

Practice Set to test Economy, Banking & Marketing Current Affairs Knowledge for SBI Clerk Exam 2012- Set II

Which of India's leading commodity bourses on 20 December 2011 became the world's fifth-largest commodity futures exchange?

- a. National Multi Commodity Exchange of India
- b. Bharat Diamond Bourse
- c. Multi Commodity Exchange
- d. Bombay Stock Exchange

Answer: (d)

Name the state-run Mumbai-headquartered bank which on 29 December 2011 surprised the market by cutting its base rate, the minimum lending rate, by 10 basis points, thereby becoming the first banker this year to do so when others are waiting for a signal from the central bank.

- a. State Bank of India
- b. Union Bank
- c. United Bank of India
- d. Allahabad Bank

Answer: (b)

Which PSU lender called off its plans to set up a joint venture with Visa Inc and Elavon Inc to enter the merchant acquiring business over differences on sharing technology?

- a. Union Bank
- b. State Bank of India
- c. Syndicate Bank
- d. Corp Bank

Answer: (b)

The Board of Approval (BoA) under the Commerce Ministry on 24 January 2012 approved the proposal of this company to set up a special economic zone (SEZ) at Indore in Madhya Pradesh. Identify the company.

- a. Reliance Industries

- b. Tata Consultancy Services (TCS)
- c. Hero Motors
- d. Infosys

Answer: (b)

Name the world's largest biotechnology company which agreed to buy Micromet in a \$1.16 billion deal to gain an experimental leukemia drug.

- a. Celgene Drug
- b. B B Biotech
- c. Dechert
- d. Amgen

Answer: (d)

Which channel developed a 52-week special India: Wild Encounters to focus on India's enchanting wildlife as well as take viewers on an exploration spree ?

- a. Discovery India
- b. Animal Planet
- c. Sony
- d. National Geography

Answer: (b)

Which of the following banks filed a criminal complaint against Sterling Biotech, and its six directors, for allegedly defaulting on repayments on credit facilities provided by the public sector lender?

- a. State Bank of Travancore
- b. State Bank of Mysore
- c. State Bank of Patiala
- d. State Bank of Indore

Answer: (b)

Which of the following Indian Telecom company on 16 February 2012 got the RBI nod for FCCB redemption?

- (a). Reliance Telecom
- (b). Uninor
- (c). Airtel
- (d). Vodafone

Answer: (a)

World's largest two wheeler manufacturer Hero MotoCorp on 22 February 2012 inked a pact with Erik Buell Racing [EBR]. EBR is an

- (a) USA based company
- (b) UAE based company
- (c) Argentina based company
- (d) UK based company

Answer: (a)

Consider the following statements and using the code given below identify the personality with whom these statements are associated

1. He has recently joined the Hindustan Aeronautics Limited as its Chairman
2. He is one of the few outsiders to head HAL
3. He started his career with ONGC in 1976
4. He has also served as the head of Pawan Hans Limited

- (a) RK Sharma
- (b) RK Tyagi
- (c) AM Naik
- (d) Pratip Chaudhury

Answer: (b)

Which of the following public sector bank has appointed Madhukant Girdharlal Sanghvi as its new Chairman

- (a) Bank of Baroda
- (b) Allahabad Bank

- (c) State Bank of Maharashtra
- (d) Syndicate Bank

Answer: (d)

Which of the following banks on 20 March 2012, launched its new card product named Sapphiro

- (a) HDFC
- (b) State Bank of India
- (c) Kotak Mahindra
- (d) ICICI

Answer: (a)

Which of the following nationalized bank on 1 April 2012 appointed D Sarkar as chairman and Managing Director

- (a) Indian Bank
- (b) Allahabad Bank
- (c) Union Bank of India
- (d) Canara Bank

Answer: (c)

Which one of the following statements is wrong

- (a) NTPC has successfully completed the automation package for the Simhadri Stage-II
- (b) It is NTPC's first coastal-based coal-fired thermal power project
- (c) The super thermal power project located near Visakhapatnam in Andhra Pradesh
- (d) NTPC is a private energy company, based in China

Answer: (d)

Reserve Bank of India (RBI) on 4 May 2012 raised the interest rate ceiling on NRI deposits in foreign currencies by up to what percent?

- a. 1%
- b. 2.5%

- c. 3.3%
- d. 3%

Answer: (d)

Union minister of labour and employment Mallikarjun Kharge inaugurated the E-Challan and Receipt (ECR) facility on 1 May 2012. Which of the following statements related to the statement is not true?

1. E-Challan and Receipt (ECR) facility was inaugurated to bring transparency and accessibility for employers in depositing monthly Employees' Provident Fund or EPF contributions of their workers
2. Employers under the ECR service would have to register their organisations online and generate challans for making monthly deposits. They can use these challan for either electronically or physically depositing the Provident Fund or PF contributions to the bank.
3. After the bank confirms the deposit, the concerned regional office's system would be automatically notified and individual members' accounts would get updated
4. The need of annual accounts preparation at the end of the will continue to prevail under this system

- a. 1 & 2
- b. Only 2
- c. Only 4
- d. 2 & 3

Answer: c

Union Government decided on 1 million Cap on External Commercial Borrowing for which of the following sectors?

- a. Handicraft & Small Industries sector
- b. Power sector
- c. Aviation sector
- d. Insurance sector

Answer: (c)

Reserve Bank of India (RBI) on 17 April 2012 instructed commercial banks to reduce their exposure to gold loan companies to what per cent of their capital funds from the existing 10%?

- a. 9%

- b. 8.3%
- c. 4.1%
- d. 7.5%

Answer: (d)

Commerce Secretary on 19 April 2012 announced that India surpassed the export target of \$300 billion for 2011-12. However due to surging imports India recorded the highest ever trade deficit. What was the trade deficit recorded for the 2011-12?

- a. \$184.9 billion
- b. \$150 billion
- c. 4167.4 billion
- d. \$142 billion

Answer: (a)

International Monetary Fund (IMF) in its World Economic Outlook (WEO), released ahead of the IMF-World Bank Spring Meetings, marginally lowered India's economic growth forecast to what per cent in 2012?

- a. 4%
- b. 3.5%
- c. 6.9%
- d. 7.3%

Answer: (c)

Union government on 18 April 2012 decided to liberalise the external commercial borrowing (ECB) norms for the power sector. Power sector companies will now be able to use up to what per cent of ECB loans to refinance their rupee debt?

- a. 35%
- b. 40%
- c. 53%
- d. 27%

Answer: (b)

Cabinet Committee on Economic Affairs (CCEA) on 12 April 2012 also approved an ad-valorem regime for calculating royalty for which of the following?

- a. Coal & Iron ore
- b. Coal & Lignite
- c. Lignite & Copper
- d. Lignite & Zinc

Answer: (b)

Union government on 12 April 2012 approved bailout package for Air India. What was the bailout amount cleared by the Cabinet Committee on Economic Affairs?

- a. Rs 30000 crore
- b. Rs 25000 crore
- c. Rs 43000 crore
- d. Rs 27000 crore

Answer: (a)

The Union Cabinet on 12 April 2012 approved the extension of funding support for implementing which of the following schemes under the New Pension System (NPS) from three years to five years for all subscribers?

- a. Trade related Entrepreneurship Assistance and Development (TREAD) Scheme
- b. Gold Credit Pass Book Scheme
- c. Swayamsidha (IWEP)
- d. Swavalamban Scheme

Answer: (d)

Reserve Bank of India on 3 April 2012 tightened the reporting requirements of the banks to monitor gold import. Consider the statements given below and which of the following is true?

1. As per the directions issued, banks will have to submit a monthly statement informing the central bank about the quantity of gold imported as well as the mode of payment adopted
2. The directive was issued amidst concerns of huge outflow of foreign exchange on import of gold which is believed to be putting pressure on the India's current account deficit (CAD).

- a. Only 1
- b. Only 2
- c. Both 1 & 2
- d. None of the above

Answer: (c)

Following RBI's decision to hike bank rate, the Food Ministry increased the interest rate on loans provided to sugar factories from the Sugar Development Fund (SDF) to what per cent from the earlier 4% from 14 February 2012?

- a. 7%
- b. 7.5%
- c. 8%
- d. 8.8%

Answer: (b)

Reserve Bank of India (RBI) on 3 April 2012 released 'Quarterly Statistics on Deposits and Credit of Scheduled Commercial Banks, September 2011. Which of the following facts are not true with respect to the mentioned statement?

1. The data included in the release were based on Basic Statistical Return (BSR)-10 received from all scheduled commercial banks (excluding RRBs)
2. The number of banked centres of Scheduled Commercial banks stood at 35,435. 27,913 of these centres were single office centres and 68 centres had 100 or more bank offices
3. State Bank of India and its Associates accounted for 21.8 per cent of the aggregate deposits
4. the credit-deposit (C-D) ratio of All Scheduled Commercial Banks (SCBs) at all India level as on 30 September 2011 stood at 74.4 per cent

- a. Only 1
- b. 2 & 3
- c. Only 4
- d. 3 & 4

Answer: (a)

Union government on 23 March 2012 reduced the import tariff value of which metal from USD 573 per 10 grams to USD 530 per 10 grams?

- a. Gold
- b. Silver
- c. Copper
- d. Iron

Answer: (a)

Union Power Ministry did not approve of the gas price pooling mechanism within the power sector as proposed by the Ministry of Petroleum and Natural Gas. With reference to the statement which of the following facts are not true?

- 2. The Power Ministry deemed the pooling price mechanism with 7 mmscmd of additional RLNG to be non-workable
- 3. As per the Power Ministry the pool proposed to be formed could only envisage 20-25 per cent of RLNG with 75-80 per cent of domestic gas
- 4. Petroleum Ministry specifically stated that no new power plants will be considered for gas allocation till 2019-20
- 5. Until 2013-14, only around 7 mmscmd of RLNG is expected to be imported due to infrastructure constraints

- a. Only 1
- b. 2 & 3
- c. Only 3
- d. Only 2

Answer: (c)

Union government raised interest rates on post office-operated small savings like Monthly Income Scheme (MIS) and Public Provident Fund (PPF) by what per cent in March 2012?

- a. 0.5%
- b. 1.1%
- c. 0.75%
- d. 1.75%

Answer: (a)

Finance ministry concerned over the steep rise in bad loans, set up a committee to suggest sector-specific mechanisms to address rising issue. With respect to the statement which of the following statement is not true?

1. The ministry decided to set up the committee after rating agency Moody's downgraded the Union Bank of India one notch on 19 March 2012 due to its high level of troubled assets and low provisions for coverage
2. The committee will have representation from the finance ministry, the Reserve Bank of India and some banks.
3. Finance Minister in Budget 2012-13 allowed \$1-billion external commercial borrowing (ECB) for the airline industry for one year, and allowed foreign debt to part-finance rupee debt taken by power companies and also for affordable housing.
4. Rise in bad loans affected farm sector lending as well. In November 2010, the share of farm loans was 13.10%, and dropped to 9.18% in November 2011

- a. 1 & 3
- b. Only 3
- c. Only 4
- d. Only 1

Answer: (c)

Union Railway Minister Mukul Roy rolled back the railway fare hike as proposed by Dinesh Trivedi in the first Union Rail Budget 2012-13 presented on 14 March 2012. Which of the following statement is not true with respect to the roll back?

1. Roy withdrew the hike for second class suburban and non-suburban, and sleeper class travel fare by 2 paise, 3 paise and 5 paise per km
2. All railway reform measures suggested by Trivedi such as setting up of an independent tariff regulator, restructuring of Railway Board on professional lines, and creation of posts of Member PPP and Member Safety was also ignored
3. Roy's budget paved the way for the cash-strapped railways to earn a mere Rs 450 crore from increased passenger fares instead of Rs 1000 crore that Trivedi budgeted for
4. Following the rollback proposed by Roy the railways can now generate only Rs 1000 crore more.

- a. 2 & 4

- b. Only 3
- c. 1 & 4
- d. Only 4

Answer: (b)

The Union Railway Budget 2012-13 was presented in the Lok Sabha on 14 March 2012 by Union Railway Minister Dinesh Trivedi. Which of the following facts related to the budget are not true?

1. The total union budget outlay for 2012-13 stood at Rs 60100 crore.
2. The fares were raised in the budget. The fares were raised 5 paise per km for suburban and ordinary second class. Fares for mail express second class was raised by only 2 paise per km
3. Union Railway budget 2012-13 proposed to allocate about Rs 4410 crore to capacity augmentation works
4. The Union railway proposed to electrify 6500 route kilometers during the 12th Plan period. This would include electrification of Udhampur-Srinagar-Baramulla line and hence provide pollution free traction to the pristine Kashmir Valley

- a. 3 & 5
- b. Only 4
- c. Only 2
- d. 3 & 4

Answer: (c)

The union government decided to boost public spending in the health sector to what per cent of GDP from the current 1.4 per cent over five years (12th Five Year Plan period beginning 2012)?

- a. 2.5%
- b. 3%
- c. 3.33%
- d. 4.5%

Answer: (a)

Reserve Bank of India (RBI) panel on priority sector lending on 21 February 2012 proposed increment in the target (priority sector) for foreign banks to what per cent of net bank credit from the current level of 32 per cent with sub-targets of 15 per cent for exports and 15 per cent for the MSE sector?

- a. 53%
- b. 40%
- c. 46%
- d. 39%

Answer: (b)

Cabinet Committee for Economic Affairs approved the National Dairy Development Board's ambitious National Dairy Plan for the 12th Five-Year Plan to be initiated in 2012. Which of the following facts with regard to the statement is not true?

- 2. The project is aimed at boosting milk production using scientific breeding and feeding programmes covering about 2.7 million milch animals in 40000 villages
- 3. According to the National Dairy Development Board, the demand for milk is likely to be about 150 million tonne by 2016-17 and 200-210 million tonne by 2021-22. India was the third largest milk producing nation in 2010-11 with a production of 100.2 million tonne.
- 4. Cooperatives currently procure about 16% of the national marketable milk surplus covering around 21% of the country's villages and 18% of rural milk producing households
- 5. The cooperative sector is needed to achieve a procurement share of at least 20% of the marketable milk surplus by 2016-17 so as to retain an overall 50% share of the marketable surplus handled by the organised sector

- a. 1 & 3
- b. Only 3
- c. Only 2
- d. 3 & 4

Answer: (c)

Reserve Bank of India (RBI) on 14 February 2012, issued the 'Draft Circular for Deployment of White Label Automated Teller Machines (WLAs) from non-bank entities. Which of the following facts related to this statement is/are not true?

- 1. The WLA operator can choose the location of the WLA. However, it will have to adhere to annual targets and the ratio of WLA between Tier I & II and Tier III-VI centres that may be stipulated by the RBI.
- 2. Non-bank entities proposing to set up WLAs have to apply to the RBI seeking authorisation under the Payment and Settlement Systems Act 2007

3. The non-banking entities should have a minimum net worth of Rs. 1000 crore at the time of making the application and on a continuing basis after issue of the requisite authorisation.
4. Being non-bank owned ATMs, the guidelines on five free transactions in a month for using other bank ATMs will not be applicable for transactions made on the WLAs.
5. The WLA operator will have to declare one Sponsor Bank, which will serve as the Settlement Bank for the settlement of all the service transactions at the WLAs.

- a. 2 & 5
- b. Only 1
- c. Only 3
- d. Only 5

Answer: (c)