

1. To assimilate the domestic financial system with global best practices, the investment portfolio of Scheduled Commercial Banks got recategorized with effect from 01st April 2024 by RBI. Name the newly introduced category.

A. HTM
B. AFS
C. HFT
D. FVTPL
E. SPPI

Answer:- FVTPL

2. How many primary dealers have been granted license by RBI in India

A. 19
B. 18
C. 17
D. 20
E. 21

Answer:- 21

3. Commercial Paper is issued for a minimum denomination of how much amount in Rs.?

A. 1 lakhs
B. 2 lakhs
C. 3 lakhs
D. 4 lakhs
E. 5 lakhs

Answer:- 5 lakhs

4. Retail Direct Gilt Account Holders are permitted to participate in primary issuances of which financial instruments under RBI Retail Direct?

A. Central Government Securities
B. Sovereign Gold Bonds
C. Treasury Bills
D. Only Central Government Securities and Treasury Bills
E. Central Government Securities, State Development Loans, Sovereign Gold Bond and Treasury bills

Answer:- Central Government Securities, State Development Loans, Sovereign Gold Bond and Treasury bills

5. In India commodity futures is traded on which exchange?

- A. NSE
- B. BSE
- C. MCX
- D. CBOT
- E. CME

Answer:- MCX

6. Who issues base price and yield on daily basis for administering valuation of G-Sec with effect from 2018?

- A. FIMMDA
- B. FBIL
- C. RBI
- D. CCIL
- E. EKUBER

Answer:- FBIL

7. A 9 vs 12 FRA means seeking protection for how many months borrowing or lending commitment starting 9 months from today.

- A. 21 months
- B. 12 months
- C. 3 months
- D. 9 months
- E. 6 months

Answer:- 3 months

8. Banks/Primary Dealers participate in weekly auction of G-sec through which platform

- A. NDSOM
- B. NDS CALL
- C. EKUBER
- D. ASTROID
- E. CROMS

Answer:- EKUBER

9. The swap type that provides for reduction in notional principal amount corresponding to the amortization of a loan is ?

- A. Basis Swap
- B. Amortizing Swap
- C. Step-up Swap
- D. Extendable Swap
- E. Deferred Swap

Answer:- Amortizing Swap

10. When the RBI feels that there is excess liquidity in the market, in order to withdraw this surplus, it resorts to

- A. OMO Purchase
- B. OMO Sale
- C. Operation Twist
- D. Rate Cut
- E. accomodative stance

Answer:- OMO Sale

11. Name the window for banks to borrow from the Reserve Bank of India for overnight by leveraging securities in an emergency situation, when inter-bank liquidity dries up completely.

- A. Repo
- B. Reverse Repo
- C. SDF
- D. MSF
- E. LAF

Answer:- MSF

12. What is the minimum amount of the lot size of a certificate of deposit?

- A. Rs. 1 lakhs
- B. Rs. 2 lakhs
- C. Rs. 3 lakhs
- D. Rs. 4 lakhs
- E. Rs. 5 lakhs

Answer:- Rs. 1 lakhs

13. What is the full form of STRIPS?

- A. Separate Trading of Registered Interest and Principal of Securities
- B. Separate Transaction of Registered Interest and Principal of Securities
- C. Separate Trading of Registered Interest and Pooled of Securities
- D. Separate Transaction of Registered Interest and Pooled of Securities
- E. Separate Trading of Revocable Interest and Principal of Securities

Answer:- Separate Trading of Registered Interest and Principal of Securities

14. Name the account opened by Primary Dealers on behalf of non SGL account holders with RBI for holding government securities.

- A. Subsidiary General Ledger Account
- B. Client Subsidiary General Ledger Account
- C. Constituent Subsidiary General Ledger Account
- D. Subsidiary G-Sec Ledger Account
- E. Client G-Sec Ledger Account

Answer:- Constituent Subsidiary General Ledger Account

15. CP is secured upto how much amount?

- A. Unsecured instrument
- B. 100%
- C. 80%
- D. 75%
- E. 60%

Answer:- Unsecured instrument

16. Name the security that has been authorized for issuance but not yet actually issued.

- A. When, as and if issued
- B. When Issued
- C. Only A
- D. Only B
- E. Both A & B

Answer:- Both A & B

17. What is the present rate of Standing Deposit Facility (SDF) rate?

- A. 6.00%
- B. 6.25%
- C. 6.50%
- D. 6.75%

E. 3.35%

Answer:- 6.25%

18. Which type of options contract is permissible in India

- A. American Options
- B. European Options
- C. Bermudan Options
- D. Canary Options
- E. Evergreen Options

Answer:- European Options

19. With regard to ARR, the benchmark rate for Japanese Yen is known as?

- A. SOFR
- B. SONIA
- C. TONAR
- D. JARON
- E. JSTER

Answer:- TONAR

20. The open market operation involving simultaneous buying of long-term government securities and selling short-term government securities, suggesting a "twisting" of the yield curve is known as?

- A. Quantitative Easing
- B. Quantitative Tightening
- C. Twisters
- D. Open market Operations
- E. Operation Twist

Answer:- Operation Twist

21. Unsecured borrowing/lending of funds for period exceeding 14 days up to 1 year is known as?

- A. Call Money
- B. Notice money
- C. Term Money
- D. Long Money

E. Unsecured Money

Answer:- Term Money

22. Which of the following liquidity support measures rests on uncollateralised short term borrowing and lending?

- A. REPO
- B. REVERSE REPO
- C. MSF
- D. SDF
- E. SLF

Answer:- SDF

23. What is haircut in repo?

- A. Difference between clean price and dirty price
- B. Difference between market value of an asset and the purchase price paid at the start of a repo
- C. Difference between current price and acquisition price of asset at the reversal of repo.
- D. Difference between market price and WAP
- E. Difference between clean price and market price.

Answer:- Difference between market value of an asset and the purchase price paid at the start of a repo

24. What is the account opened and maintained with RBI to hold government securities called?

- A. Subsidiary General Ledger Account
- B. Securities General Ledger Account
- C. Subsidiary G-Sec Ledger Account
- D. Securities G-Sec Ledger Account
- E. Consituent General Ledger Account

Answer:- Subsidiary General Ledger Account

25. When a bidder is able to participate in the auctions of G-sec without having to quote the yield or price in the bid, it is which type of bidding?

- A. Competitive Bidding
- B. Non Competitive Bidding
- C. Cooperative Bidding
- D. Non Cooperative Bidding
- E. Unquote Bidding

Answer:- Non Competitive Bidding

26. Government Securities denominated in grams of gold is called?

- A. Sovereign Gold Bond
- B. Sovereign Gilt Bond
- C. Sovereign Bullion Bond
- D. Sovereign Precious Metals Bond
- E. Gold Bond

Answer:- Sovereign Gold Bond

27. Forward contract are used to hedge the following risk

- A. Reputation risk
- B. Legal Risk
- C. Exchange Rate Risk
- D. Operation Risk
- E. Transition Risk

Answer:- Exchange Rate Risk

28. Derivatives by themselves have no value. Their value is derived out of

- A. underlying instrument
- B. market counter parties
- C. demand and supply
- D. mutual agreement
- E. approval from regulator

Answer:- underlying instrument

29. For cancellation of forward sell contract, bank will apply which rate?

- A. TT Selling
- B. Bill Selling
- C. TT Buying
- D. Bill Buying
- E. Spot

Answer:- TT Buying

30. When exchange of currencies takes place on the day of the deal it is known as?

- A. Value Today
- B. Value Tomorrow
- C. Value Spot
- D. Forward
- E. Value Yesterday

Answer:- Value Today