

1. During the festival season, the people usually withdraw large amount of money from the banks, leading to an increase in the Currency Deposit Ratio (CDR). What is the impact the Money Multiplier?
(a) Increase in the Money Multiplier.
(b) Decrease in the Money Multiplier.
(c) The Money Multiplier remains unaffected.
(d) None of the above.
2. Which of the following statements correctly describes the meaning of Fiduciary Money?
(a) Money deposited by the public with the banks.
(b) Money which is accepted for payment because of its backing by the government.
(c) Money which is accepted for payment because of the trust between the parties.
(d) Money whose value is not derived from any intrinsic value.
3. Which of the following is/are considered as the legal tender in India?
 1. Currency notes
 2. Coins
 3. Cheques and demand drafts.Select the correct answer using the code given below:
(a) 1 only
(b) 1 and 2 only
(c) 1 and 3 only
(d) 1, 2 and 3
4. Which of the following can lead to an increase in the Money Multiplier within the Indian economy?
 1. Decrease in the CRR
 2. Decrease in the SLR
 3. Decrease in the rate of interest on loans

Select the correct answer using the code given below:

- (a) 1 only
 - (b) 1 and 2 only
 - (c) 2 only
 - (d) 1, 2 and 3
5. Consider the following statements related to the Scheduled Banks in India:
1. They are listed under the Second Schedule to the RBI Act, 1934.
 2. They need to have a minimum paid-up capital of Rs. 1,000 crore.
 3. All the Cooperative Banks and the Regional Rural Banks (RRBs) are categorized under the Scheduled Banks.
- Which of the statements given above is/are correct?
- (a) 1 only
 - (b) 2 and 3 only
 - (c) 3 only
 - (d) 1, 2 and 3
6. With reference to the Payments Banks in India, consider the following statements:
1. The Payments Banks cannot accept deposits of more than Rs. 1 lakh from a single customer.
 2. The Payments Banks can issue both debit and credit cards.
 3. The Payments Banks are required to invest minimum 75% of their deposits in the Government Securities (G-Secs).
- Which of the statements given above is/are correct?
- (a) 1 only
 - (b) 1 and 2 only
 - (c) 1 and 3 only
 - (d) 2 and 3 only