- (e) May 2012



Q8. Which scheme/act has enables an expeditious and inexpensive forum to bank customers for resolution of complaints relating to certain services rendered by banks?

- (a) Reserve Bank of India Act, 1934
- (b) Banking Regulation Act, 1949
- (c) Securitization Act 2002
- (d) FEMA
- (e) Banking Ombudsman Scheme

Q9. The Banking Ombudsman Scheme is introduced by RBI with effect from\_\_\_\_\_.

- (a) 1991
- (b) 1995
- (c) 1990
- (d) 2002
- (e) 2006

Q10. IBA adopts a consultative approach to give its views on any issue pertaining to banking sector. What is the meaning of "I" in IBA?

- (a) International
- (b) Institute
- (c) Investment
- (d) Indian
- (e) Increase

Q11. The “in-principle” approval for setting up ‘small finance banks’ granted by RBI will be valid for\_\_\_\_\_.

- (a) 12 Months
- (b) 24 Months
- (c) 10 Months
- (d) 18 Months
- (e) 30 Months

Q12. Which of the following is an independent commodity exchange based in Mumbai?

- (a) MGEX
- (b) MCE
- (c) MDEX
- (d) MCX
- (e) MEX

Q13. Which of the following is a pension scheme focused on the workers in the unorganised sector?

- (a) SSY
- (b) AMRUT
- (c) APY
- (d) PMAY
- (e) None of the given options is true

Q14. An Indian rupee denominated bond issued outside India is called-?

- (a) Yankee bond
- (b) Bulldog bond
- (c) Uridashi bond
- (d) Samurai bond
- (e) Masala bond

Q15. Who among the following appoints the “Authorized Dealers” for foreign exchange transactions?

- (a) GOI
- (b) RBI
- (c) PSBs
- (d) FEDAI
- (e) FIMMDA

### Solutions

S1. Ans.(e)

Sol. Narasimham Committee Report I (1991) recommended the setting up of Special Tribunals to reduce the time required for settling cases. Accepting the recommendations, Debt Recovery Tribunals (DRTs) were established.

S2. Ans.(a)

Sol. DRTs stands for Debt Recovery Tribunals.

S3. Ans.(e)

Sol. Under the aegis of Pradhan Mantri MUDRA Yojana (PMMY), MUDRA has already created its initial products/schemes. The interventions have been named 'Shishu', 'Kishor' and 'Tarun' to signify the stage of growth/development and funding needs of the beneficiary micro unit / entrepreneur and also to provide a reference point for the next phase of graduation / growth to look forward to. The financial limit for these schemes is:-

(a) Shishu:- covering loans up to 50,000/-

(b) Kishor:- covering loans above 50,000/- and up to 5 lakh

(c) Tarun:- covering loans above 5 lakh to 10 lakh

S4. Ans.(d)

Sol. Private sector, Public sector and State government can set up Special Economic Zones (SEZs).

S5. Ans.(b)

Sol. Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act 2002 is popularly known as Securitisation Act. This act enables the banks to issue notices to defaulters who have to pay the debts within 60 days. Once the notice is issued the borrower cannot sell or dispose the assets without the consent of the lender. The Securitisation Act further empowers the banks to take over the possession of the assets and management of the company. The lenders can recover the dues by selling the assets or changing the management of the firm. The Act also enables the establishment of Asset Reconstruction Companies for acquiring NPA.

S6. Ans.(a)

Sol. Monetary policy refers to the policy of the central bank with regard to the use of monetary instruments under its control to achieve the goals specified in the Act. The Reserve Bank of India (RBI) is vested with the responsibility of conducting monetary policy. This responsibility is explicitly mandated under the Reserve Bank of India Act, 1934.

S7. Ans.(d)

Sol. The primary objective of monetary policy is to maintain price stability while keeping in mind the objective of growth. Price stability is a necessary precondition to sustainable growth. In May 2016, the Reserve Bank of India (RBI) Act, 1934 was amended to provide a statutory basis for the implementation of the flexible inflation targeting framework.

S8. Ans.(e)

Sol. The Banking Ombudsman Scheme enables an expeditious and inexpensive forum to bank customers for resolution of complaints relating to certain services rendered by banks. The Banking Ombudsman Scheme is introduced under Section 35 A of the Banking Regulation Act, 1949 by RBI with effect from 1995.

S9. Ans.(b)

Sol. The Banking Ombudsman Scheme enables an expeditious and inexpensive forum to bank customers for resolution of complaints relating to certain services rendered by banks. The Banking Ombudsman Scheme is introduced under Section 35 A of the Banking Regulation Act, 1949 by RBI with effect from 1995.

S10. Ans.(d)

Sol. Indian Banks' Association (IBA) set up in 1946 with 22 members to discuss issues of common interests. Over the years, IBA emerged as the Voice of Indian Banking Industry.

S11. Ans.(d)

Sol. The “in-principle” approval granted will be valid for 18 months to enable the applicants to comply with the requirements under the Guidelines and fulfil other conditions as may be stipulated by the RBI.

S12. Ans.(d)

Sol. Multi Commodity Exchange of India Ltd (MCX) is an independent commodity exchange based in India. It was established in 2003 and is based in Mumbai.

S13. Ans.(c)

Sol. Atal Pension Yojna (APY) a guaranteed pension scheme administered by PFRDA and established by Government of India. This scheme mainly for workers in unorganised sector.

S14. Ans.(e)

Sol. Masala bonds an Indian rupee denominated bond issued outside India.

S15. Ans.(d)

Sol. Foreign Exchange Dealer's Association of India (FEDAI) was set up in 1958 as an Association of banks dealing in foreign exchange in India (typically called Authorised Dealers - ADs) as a self regulatory body and is incorporated under Section 25 of The Companies Act, 1956. It's major activities include framing of rules governing the conduct of inter-bank foreign exchange business among banks vis-à-vis public and liaison with RBI for reforms and development of forex market.

