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Q.1) Which of the following statements with respect to 'RBI's Prudential Framework for Resolution of Stressed Assets' is/are correct?

1. It is applicable to Scheduled Commercial Banks Only.
2. Banks have a review period of 2 days after a borrower defaults to decide on the resolution strategy.

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.1) Solution (d)

Banks will now have a review period of 30 days after a borrower defaults to decide on the resolution strategy, as compared to the one-day norm earlier. They will also have the freedom to decide whether or not to drag a defaulter to the insolvency court if resolution does not take place within 180 days of default. Banks had no such option earlier.

The provisions of these directions shall apply to the following entities:

- Scheduled Commercial Banks (excluding Regional Rural Banks);
- All India Term Financial Institutions (NABARD, NHB, EXIM Bank, and SIDBI);
- Small Finance Banks; and,
- Systemically Important Non-Deposit taking Non-Banking Financial Companies (NBFC-ND-SI) and Deposit taking Non-Banking Financial Companies (NBFC-D)

Source: <https://rbi.org.in/Scripts/NotificationUser.aspx?Id=11580&Mode=0>

Q.2) 'Kunming Initiative' is also referred to

- a) BCIM Forum
- b) ASEAN
- c) BIMSTEC
- d) BBIN Initiative

Q.2) Solution (a)

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The BCIM Forum on Regional Cooperation, earlier known as the 'Kunming Initiative', is a 'Track II' exercise involving scholars, business leaders, tourism experts, policy experts and technical personnel', along with government officials, which aims to explore and promote cooperation between Bangladesh, China, India and Myanmar, focusing on their contiguous regions. It represents the combined endeavour by the four countries to increase connectivity, culture, trade and tourism ties and people-to-people contact among them, in the border regions in particular. The BCIM project also hopes to address issues of trans-border crime, such as drug-trafficking, gun-running, illegal immigration and so on through increased inter-country cooperation and greater harmonization of border policies.

Q.3) Consider the following statements with respect to 'No Frills accounts'

1. The No Frills account is aimed to offer the most basic banking service to those from the low-income backgrounds.
2. Banks cannot offer cheque book facility to the no-frills account holders.

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

Q.3) Solution (a)

In an attempt at financial inclusion, the RBI launched the "No Frills" account in 2005. The No Frills account aimed to offer the most basic banking service to those from the low-income backgrounds. The concept was formulated as means of providing individuals from low-income backgrounds the opportunity to benefit from the credit and savings programs offered by most financial institutions.

RBI has allowed banks to offer cheque book facility and other services to the no-frills account holders, but said they could not ask such account holders to maintain any minimum balance for such services.

Q.4) Consider the following statements with respect to 'Lead Bank' Scheme

1. It was introduced during the 1991 reforms

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2. It was started for providing adequate banking and credit in rural areas through an 'area approach', with one bank assigned for one area

Select the correct statements

- a) 1 Only
- b) 2 Only
- c) Both 1 and 2
- d) Neither 1 nor 2

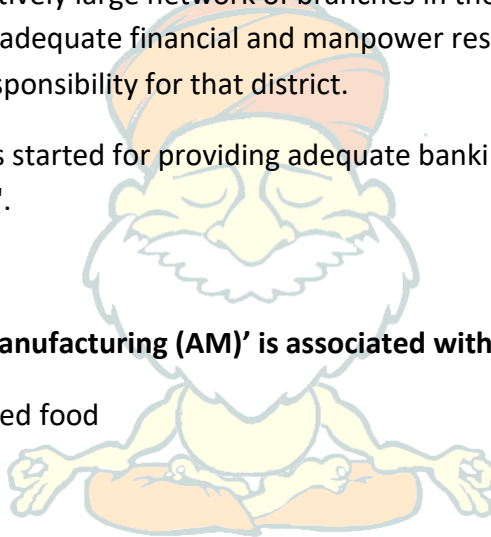
Q.4) Solution (b)

The Lead Bank Scheme, introduced towards the end of 1969, envisages assignment of lead roles to individual banks (both in public sector and private sector) for the districts allotted to them. A bank having a relatively large network of branches in the rural areas of a given district and endowed with adequate financial and manpower resources has generally been entrusted with the lead responsibility for that district.

The Lead Bank scheme was started for providing adequate banking and credit in rural areas through an 'area approach'.

Q.5) The term 'Additive Manufacturing (AM)' is associated with

- a) Fruit based processed food
- b) 3D Printing
- c) Generic Drugs
- d) Defence Industrial Corridors



Q.5) Solution (b)

Additive Manufacturing (AM) is an appropriate name to describe the technologies that build 3D objects by adding layer-upon-layer of material.