

For Paid Users Only

Banking Awareness

August Set **2**

By Dr Gaurav Garg



Q) The Reserve Bank of India has approved the transfer of record Rs _____ lakh crore dividend and surplus reserves to the government?

Rs 1.34 lakh

Rs 1.23 lakh

Rs 1.42 lakh

Rs 1.76 lakh

Revised Economic Capital Framework.

RBI, in consultation with the government, had constituted a six-member expert committee headed by former RBI Governor Bimal Jalan in December 2018 to review the extant economic capital framework of the central bank.

Q) Nirmala Sitharaman has announced the merger of 10 nationalised banks, this will reduce the number of public sector banks to _____ from 27?

A. 17

B. 12

C. 15

D. 18

List of mergers

- ✓ Oriental Bank of Commerce and United Bank merged with Punjab National Bank
- ✓ Canara Bank and Syndicate Bank merged
- ✓ Union Bank of India, Andhra Bank, Corporation Bank will be merged
- ✓ Indian Bank is being merged with Allahabad Bank

Oriental Bank of Commerce and United Bank merged with Punjab National Bank - second largest PSB in India with a total business of Rs 17.5 lakh crore.

Canara Bank and Syndicate Bank will be Rs 15.20 lakh crore. It will become the fourth largest PSB in the country.

Union+Andhra+Corporation Banks to be 5th largest PSB with Rs 14.6L Cr. business

Indian & Allahabad Banks to be 7th largest PSB with Rs 8.08 lakh crore business.

INDIA'S GDP Projections by various agencies

ADB

6.5 pc for FY20

7.2 per cent growth in fiscal 2021

RBI

6.1 pc for FY20

S&P

6.3 pc for FY20

INDIA'S GDP Projections by various agencies

IMF

7 pc for FY20

World Bank

7.5 pc for FY20

Moody's

6.2 pc for FY20

INDIA'S GDP Projections by various agencies

OECD

5.9 pc for FY20

Nomura

6.0 pc for FY20

CARE Ratings

6.2 pc for FY20

INDIA'S GDP Projections by various agencies

INDIA Ratings
6.7 pc for FY20

CRISIL
6.3 pc for FY20

ICRA
6.2 pc for FY20

Q) Which card company has launched a new solution – Identity Check Express for safe digital payment?

- A. Visa
- B. MasterCard
- C. Rupay
- D. American Express

Mastercard rolls out Identity Check Express for safe digital payment

With Identity Check Express, Mastercard will offer a frictionless payment experience to Mastercard cardholders at leading merchants for amounts less than ₹2,000 on their trusted mobile device by sharing a one-time merchant specific consent.

For transactions greater than ₹2,000, cardholders will be able to authenticate themselves with a transaction PIN of their choice

Q) Speed Dial – Your Partner for Life is an initiative of which insurance company?

- A. Bajaj Allianz
- B. Bharti AXA
- C. Max Care
- D. PNB MetLife

'Speed Dial – Your Partner for Life' Initiative Launched by Max Life Insurance

Max Life Insurance Co. Ltd. has announced the launch of one-of-its-kind initiative, named 'Speed Dial Max Life Insurance – Your Partner for Life' on August 6 which coincides with the company's fourth 'Protection Day'. Max Life dedicate the 6th of every calendar month as 'Protection Day' with effect from May 2019

Under the Speed Dial-Your Partner for Life initiative every customer will be provided a dedicated relationship manager, known as the 'Partner for Life' from the day of purchase of a policy for all their policy-related service needs.

Q) Payments Startup **EnKash** has launched India's first corporate credit card for small and medium enterprises (SMEs) named what?

- A. Freedom Card
- B. Trade Smart
- C. Small Card
- D. Smart Pay

Q) Which state has topped the list of states in India in terms of GDP growth rate in 2018-19?

A. Bihar

B. West Bengal

C. Andhra Pradesh

D. Telangana

West Bengal top Indian State in 2018-19 in terms of GDP growth

West Bengal has topped the list of states in India in terms of GDP growth rate in 2018-19 with a GDP growth rate of 12.58%.

The data is as per the table on GDP growth of states in 2018-19 published by the ministry of statistics and programme implementation.

West Bengal is followed by Andhra Pradesh at second with GDP growth rate of 11.02%, Bihar is at third with 10.53% followed by Telangana at 4th with 10.5%.

Goa is at the bottom of the list with 0.47% GDP Growth rate.

Q) How much amount has been contributed by India to the United Nations Special Purpose Trust Fund?

- A. USD 1 million
- B. USD 2 million
- C. USD 3 million
- D. USD 4 million

Q) What is the minimum net worth for an entity to participate in **regulatory sandbox** as per the new guidelines set by RBI?

- A. 50 lakh
- B. 25 lakh
- C. 75 lakh
- D. 1 crore

RBI finalises regulatory sandbox framework for innovation in fintech firms

The Reserve Bank of India (RBI) has released the final 'enabling framework for the regulatory sandbox.

What is Regulatory Sandbox: Regulatory Sandbox (RS) usually refers to live-testing of new products or services in a controlled/test regulatory environment for which regulators may (or may not) permit certain regulatory relaxations for the limited purpose of the testing.

- ❖ It should either be a company incorporated and registered in India or banks licensed to operate in India.
- ❖ The entity shall have a minimum net worth of Rs. 25 lakh as per its latest audited balance sheet.

Q) Who is the highest-paid bank CEO of India?

- A. Aditya Puri
- B. Amitabh Chaudhry
- C. Uday Kotak
- D. Sandeep Bakhshi

Aditya Puri is the highest-paid bank CEO

Aditya Puri, the MD and CEO of HDFC Bank is the highest paid bank chief executive in India with a monthly basic salary of Rs 89 lakh in FY19.

Amitabh Chaudhry (Axis Bank CEO), was second at a basic monthly salary of Rs 30 lakh.

Kotak Mahindra Bank's Uday Kotak was ranked at third. The data has been compiled from the annual report of the banks.

Q) **Jyske Bank** of which country has launched the world's first negative interest rate mortgage?

- A. Finland
- B. Poland
- C. Denmark
- D. Norway

Negative interest rates effectively mean that a bank pays a borrower to take money off their hands, so **they pay back less than they have been loaned.**

Negative interest rates are only applicable in deflationary economies. When the central bank feels that the economy of the country is contracting and that further contraction can be very detrimental to the future of their country, they step in and basically provide a lot of cheap liquidity so that people are encouraged to indulge in more economic activity which will hopefully reverse the situation.

Basically, the depositors are charged money if they keep money at the bank.

They are encouraged to spend it.

Likewise, loan rates will either be zero or very close to zero in this environment.

Which of the following statements is/are true w.r.t new rules on 'free ATM transactions :

- A) Transactions failed at ATMs due to technical reasons like hardware and software issues **will not be counted** as valid ATM transaction.
- B) Use of ATMs for non-cash withdrawal transactions such as balance enquiry, cheque book request, payment of taxes, funds transfer **will be counted** as the valid ATM transaction.

Options:

- Both are True
- Only A is true
- Only B is True
- None is true

RBI clarifies rules on 'free ATM transactions'

The following transactions should not be counted as valid ATM transactions for the customer as the 'free ATM transactions':

- ❖ Transactions failed at ATMs due to technical reasons like hardware and software issues.
- ❖ Transactions failed due to non-availability of currency in ATMs.
- ❖ Use of ATMs for non-cash withdrawal transactions such as balance enquiry, cheque book request, payment of taxes, funds transfer.

Q) As per RBI, banks have to identify at least how many branches in a State/Union Territory where they have presence to accept the deposits under the Gold Monetisation Scheme?

- A. Five
- B. Ten
- C. One
- D. Three

Banks to identify at least one branch in a State for Gold Monetisation Scheme: RBI

The Reserve Bank of India has issued an amendment to the **Gold Monetization Scheme, 2015**.

The Reserve Bank of India (RBI) on August 16 directed all scheduled commercial banks (except regional rural banks) to promote the Gold Monetisation Scheme that was introduced on October 22, 2015 **to replace the Gold Deposit Scheme, 1999**.

The Reserve Bank of India has issued an amendment to the **Gold Monetization Scheme, 2015**

As per the amendment

Banks have to identify at least one branch in a **State/Union Territory** where they have presence to accept the deposits under the Scheme

Q) Recently India has not launched the Rupay Card in which the following country?

- A. Singapore
- B. Bhutan
- C. UAE
- D. Nepal

Q) Who has been appointed as the President of the Paytm?

- A. Tushar Vaidya
- B. Madhur Deora
- C. Rakesh Mishra
- D. Shashi Singh

Q) Which Bank has vowed to eliminate debit cards from the banking system in order to promote more digital payment?

- A. Bank of Baroda
- B. State Bank of India
- C. Axis Bank
- D. HDFC Bank

State Bank of India aims to eliminate debit cards

State Bank of India bank debit cards from the banking system as the bank plans to promote more digital payment solutions and eliminate the plastic cards.

A fifth of the population relies on the debit card service of this largest lender. In spite of this huge reliance, SBI plans to promote more digital payment solutions and eliminate the plastic cards.

Around 90 crore debit cards in the country as against 3 crore credit cards, and pointed out to digital solutions like its own 'Yono' platform as the key for achieving a debit card-less country.

Through **Yono platform**, one can withdraw cash at automated teller machines or pay for purchases at a merchant establishment without having a card at all.

The bank already set up 68,000 'Yono cashpoints' and is in the process of scaling it up massively to over 1 million in the next 18 months which will make the necessity to have a card even less.

Q) RBI has permitted processing of e-mandate on credit and debit cards for recurring transactions (merchant payments), The maximum limit for such a transaction is kept at Rs_____?

- A. Rs 5,000
- B. Rs 2,000
- C. Rs 10,000
- D. Rs 4,000

Now, you can allow up to Rs 2,000 of recurring payments via digital wallets

RBI allows e-mandate for cards for recurring transactions

The Reserve Bank of India has permitted processing of e-mandate on credit and debit cards for recurring transactions (merchant payments).

The **maximum limit** for such a transaction will be **Rs 2,000**.

While processing the first transaction in e-mandate-based recurring transaction series, additional factor authentication (AFA) validation should be performed.

As per the RBI circular, no charges should be levied or recovered from the card holder for availing the e-mandate facility on cards for recurring transactions.

The direction is applicable for transactions performed using all types of cards—debit, credit and Prepaid Payment Instruments (PPIs), including wallets.

Q) Which bank has won the 'World's Best Bank' Award by Euromoney in its 2019 Awards for Excellence?

Bank of China
DBS Bank
Wells Fargo
Citigroup

Q) As per data from Bloomberg, how many banks in India are amongst 10 worst performing stocks in the world?

A. Three

B. Eight

C. Seven

D. Five

7 of the world's 10 worst-performing bank stocks are in India; Top-
Yes Bank

Data as per Bloomberg indicates that **Seven of the 10 worst-performing bank stocks globally** are from India as the country struggles due to an economic slowdown.

Yes Bank is the top worst performing bank among these

The list of all banks are:

1. Yes Bank (India)
2. IDBI Bank (India)
3. Central Bank of India (India)
4. Banco BBVA Argentina (Argentina)
5. Bank of India (India)
6. Grupo Financiero Galicia (Buenos Aires)
7. RBL Bank (India)
8. Unicaja Bank (Spain)
9. Indian Overseas Bank (India)
10. Corporation Bank (India)

Q) **SEBI** has announced that the Central Banks that are not members of _____ shall also be eligible **for FPI registration**?

- A. Bank for International Settlements
- B. Financial Stability Institute
- C. International Centre for Settlement
- D. Basel Committee on Banking Supervision

The company should have profitability/ net worth track record of 3 years or have 75% of its capital.

Minimum promoters contribution shall be 20% which shall be locked in for 3 years.

Q) Which bank has launched India's first
one-time password (OTP) facility for ATM
withdrawals?

- A. Canara Bank
- B. Indian Bank
- C. Punjab National Bank
- D. State Bank of India

Canara Bank introduced OTP facility for ATM withdrawals

Canara Bank has launched India's first one-time password (OTP) facility for ATM withdrawals.

The OTP will be activated for cash withdrawals over Rs.10,000 per day at its ATMs to protect its cardholders from unauthorized withdrawal. Indian bank also taking this process as soon.

Q) Which bank in partnership with MasterCard have launched Millennia Cards?

- A. HDFC Bank
- B. ICICI Bank
- C. Axis Bank
- D. Yes Bank

In a first, HDFC Bank, MasterCard launch Millennia cards aimed at 'Young India'

Millennials were those born between 1982 and 2000 and represents the demographic of the first generation of people reaching adulthood in the early 21st century.

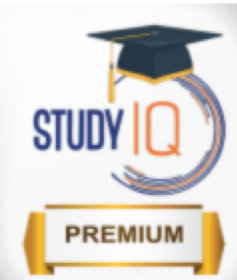
After HDFC, Freecharge has also launched Digital Credit Card for millennials in partnership with Axis Bank.

Q) Which bank has become the first in the country to deploy industrial 'Robotic Arms' to count currency notes?

- A. Yes Bank
- B. HDFC Bank
- C. ICICI Bank
- D. Axis Bank

Q) Pakistan will get about \$_____ billion from the Asian Development Bank (ADB) for various development projects over the next three years?

- A. \$7 billion
- B. \$5 billion
- C. \$3 billion
- D. \$ 4 billion



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