

transaction account serves as a gateway to other financial services

- ▶ Moving from access to account to account usage is the next step
- ▶ Government Initiatives for **financial inclusion** are:
- ▶ Setting up of Business Correspondents model.
- ▶ Setting of Basic Saving Bank Deposit (BSBD) accounts.
- ▶ Simplified Branch Authorization Policy.
- ▶ Compulsory Requirement of Opening Branches in Un-banked Villages.
- ▶ Setting of Financial Literacy Centers.
- ▶ **Statement 3 is correct:** Financial inclusion is the means to achieve sustainable development goals targets.

21. Correct option: (b)

Explanation:

- ▶ **Statement 1 is correct:** Chequeable deposits are bank accounts that allow the owner of the account to write checks to third parties.
- ▶ **Statement 2 is correct:** Chequeable deposits are an important source of bank funds and Checkable deposits are payable on demand.
- ▶ For the owner of the account, a Chequeable deposit is an asset.
- ▶ **Statement 3 is incorrect:** Conversely, because the depositor can withdraw funds from an account at any time and the bank is obligated to pay; Chequeable deposits are a liability for the bank.
- ▶ They include all accounts on which Cheques can be drawn e.g. non-interest bearing checking accounts (or demand deposits) or some types of savings accounts offered by certain banks.
- ▶ Usually, Chequeable deposits are the lowest - cost source of bank funds. Because depositors are willing to forego some interest in order that they have access to a liquid asset that may be used for transactions.

22. Correct Option: (d)

Explanation:

- ▶ **Per capita GDP** is a measure of the total output of a country that takes gross domestic product (GDP) and divides it by the number of people in the country. The per capita GDP is especially useful when comparing one country to another, because it shows the relative performance of the countries. A rise in per capita GDP signals growth in the economy and tends to reflect an increase in productivity
- ▶ **Statement 1 is correct:** Per capita GDP can also be used to measure the productivity of a country's workforce, as it measures the total output of goods and services per each member of the workforce in a given nation.
- ▶ **Statement 2 is correct:** Personal Income serves as a measurement of the stability and wealth within an economy.
- ▶ **Statement 3 is correct:** Gross value added (GVA) is the measure of the value of goods and services produced in **an area, industry or sector** of an economy. GVA gives a picture of the state of economic activity from the producers' side or supply side, the GDP gives the picture from the consumers' side or demand perspective.

23. Correct option: (d)

Explanation:

Tier II Capital of the Bank Includes:

- ▶ Undisclosed reserves and cumulative perpetual preference shares.
- ▶ **Statement 1 is correct:** Revaluation Reserves as value of building. A typical example of this is building owned by the bank
- ▶ **Statement 2 is correct:** Hybrid debt capital instruments such as bonds.
- ▶ **Statement 3 is correct:** Long term unsecured loans.
- ▶ General Provisions and loss reserves.
- ▶ Debt Capital Instruments.
- ▶ Redeemable cumulative Preference shares
- ▶ Perpetual cumulative preference shares.