

DO NOT OPEN THIS QUESTION BOOKLET UNTIL
INSTRUCTED TO DO SO

Total Questions: 50

Time: 1 hour



FINANCE

School Level Examination

CLASS
9

Exam ID :

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DO NOT WRITE ANYTHING ON THIS QUESTION BOOKLET

- ★ All questions are compulsory.
- ★ Read the instructions on the **ANSWER SHEET** and fill in your **NAME, CLASS** and **OTHER INFORMATION**.
To mark your choice of answer by darkening the circles in the Answer Sheet, use a **Blue/Black Ball Pen** only.
- ★ You **MUST** record your answers on the **ANSWER SHEET** only.
- ★ There are **50 MULTIPLE CHOICE QUESTIONS**.
Use the information provided to choose the **BEST** answer among the four possible options.
On your **ANSWER SHEET** fill in the circle that matches your answer.
- ★ Marks are **NOT** deducted for incorrect answers.
- ★ **RETURN THE QUESTION BOOKLET AND ANSWER SHEET TO THE INVIGILATOR AT THE END OF THE EXAMINATION.**
- ★ You are **NOT** allowed to use a calculator.
You may use a ruler and spare paper for rough work.



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Section A

(This section contains 40 multiple choice questions. Each question has four choices (A), (B), (C) and (D), out of which only ONE is correct.)

1. Under the PF Act 1952, 'Insurance Fund' means _____.
(A) Unit Linked Insurance Plan (B) Deposit Linked Insurance Fund
(C) Employee's Group Insurance (D) Medical Insurance Fund
2. Any company with over _____ employees is required by law to register with the EPFO.
(A) 5 (B) 10
(C) 15 (D) 20
3. The central office of the Reserve Bank was permanently moved to Mumbai in the year _____.
(A) 1934 (B) 1935
(C) 1936 (D) 1937
4. In 1818, _____ was established.
(A) Oriental Life Insurance Company
(B) Britain Insurance Company
(C) Standard Insurance Company Limited
(D) New India Assurance Company
5. Which of the following is a disadvantage of investing in bonds?
(A) Bonds have limited profit potential.
(B) Bondholders receive their payments before shareholders get their compensation.
(C) Bonds are good sources of current income.
(D) Bond investments are relatively safe from huge losses.
6. Trade credit is a _____.
(A) Short term financing (B) Long term financing
(C) Medium term financing (D) None of the above
7. Aadhaar card is a _____ digit number.
(A) 10 (B) 11
(C) 12 (D) 13
8. In case the insurance company does not resolve or attend to a complaint then after how many days you can approach the IRDA?
(A) 10 (B) 15
(C) 20 (D) 30
9. Which is the correct description of a credit card?
(A) Defers payment for one month only.
(B) Allows us to borrow money at a cheap rate from the bank.
(C) Defers payment indefinitely provided you maintain interest payments.
(D) Allows us to pay for goods immediately.

10. Bonds that are backed by cash flow from projects and sold to finance the particular projects are classified as _____.
 (A) Project bonds (B) Finance bonds
 (C) Clean price bonds (D) Revenue bonds
11. Who works as RBI's agent at places where it has no office of its own?
 (A) State Bank of India (B) Ministry of Finance
 (C) Government of India (D) International Monetary Fund
12. Bank does not give any type of loan against _____.
 (A) Gold Ornaments (B) LIC policy
 (C) Lottery ticket (D) NSC
13. Which of the following is an INCORRECT way to address complaints to the IRDAI's?
 (A) Call Toll Free Number 155255 (or) 18004254732
 (B) Send an email to complaints@irda.gov.in
 (C) Register a complaint online on IRDA's Integrated Grievance Management System on www.igms.irda.gov.in
 (D) Send a courier or registered letter to the Police headquarter
14. Timely repayment of loans results in _____.
 (A) Good reputation (B) No tension
 (C) Easy availability of loan in future (D) All of the above
15. Highest denomination of currency note issued by RBI is _____.
 (A) ₹ 100 (B) ₹ 500
 (C) ₹ 2000 (D) ₹ 5000
16. Gold and silver ornaments should be kept in bank lockers because _____.
 (A) It is safe (B) No risk of theft
 (C) It gives higher return (D) Both (A) and (B)
17. Banks and cooperatives need to lend more to the borrowers because _____.
 (A) They borrow money at very high rate from the informal sources
 (B) They wish to set up enterprises
 (C) They need more money but cannot ask
 (D) None of these
18. Type of bonds in which there are many maturity dates and part of bond is paid off at every maturity date is considered as _____.
 (A) Serial bonds (B) Parallel bonds
 (C) Finance bonds (D) Pledged bonds
19. India's first women's bank 'The Bharatiya Mahila Bank' was inaugurated in which city?
 (A) Mumbai (B) Delhi
 (C) Kolkata (D) Chennai
20. When did the government acquire RBI's shareholding (72.5%) in NABARD?
 (A) May, 2008 (B) June, 2008
 (C) July, 2008 (D) August, 2008

28. According to which guidelines did the Government pick up the entire SBI shares held by the RBI?
 (A) National Stock Exchange of India (B) Securities Commission
 (C) Financial Regulations (D) Securities and Exchange Board of India (SEBI)
29. What is mortgage?
 (A) A security created on immovable property for a deposit received by a bank.
 (B) A security created on immovable property for a loan given by a bank.
 (C) A facility created on movable property for a deposit received by a bank.
 (D) A security created on movable property for a loan given by a bank.
30. Which among the following statement refers to the mis-selling mutual funds?
 (i) When mutual funds are sold without telling the likely returns.
 (ii) When agents sell the products without telling investors what are the risks involved in investing in mutual funds.
 (iii) When agents invest somebody's money in mutual funds without their knowledge.
 (A) Only (ii) (B) Both (i) and (ii)
 (C) All the three statements (D) None of the statements
31. Which of the following technology allows machines to read and process cheques?
 (A) MICR (B) OCR
 (C) OMR (D) IFSC
32. Read the following statements.
Statement I: With a good credit score and history, loan and credit card applications are approved quickly.
Statement II: For funding a business, a company can approach a bank to raise money in the form of a loan.
 Based on the given statements choose the correct option.
 (A) Only statement I is correct. (B) Only statement II is correct.
 (C) Both the statements are correct. (D) Both the statements are incorrect.
33. 'Insurance Repository' service launched by IRDA on 16 September, 2013 allowed purchase and storage of insurance policies in _____.
 (A) Electronic form (B) Documentary form
 (C) Financial institutions (D) Stock exchange
34. What is premium?
 (A) The amount promised at the expiry of policy term.
 (B) The amount of money paid by the insured on a regular basis.
 (C) The fixed percentage of receivable amount of the good insured.
 (D) None of the above
35. Which of the following statement specifies the similarity between bank accounts and DEMAT accounts?
 (A) In both accounts, shares are held in physical form.
 (B) In both accounts, shares are held in electronic form.
 (C) While banks hold money, DEMAT account holds shares. Both are in electronic form.
 (D) They both are different.

36. What was the basic reason to create an Ombudsman?
- (A) To regenerate insurance sector
(B) To divide the territory of different insurance sector
(C) To investigate complaints of policy holder and attempt to resolve them
(D) None of the above
37. Which of following indicates the financial health of our country?
- (A) SEBI (B) SENSEX
(C) Commercial banks (D) Foreign exchange

38. Read the following statements.

Statement I: Commercial banks follow the rules and policies set by the Central Bank.

Statement II: Real Time Gross Settlement type of transfer is usually done when the transfer amount is large and needs to be done urgently.

Based on the given statements choose the correct option.

- (A) Only statement I is correct. (B) Only statement II is correct.
(C) Both the statements are correct. (D) Both the statements are incorrect.
39. Which of the following is called 'Pure Life Insurance'?
- (A) Whole life policy (B) Mediclaim policy
(C) Term life insurance (D) Both (A) & (C)
40. Who regulates the Mutual Funds in India?
- (A) FRBI (B) SEBI
(C) SIDBI (D) RBI

Section B

(This section contains 10 multiple choice questions. Each question has four choices (A), (B), (C) and (D), out of which TWO are correct.)

41. Choose the commercial banks in India.
- (A) Alavi Co-Op Bank Ltd (B) Industrial Credit and Investment Corporation of India
(C) State Bank of India (D) Capital Local Area Bank Ltd
42. Choose the correct statements.
- (A) A bond is a financial contract. (B) Bonds carry no corporate ownership privileges.
(C) Bond prices remain fixed over time. (D) The issuer must pay a fixed interest on bonds.
43. Which among the following are correct about IRDA's mission?
- (A) To protect the interest of policy holders
(B) To regulate and develop the insurance industry
(C) To provide free health insurance to policy holders
(D) To provide fixed bonus to policy holders.

44. Which of the following are types of plastic money?
- (A) Credit card (B) ₹ 500 note
(C) ₹ 10 coin (D) Debit card
45. Choose the correct statements.
- (A) Insurance Regulatory and Development Authority (IRDA) was set up as an autonomous body under the IRDA Act, 1999.
(B) The key objective of the IRDA is to promote competition in the insurance sector to enhance customer satisfaction through increased consumer choice and lower premiums.
(C) IRDA is a private company.
(D) IRDA keeps a check on price manipulation of the shares.
46. Choose the correct statements.
- (A) Long term financing refers to capital requirements for a period of more than 5 years.
(B) Medium term financing refers to financing for a period of 1 to 2 years.
(C) Short term financing refers to financing for a period of less than 1 year.
(D) Trade credit is the most common form of long term financing.
47. Choose the correct statements about Insurance Repository (IR).
- (A) IR is a company licensed by IRDA for maintaining data of insurance policies in electronic form on behalf of insurers.
(B) An IR will thus enable policy holders to buy and keep insurance policies in electronic form, rather than as a paper document.
(C) IR is a facility to help rich policy holders.
(D) Only life insurance policies can be electronically held under IR.
48. Which of the following acts of RBI are INCORRECT?
- (A) Reserve Bank of India Act, 1935 (B) Reserve Bank of India Act, 1934
(C) Reserve Bank of India Act, 1930 (D) Reserve Bank of India Act, 1914
49. Choose the INCORRECT statements.
- (A) Low inflation is expected to have a negative effect on bond prices.
(B) Bonds are usually less liquid than stocks.
(C) A bond holder repays principal when the bond matures.
(D) A bond is a financial contract.
50. Which banks have received Universal Banking License by Reserve Bank of India in 2014?
- (A) Aditya Birla Nuvo Ltd (B) IDFC
(C) Bandhan (D) Disha Microfin



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