

QuestionText*	AnswerOption1*	AnswerOption2*	AnswerOption3	AnswerOption4	AnswerOption5	CorrectAnswer1*
There is.....relationship between CRR and Credit Creation.	a positive	an inverse	no relation	direct	a negative	an inverse
Main objective of RBI Monetary Policy is one of the followings:(a)Price Stability (b)Economic Growth (c)Exchange Rate (d)Controlling supply of money	Only a	only a & b	only a & c	only d	only a & d	only a & d
An.....stance means the Central Bank is prepared to expand the supply of money to boost the economic growth.	Neutral	Hawkish	Accommodative	Calibrated Tightening	Negative	Accommodative
.....stance by the Central Bank indicates that the top priority is to keep the inflation low.	Hawkish	Accommodative	Neutral	Calibrated Tightening	Dovish	Hawkish
What are the general objectives of Fiscal Policy?	Maximizing government revenue and minimizing expenditures	Minimizing government expenditures	Promoting economic growth and reducing unemployment	Increasing trade surplus and reducing imports	Enhancing social welfare and improving healthcare	Promoting economic growth and reducing unemployment
Which committee/agency determines the policy interest rates required to control inflation and supply of money?	MPC	FCI	NITI Aayog	SBI	FICCI	MPC
MPC comprises.....members out of which..... members are from RBI and..... member from the Government of India.	6,4,2	3,2,1	5,3,2	2,1,1	6,3,3	6,3,3
Who is known as the father of monetary policy?	Nobel Prize winner economist Milton Friedman	Adam Smith	John Maynard Keynes	David Ricardo	Amartya Kumar Sen	Nobel Prize winner economist Milton Friedman
.....Is the percentage of total deposit of the bank held as reserves either in cash or as deposits with the central bank.	Bank rate	Cash Reserve Ratio	CCB	Base rate	SLR	Cash Reserve Ratio
What is the purpose of (OMO) Open Market Operations conducted by the Central Bank?	To regulate the issuance of government bonds.	To stabilize exchange rates in the foreign market.	To control the supply of money and interest rates in the economy.	To oversee the trading activities of commercial banks.	To monitor inflation trends in consumer goods.	To control the supply of money and interest rates in the economy.
What are the expansionary monetary policy indicators?	Decreasing interest rate	Lowering reserve requirements for bank	Re-Purchasing of Government Security by Central Bank	Increasing money supply in the market	All of the above	All of the above
What is hyperinflation?	A moderate increase in prices due to temporary supply	An extremely rapid and uncontrollable rise in prices across an	A situation where inflation remains stable over an extended period.	A decrease in prices leading to deflationary pressures.	A controlled increase in prices to stimulate economic	An extremely rapid and uncontrollable rise in prices across an economy.
What is the primary objective of Quantitative Easing (QE)?	Decrease interest rates	Stimulate economic growth	Increase inflation	Reduce government spending	None of the above	Stimulate economic growth
How does Quantitative Easing (QE) affect long-term interest rates?	Increases them	Decreases them	No impact	Makes them more volatile	Depends on the stock market	Decreases them

What is the primary purpose of the Marginal Standing Facility (MSF) introduced by the Reserve Bank of India (RBI)?	To provide loans to small industries	To provide overnight liquidity support to commercial banks	To regulate foreign exchange rates	To promote agricultural growth	To manage long term interest rates	To provide overnight liquidity support to commercial banks
Which of the following is an expansionary fiscal policy measure?	Decreasing government spending	Increasing income tax rates	Decreasing subsidies	Increasing government spending	Increasing government borrowings	Increasing government spending
What is the primary objective of The Fiscal Responsibility and Budget Management (FRBM) Act in India?	To increase government spending for economic growth	To reduce fiscal deficit and promote fiscal discipline	To encourage inflationary measures	To decrease tax revenue	To increase public debt	To reduce fiscal deficit and promote fiscal discipline
Which of the following is a capital receipt in the Union Budget of India?	Revenue from income tax	Revenue from sales tax	Grants received from foreign countries	Interest receipts	Proceeds from disinvestment	Proceeds from disinvestment
What is the maximum allowable fiscal deficit under the Fiscal Responsibility and Budget Management (FRBM) Act?	2% of GDP	3% of GDP	4% of GDP	5% of GDP	No limit	3% of GDP
Which of the following statements about Goods and Services Tax (GST) in India is true?	It is levied and collected by the State Governments only	It is levied on both goods and services at the Flat rate	It is an indirect tax	It has replaced all other taxes completely	It is a direct tax	It is an indirect tax
What is the main goal of fiscal consolidation?	Increasing government expenditure	Reducing public debt and fiscal deficit	Decreasing taxation	Encouraging inflation	Expanding fiscal deficit	Reducing public debt and fiscal deficit
India's government expenditure for a fiscal year is ₹150,00,000 crore (₹150 lakh crore) and its total revenue (excluding borrowings) is ₹135,00,000 crore (₹135 lakh crore). If India's GDP for the same year is ₹300,00,000 crore (₹300 lakh crore), what is the fiscal deficit in crore INR, and what is the fiscal deficit as a percentage of GDP?	Fiscal deficit: ₹20,00,000 crore, 5%	Fiscal deficit: ₹15,00,000 crore, 5%	Fiscal deficit: ₹15,00,000 crore, 2.5%	Fiscal deficit: ₹20,00,000 crore, 10%	Fiscal deficit: ₹10,00,000 crore, 5%	Fiscal deficit: ₹15,00,000 crore, 5%
Which committee recommended the implementation of the Goods and Services Tax (GST) in India?	Rangarajan Committee	Kelkar Committee	Chakravarty Committee	Vijay Kelkar Committee	Nayak Committee	Vijay Kelkar Committee
Which of the following are the primary components of fiscal policy in India?	Monetary, trade, and exchange rate policies	Taxation, public expenditure, and deficit financing	Industrial, agricultural, and educational policies	Inflation targeting, banking regulation, and financial inclusion	Privatization, subsidy management, and regulatory reforms	Taxation, public expenditure, and deficit financing
Who introduced the Fiscal Policy as a tool for achieving economic growth and employment?	Milton Friedman	Adam Smith	John Maynard Keynes	David Ricardo	Amartya Kumar Sen	John Maynard Keynes
Which of the following is an example of a capital receipt in India?	Income tax revenue	Dividends from public sector enterprises	Grants received from foreign countries	Interest payments on government loans	Sales tax revenue	Grants received from foreign countries

Which of the following is an example of a revenue receipt in India?	Proceeds from disinvestment	Interest payments on loans given to states	Grants received from foreign countries	Dividends from public sector enterprises	Loans raised from domestic market	Dividends from public sector enterprises
Excessive foreign borrowing by a government can potentially led to:	Higher exports	Reduced fiscal deficit	Increased sovereign risk	Improved credit rating	Enhanced economic growth	Increased sovereign risk
What does a surplus in the current account of the balance of payments indicate?	Increased government spending	More imports than exports	More exports than imports	Currency appreciation	Decreased foreign investments	More exports than imports
How does a large fiscal deficit affect government borrowing?	Reduces government debt	Lowers interest rates	Increases interest rates in the market	Boosts consumer spending	Strengthens the currency	Increases interest rates in the market