PROFESSIONAL KNOWLEDGE QUESTIONS FOR INDIAN BANK SO (CREDIT)

Q.1. The government of India has recently amended the _____ to bring Cooperative banks under the regulatory mechanism of Reserve Bank of India?

a) **Banking Regulation Act, 1949**
b) The Bankers'Books Evidence Act, 1891
c) The ReserveBank of India Act,1934
d) Recovery of Debts due to Banks and Financial Institutions Act,1993
e) None of the above

Explanation: The **Union Cabinet chaired by the Prime Minister Narendra Modi,** has decided to bring **Cooperative banks under the regulatory mechanism of Reserve Bank of India** on 5th February 2020.

- The government approved amendments to the **Banking Regulation Act, 1949** to ensure greater **accountability and transparency in the functioning of Cooperative Banks.**
- According to the data released by RBI, Urban cooperative banks (UCBs) reported nearly **1,000 cases of fraud worth more than Rs 220 crore in the last five fiscals.**
- After the amendment, such banks will come under **RBI's (Reserve Bank of India) regulation.**
- And, the Cooperative Banks **need to fulfil regulatory requirements** set for scheduled commercial banks and will also be **audited as per RBI norms.**
- The amendments is made considering the **collapse of Punjab and Maharashtra Co-operative (PMC) Bank last year.**
- After the Cabinet nod, the proposal will go for the Parliamentary approval.

Q.2. The Reserve Bank of India has increased the Insurance cover on bank deposits per depositor for all banks in the country from Rs 1 lakh currently to _____?

a) Rs 4 lakh
b) **Rs 5 lakh**
c) Rs 7 lakh
d) Rs 10 lakh
e) None of the above

Explanation: Deposit Insurance and Credit Guarantee Corporation (DICGC), a wholly-owned subsidiary of the Reserve Bank of India provides the insurance coverage to the depositors.

- The DICGC has raised the limit of insurance cover for depositors in insured banks to **provide a greater measure of protection to depositors in banks** and boost the confidence of people in the banking system.
- The insurance coverage norm of the RBI is effective from **4th February 2020**, with the approval of Government of India.
- Deposit insurance was **static at one lakh rupees since 1993.**
- **Finance Minister Nirmala Sitharaman** had made the announcement regarding increasing insurance cover to five lakh rupees in her **Budget Speech 2020-21.**

- Now, the banks will pay a **premium of 12 paise against 10 paise per 100 rupees** deposited after the increased insurance coverage.

The deposit insurance scheme covers all banks operating in India, including:

- Private sector
- Cooperative
- Branches of foreign banks

Exemptions have been given to:

- Deposits of foreign governments
- Deposits of Central and State Governments
- Inter-bank deposits

Q.3. As per the latest norms of RBI for credit and debit cards, banks shall provide all cardholders to switch ON/OFF or change all transaction limits via which channel/channels?

a) Mobile application
b) Internet banking
c) ATMs
d) Interactive Voice Response (IVR)
e) **All the above**

Explanation: The Reserve Bank of India issued new rules for credit and debit cards on 15th January 2020 to **improve user convenience and increase the security of card transactions.**

- RBI asks banks to allow at the time of issue or re-issue, all cards (physical and virtual) should be enabled for use **only at contact-based points of usage [ATMs and Point of Sale (PoS) devices] within India.**
- The instructions given by the RBI assume significance **amid rising instances of cyber frauds.**
- Customers will have to **separately set up services on their card** for international transactions, online transactions, card-not-present transactions and contactless transactions.
- The new rules will be applicable for **new cards issued by the banks from 16th March 2020.**
- Those with old cards can **decide whether to disable any of these features.**
- Issuers shall provide to all cardholders **24x7 access to switch ON/OFF or change all transaction limits** via all available channels — mobile application/internet banking / ATMs / Interactive Voice Response (IVR).
- The new provisions are **not mandatory for prepaid gift cards** and those used at **mass transit systems.**



Q.4. RBI has recently amended the KYC norms to introduce a video based digital technology to help the banks and lending institutions to onboard customers remotely, the newly introduced technology is?

a) V-PCI
b) **V-CIP**
c) V-PIC
d) V-ICP
e) None of these

Explanation:

- Under the new norm, banks and other lending institutions regulated by RBI are allowed to use a **Video based Customer Identification Process (V-CIP).**
- The video KYC will be **consent based,** means the bank will have to take the consent of the customer for V-CIP.
- The move will help the banks and lending institutions to **onboard customers remotely.**
- The V-CIP will make it easier for banks and other regulated entities to adhere to the RBI's Know Your Customer (KYC) norms by leveraging the digital technology.
- **RBI has allowed the V-CIP as:**
    - A consent based alternate method of establishing the customer's identity
    - For customer on-boarding with a view to leveraging the digital channels for Customer Identification Process (CIP) by regulated entities (REs)
    - The video recording is stored in a safe and secure manner and bears the **date and time stamp.**
- The central government had introduced V-CIP with making amendment in the guidelines under the **Prevention of Money-laundering (Maintenance of Records) Rules, 2005.**

Q.5. As per the revised Supervisory Action Framework of RBI, a UCB may come under SAF when its net NPAs exceed _____% of its net advances?

a) 2%
b) 4%
c) **6%**

d) 8%
e) None of the above

Explanation:

- The step is taken to ensure **expeditious resolution of financial stress** being faced by the UCBs, in the backdrop of the scam in Punjab and Maharashtra Cooperative (PMC) Bank causing distress to over 9 lakh depositors.
    - As per the revised norms, a **UCB may come under SAF when:**
    - Its net **NPAs exceed 6%** of its net advances
- It incurs losses for **two consecutive financial years** or has accumulated **losses on its balance-sheet.**
- The RBI will continue to **monitor asset quality, profitability and capital/net worth of UCBs under the revised SAF.**
- Depending upon the stress severity, the RBI may ask them to **curtail their lending powers, among other safeguards.**
- In case the normal functioning of the UCB no longer considered to be in the **interest of its depositors/ public,** RBI can consider the issue of show cause notice for **cancellation of a banking license.**

Q.6. RBI has directed all (Urban) Co-operative Banks (UCBs) having total assets of _____ and above as on 31st March of the previous financial year to report exposures on all borrowers having aggregate exposures of _____ and more to the CRISIL?

a) Rs 300 crore, Rs 3 crore
b) Rs 400 crore, Rs 4 crore
c) **Rs 500 crore, Rs 5 crore**
d) Rs 600 crore, Rs 6 crore
e) None of the above

Explanation:

- The Co-operative Banks (UCBs) having **total assets of Rs 500 crore and above as on 31st March of the previous financial year** shall report credit information, including classification of an account as **Special Mention Account (SMA)**, on all borrowers having aggregate exposures of Rs 5 crore.
- **Special Mention Account (SMA)** is an account which is exhibiting signs of incipient stress resulting in the borrower defaulting in timely servicing of her debt obligations, though the account has not yet been classified as NPA as per the extant RBI guidelines.
- The RBI has created a **Central Repository of Information on Large Credits (CRILC)** of commercial banks, all India financial institutions and certain non-banking financial companies.
- **CRILC** was formed with multiple objectives but primarily includes:
    - Strengthening offsite supervision
    - Early recognition of financial distress

Q. 7. Deen Dayal Antyodaya Yojana-National Rural Livelihood Mission was launched under which ministry?

a) Ministry of Agriculture and Farmers Welfare
b) Ministry of Agro and Rural industries
c) Ministry of Health and Family Welfare
d) Ministry of Rural Development
e) None of the above

Explanation: DDAY-NRLM was launched by the Ministry of Rural Development (MoRD), Government of India in June 2011 as a restructured version of Swarna Jayanti Gram Swarozgar Yojna (SGSY). The mission seeks to alleviate rural poverty through building sustainable community institutions (SHGs) of the poor. This is a centrally sponsored programme and is implemented in partnership with the State governments.

Q. 8: Which out of the following circuit/circuits is/are part of 'Swadesh Darshan' scheme?

a) Krishna Circuit
b) Buddhist Circuit
c) Rural Circuit
d) B and c
e) a ,b and c

Explanation: SDS is an Integrated Development of theme based tourist circuits is the flagship scheme of Ministry of Tourism for development of tourism infrastructure in the country. The scheme has following objectives:

- Position tourism as a major engine of economic growth and job creation;
- Develop circuits having tourist potential in a planned and prioritized
- In January 2015 Ministry of Tourism launched the Swadesh Darshan Scheme (Central Sector Scheme) with following five circuits Himalayan Circuit, North East Circuit, Krishna Circuit, Buddhist Circuit and Coastal Circuit. Later during 2015, 2016 and 2017, 10 more thematic circuits namely Desert Circuit, Tribal Circuit, Eco Circuit, Wildlife Circuit, Rural Circuit, Spiritual Circuit, Ramayana Circuit, Heritage Circuit, Tirthankar Circuit and Sufi Circuit were added in the scheme making it to 15 thematic circuits.

Q. 9: choose the correct statement/statements about "Mahatma Gandhi Bunkar Bima Yojana"

a) The weaver must earn at least 50% of his income from handloom weaving
b) The weaver must be between 18 to 59 years of age
c) The scheme's objective is to provide insurance cover to handloom weavers only
d) All are correct
e) None of the above

Explanation: The weaver's income must earn **at least 50%** of his income from handloom weaving.

- All weavers must be between **18 to 59 years** of age which includes minorities, women weavers and weavers belonging to North East Region are eligible to apply for this insurance scheme.
- The basic objective of Mahatma Gandhi Bunkar Bima Yojana is to provide insurance cover to handloom weavers in case of natural death (Rs. 60,000/-), accidental death (Rs. 1,50,000/-), total disability (Rs. 1,50,000/-) and partial disability (Rs. 75,000/-).
- Government of India had launched the Bunkar Bima Yojana for Handloom Weavers to provide insurance cover by associating with **Life Insurance Corporation of India (LIC)**

Q. 10: PM Kisan Sampada Yojana (PMKSY) was launched under the ministry of?

a) Ministry of Food Processing Industries
b) Ministry of Agriculture and Farmers Welfare
c) Ministry of Rural Development
d) Ministry of Commerce and Industries
e) None of the above

Explanation:

PMKSY is implemented by Ministry of Food Processing Industries (MoFPI) with the objective to supplement agriculture, modernize processing and decrease Agri-Waste. It aims for creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It helps in providing better prices to farmers and create huge employment opportunities especially in the rural areas.

Q. 11: What percentage of rural population is involved in agriculture sector in the country?

a) About 50%
b) About 85%
c) About 64%
d) About 30%
e) None of the above

Explanation:

- The periodic labour force survey (PLFS) data indicates working population in the agriculture sector of men and women has decreased from 80% and 88% in 1977-78 to 55% and 73% in 2017-18 respectively.
- It is observed that 64% of rural employment is in the agriculture sector, while the share of agriculture in rural output is just 39%.

Q. 12. In the context of RBI norms for asset reconstruction companies (ARCs) to acquire financial assets, choose the correct statement?

- RBI has put restriction on the ARCs from buying financial assets from their sponsor firms and lenders (bank or financial institution) on a bilateral basis.
- As per the amendment made in the Sarfaesi Act, 2002 RBI had permitted ARCs to acquire financial assets from other ARCs.

a) Only 1
b) Only 2
c) **Both 1 and 2**
d) Either 1 or 2
e) None of the above

Explanation:

- RBI has put **restriction on the ARCs from buying financial assets from its sponsor firms and lenders** (bank or financial institution) on a **bilateral basis.**
- **Asset Reconstruction Company (India) (Arcil)**, which is sponsored by State Bank of India (SBI), ICICI Bank, Punjab National Bank (PNB) and IDBI Bank is likely to be affected the most.
- RBI has also restricted ARCs to buy financial assets from a bank or financial institution, which is:
    - A **lender** to the ARC
    - A **subscriber** to the fund raised by the ARC for its operations
    - An **entity** in the group to which the ARC belongs
- However, the **ARCs are allowed to participate in auctions of such assets** provided-
    - Such auctions are conducted in a transparent manner
    - On arm's length basis
    - The prices are determined by market forces



Q. 13. The Reserve Bank of India has revised the Real GDP growth in its Fifth Bi-monthly Monetary Policy, 2019-20 from 6.1 % in the October policy to _____?

a) 4.2%
b) 5.7%
c) **5.0 %**
d) 5.1%
e) None of the above

Explanation:

Main Highlights of Fifth Bi-monthly Monetary Policy, 2019-20 are:

- The MPC voted unanimously to keep the **policy rate unchanged at 5.15%.**
- It decided to **continue with the accommodative stance** as long as it is necessary to revive growth, while ensuring that inflation remains within the target.
- The MPC revised the **CPI inflation projection upwards to 5.1-4.7 %** for H2:2019-20 and 4.0-3.8 % for H1:2020-21.
- **Real GDP growth for 2019-20** is revised downwards **from 6.1 %** in the October policy to **5.0 % –** 4.9-5.5 % in H2 and 5.9-6.3 per cent for H1:2020-21.

Q. 14. RBI has recently announced that is has decided to bring Urban Co-operative Banks (UCBs) with assets of _____ and above under the Central Repository of Information on Large Credits - CRILC reporting framework?

a) Rs 100 crore
b) Rs 200 crore
c) Rs 400 crore
d) **Rs 500 crore**
e) None of the above

Explanation: The RBI has created a Central Repository of Information on Large Credits (CRILC) of scheduled commercial banks, all-India financial institutions and certain non-banking financial companies with multiple objectives, which,

among others, include **strengthening offsite supervision and early recognition of financial distress**, according to the RBI's Statement on Developmental and Regulatory Policies.

Q: 15. Which organization releases the Emission Gap Report 2019?

a) WHO
b) ILO
c) UNWTO
d) **UNEP**
e) None of these

Explanation:

- **Who released the Emission Gap Report 2019?**
  - It is the United Nations Environment Programme (UNEP) that has released the Emission Gap Report 2019.
  - **Headquarters:** Nairobi, Kenya
- **What exactly is the Emissions Gap?**
  - Emissions Gap is also known as the Commitment Gap. Emissions Gap is basically the difference between the lowest levels of emissions what the World needs to follow and what is being done in reality to curb the hazardous levels of climate change.

Q.16. The newly introduced Prepaid Payment Instrument (PPI) of RBI is a _____ PPI?

a. Closed system PPI
b. **Semi-closed PPI**
c. Open PPIs
d. Either a or b
e. None of them

Explanation: The instrument has been introduced to give increased impetus to small ticket digital payments to merchants, local shops and retail outlets.

- The **new semi-closed Prepaid Payment Instrument (PPI)** can be used only for making retail payments and will come with **a monthly rechargeable limit of Rs 10,000.**
- The Rs 10,000 amount can only be uploaded only from a bank account linked with the customer's verified mobile number.
- **An annual limit of Rs 1.2 lakh** has also been fixed by the RBI, that can be recharged on these accounts.
- **The banks and existing non-bank PPI players** can issue the new payment instrument and would verify the credentials of customers.
- The verification process involves the **use of an OTP sent to the user's verified mobile number** and a digital **identification document** recognized by the **Department of Revenue.**

Closed System Payment Instruments

They are usually **issued by businesses/organizations** for buying their own products or services only.

- These instruments do not permit cash withdrawal.
- RBI approval is not required to issue these Payments Instruments.
- E.g. - Delhi Metro Prepaid card - these can be **used for their respective establishments** only.

Semi-Closed System Payment Instruments

These Payment Instruments can be used for the purchase of goods and services at a group of clearly identified merchants/locations/places which have a specific contract with the issuer to accept the Payment Instrument.

- Do not permit cash withdrawal.
- E.g. - Sodexo cards are redeemable at designated stores only.
- They can be recharged or topped up.

3. Semi-Open System Payment Instruments

These payment instruments can be used at any card accepting point of sale terminals for purchase of goods and services.

- Do not permit cash withdrawals.
- E.g. - Gift cards

4. Open System Payment Instruments

- These Payment systems can be used for the purchase of goods and services including financial services like fund transfer at any card accepting merchant location(Point of sale terminal) and also permits cash withdrawal at ATM.
  These can be or sometimes can't be recharged or Topped up.
- Only Banks can issue these Instruments.
- Cash withdrawal permitted. Example: MasterCard, Rupay(Indian one), Visa etc.

Q. 17. The Finance Minister has recently announced that all companies with a turnover of _____ or more will be mandated to provide the facility of payment through RuPay and UPI platform, without any Merchant Discount Rate (MDR)?

a. Rs 25 crore
b. **Rs 50 crore**
c. Rs 100 crore
d. Rs 500 crore
e. None of the above

Explanation: Union Finance Minister Smt. Nirmala Sitharaman has said that **no Merchant Discount Rate (MDR)** will be applicable on transactions through **RuPay and UPI platforms.**

- She said that no MDR charge would be charged from **1st January 2020.**
- The step is taken to **promote digital payments** along with **indigenously developed digital payment medium** like RuPay and BHIM UPI over the payment gateway promoted by foreign companies.

Q.18. RBI has directed all (Urban) Co-operative Banks (UCBs) having total assets of _____ and above as on 31st March of the previous financial year to report exposures on all borrowers having aggregate exposures of _____ and more to the CRISIL?

a. Rs 300 crore, Rs 3 crore
b. Rs 400 crore, Rs 4 crore
c. **Rs 500 crore, Rs 5 crore**
d. Rs 600 crore, Rs 6 crore
e. None of the above

Explanation:

- The Co-operative Banks (UCBs) having **total assets of Rs 500 crore and above as on 31st March of the previous financial year** shall report credit information, including classification of an account as **Special Mention Account (SMA)**, on all borrowers having aggregate exposures of Rs 5 crore.
- **Special Mention Account (SMA)** is an account which is exhibiting signs of incipient stress resulting in the borrower defaulting in timely servicing of her debt obligations, though the account has not yet been classified as NPA as per the extant RBI guidelines.
- The RBI has created a **Central Repository of Information on Large Credits (CRILC)** of commercial banks, all India financial institutions and certain non-banking financial companies.



Q.19. In the context of RBI norms for asset reconstruction companies (ARCs) to acquire financial assets, choose the correct statement?

1. RBI has put restriction on the ARCs from buying financial assets from their sponsor firms and lenders (bank or financial institution) on a bilateral basis.

2. As per the amendment made in the Sarfaesi Act, 2002 RBI had permitted ARCs to acquire financial assets from other ARCs.

a) Only 1
b) Only 2
c) Both 1 and 2
d) Neither 1 and 2
e) None of the above

Explanation:

- RBI has put restriction on the ARCs from buying financial assets from its sponsor firms and lenders (bank or financial institution) on a bilateral basis.
- Asset Reconstruction Company (India) (Arcil), which is sponsored by State Bank of India (SBI), ICICI Bank, Punjab National Bank (PNB) and IDBI Bank is likely to be affected the most.

- **RBI has also restricted ARCs to buy financial assets from a bank or financial institution, which is**:
  - A lender to the ARC
  - A subscriber to the fund raised by the ARC for its operations
  - An entity in the group to which the ARC belongs

Q. 20. What is the limit on the aggregate exposure of a lender to all borrowers at any point of time, across all NBFC-P2P platforms ?

a) Rs. 10 lacs
b) Rs. 25 lacs
c) Rs. 50 lacs
d) Rs. 60 lacs
e) None of these

Explanation: NBFC-P2P shall maintain a Leverage Ratio not exceeding 2.

- The aggregate exposure of a lender to all borrowers at any point of time, across all P2P platforms, shall be subject to a cap of Rs.50,00,000/- provided that such investments of the lenders on P2P platforms are consistent with their net-worth.
- The lender investing more than Rs.10,00,000 across P2P platforms shall produce a certificate to P2P platforms from a practicing Chartered Accountant certifying minimum networth of Rs.50,00,000.
- The aggregate loans taken by a borrower at any point of time, across all P2Ps, shall be subject to a cap of Rs.10,00,000/-.
- The exposure of a single lender to the same borrower, across all P2Ps, shall not exceed Rs.50,000/-.
- The maturity of the loans shall not exceed 36 months.
- P2Ps shall obtain a certificate from the borrower or lender, as applicable, that the limits prescribed above are being adhered to.

Q. 21. A Urban Cooperative Bank may be placed under SAF when

a) Its Net NPAs exceed 6% of its net advances.
b) Losses for two consecutive financial years or has accumulated losses on its balance sheet
c) If current ratio falls below 1
d) If the CRAR falls below 9%
e) None of the above

Explanation:

- The step is taken to ensure **expeditious resolution of financial stress** being faced by the UCBs, in the backdrop of the scam in Punjab and Maharashtra Cooperative (PMC) Bank causing distress to over 9 lakh depositors.
  - As per the revised norms, a **UCB may come under SAF when:**
  - Its net **NPAs exceed 6%** of its net advances
- It incurs losses for **two consecutive financial years** or has accumulated **losses on its balance-sheet.**
- The RBI will continue to **monitor asset quality, profitability and capital/net worth of UCBs under the revised SAF.**
- Depending upon the stress severity, the RBI may ask them to **curtail their lending powers, among other safeguards.**
- In case the normal functioning of the UCB no longer considered to be in the **interest of its depositors/ public,** RBI can consider the issue of show cause notice for **cancellation of a banking license.**

Q. 22. When an Urban Cooperative Bank is under SAF, Reserve Bank may take one or more of the following actions:

a) Restriction on declaration/payment of dividend/donation without prior approval of RBI
b) Curtailment of sanction/renewal of credit facilities to sectors/segments having high proportion of NPAs/defaults
c) Reduction in exposure limits for fresh loans and advances
d) Restriction on fresh loans and advances carrying risk-weights more than 100%
e) Removal of statutory auditor

Explanation:

- The step is taken to ensure **expeditious resolution of financial stress** being faced by the UCBs, in the backdrop of the scam in Punjab and Maharashtra Cooperative (PMC) Bank causing distress to over 9 lakh depositors.
    - As per the revised norms, a **UCB may come under SAF when:**
    - Its net **NPAs exceed 6%** of its net advances
- It incurs losses for **two consecutive financial years** or has accumulated **losses on its balance-sheet.**
- The RBI will continue to **monitor asset quality, profitability and capital/net worth of UCBs under the revised SAF.**
- Depending upon the stress severity, the RBI may ask them to **curtail their lending powers, among other safeguards.**
- In case the normal functioning of the UCB no longer considered to be in the **interest of its depositors/ public,** RBI can consider the issue of show cause notice for **cancellation of a banking license.**

Q. 23. RBI launched the "MANI", a mobile application. What is the purpose of this application ?

a) For aiding visually impaired persons to identify the denomination of Indian Banknotes
b) For filling and tracking Banking Ombudsman's complaints
c) For providing RBI circulars and notifications
d) For filling complaints related to online shopping
e) None of the above

Explanation: RBI launched the "MANI", a mobile application, for aiding visually impaired persons to identify the denomination of Indian Banknote

Q. 24. Which bank has announced the 'residential builder finance with buyer guarantee' (RBBG) scheme recently?

a) State Bank of India
b) Bank of India
c) HDFC Bank
d) ICICI Bank
e) None of the above

Explanation: State Bank of India has announced **'residential builder finance with buyer guarantee' (RBBG) scheme** on 8th January 2020.

- The 'residential builder finance with buyer guarantee' (RBBG) scheme aims at giving a push to **residential sales and improve homebuyers' confidence.**
- Under the scheme, the SBI will issue a **guarantee for completion of select residential projects** to customers who have availed **home loans from it.**
- The scheme will focus on affordable housing projects priced up **to 2.50 crore rupees in 10 cities initially.**
- The guarantee would be given by the bank till the project gets the **occupation certificate (OC).**

- The guarantee will be available for **RERA registered projects.**

Q. 25. RBI has recently amended the KYC norms to introduce a video based digital technology to help the banks and lending institutions to onboard customers remotely, the newly introduced technology is?

a) V-PCI
b) V-CIP
c) V-PIC
d) V-ICP
e) None of the above

Explanation:

- Under the new norm, banks and other lending institutions regulated by RBI are allowed to use a **Video based Customer Identification Process (V-CIP).**
- The video KYC will be **consent based,** means the bank will have to take the consent of the customer for V-CIP.
- The move will help the banks and lending institutions to **onboard customers remotely.**
- The V-CIP will make it easier for banks and other regulated entities to adhere to the RBI's Know Your Customer (KYC) norms by leveraging the digital technology.



Q. 26. The Asian Development Bank (ADB) and Government of India (GOI) have signed a $490 million loan for a public-private partnership project to upgrade which Indian state's roads?

a) Maharashtra
b) Madhya Pradesh
c) Manipur
d) Meghalaya
e) None of the above

Explanation:

- Under the project, about **1600 kilometres of state highways and major district roads** will be upgraded from **single-lane to two-lane widths in Madhya Pradesh.**
- An **additional investment of $286 million** will be mobilised through private sector participation under the PPP modality.
- Through the **hybrid-annuity model,** a new partnership will be opened by introducing PPP for the sustainability of capital investments and leveraging government financing.
- **The Hybrid-Annuity Model** passes the responsibility of design, implementation, build-operate-transfer and maintenance obligations to the private sector while attracting some private sector financing.

Q. 27. Which among the following states is not identified under the Atal Bhujal Yojana (ATAL JAL)?

a) Jharkhand
b) Maharashtra
c) Rajasthan
d) Madhya Pradesh
e) None of the above

Explanation:

- The Union Cabinet chaired by the Prime Minister Narendra Modi has approved the implementation of the **Atal Bhujal Yojana (ATAL JAL)** on 24th Dec 19.
- The **Atal Bhujal Yojana (ATAL JAL)** is a **Central Sector Scheme** with a total outlay of **Rs.6000 crore.**
- The scheme will be implemented over a **period of 5 years (2020-21 to 2024-25).**
- It is a pioneering initiative of the Department of Water Resources, River Development & Ganga Rejuvenation, **Ministry of Jal Shakti.**
- The scheme **aims** to improve groundwater management through community participation in identified priority areas in seven states.
- The identified priority areas in **seven States** include **Maharashtra, Rajasthan, Madhya Pradesh, Uttar Pradesh, Haryana, Gujarat and Karnataka.**
- **50% of the total outlay of Rs. 6000 crore,** shall be in the form of **World Bank loan,** and be repaid by the Central Govt and the remaining **50% shall be provided through Central Assistance** from regular budgetary support.

Q. 28. What is the limit on the aggregate exposure of a lender to all borrowers at any point of time, across all NBFC-P2P platforms ?

a) Rs. 10 lacs
b) Rs. 25 lacs
c) Rs. 50 lacs
d) Rs. 60 lacs
e) None of the above

Explanation:

- NBFC-P2P shall maintain a Leverage Ratio not exceeding 2.
- The aggregate exposure of a lender to all borrowers at any point of time, across all P2P platforms, shall be subject to a cap of Rs.50,00,000/- provided that such investments of the lenders on P2P platforms are consistent with their net-worth. The lender investing more than Rs.10,00,000 across P2P platforms shall produce a certificate to P2P platforms from a practicing Chartered Accountant certifying minimum net-worth of Rs.50,00,000.

- The aggregate loans taken by a borrower at any point of time, across all P2Ps, shall be subject to a cap of Rs.10,00,000/-.

Q. 29. The International Monetary Fund (IMF) has slashed India's GDP growth projection for the year 2019 to _____?

a) 5.9%
b) 6%
c) **6.1%**
d) 6.2%
e) 7%

Explanation: The IMF's World Economic Outlook report released on 15th October 2019, IMF has **downgraded** India's growth projection by **1.2% from its April projections.**

- India suffered the sharpest cut, next only to **Saudi Arabia,** which saw a cut of 1.7 percentage points in the growth rate.
- It has said that India is expected to pick up at **7.0% in 2020.**
- India had a real growth rate of **6.8% in 2018.**
- The world economy is expected to **grow by 3%**, marginally lower than 3.2% projected in July.

Q. 30. Which the first Indian company that has recently crossed Rs 9 lakh crore of market capitalization?

a) **Reliance Industries Limited (RIL)**
b) Tata Consultancy Services (TCS)
c) ITC Limited
d) State Bank of India
e) None of the above

Explanation:

- The RIL shares rose nearly **2%** in Friday trading session to hit Rs1,423 whereas, India's benchmark Sensex Index rose 0.5% or 200 points to hit 39,252 points.
- According to **Bank of America Merrill Lynch** RIL can become the first Indian company to achieve a market capitalisation of **$200 billion in the next two years.**
- After RIL, **Tata Consultancy Services (TCS)** is India's second most valued firm in India with market capitalization of Rs 7,69,483 crore.
- RIL was also the first company to reach **Rs 8 lakh crore mark in August 2018** and hit the **$100 billion mark in market-cap in 2007.**

Q. 31. Which state has topped the India Innovation Index 2019 in the overall ranking?

a) Madhya Pradesh
b) **Karnataka**
c) Gujarat
d) Telangana
e) None of the above

Explanation:

- NITI Aayog has released the **India Innovation Index (III) 2019**, with **Institute for Competitiveness** as the knowledge partner.

- The index is calculated as the average of **2 dimensions:**
  - **Enablers:** Human Capital, Investment, Knowledge Workers, Business Environment, and Safety and Legal Environment.
  - **Performance:** Knowledge Output and Knowledge Diffusion
- The top ten states in the **overall ranking** of the index are (mainly concentrated in southern and western India):
  - **Karnataka (topped the Index)**
  - Tamil Nadu
  - Maharashtra
  - Telangana
  - Haryana
  - Kerala
  - Uttar Pradesh
  - West Bengal
  - Gujarat
  - Andhra Pradesh

Q.32 The Reserve Bank of India (RBI) has made it mandatory for banks to link all floating personal or retail loans to external benchmark from 1 October 2019, which of the followings can be used as a benchmark ?

a) Reserve Bank of India policy repo rate
b) Government of India 3-Months Treasury Bill yield published by the Financial Benchmarks India Private Ltd (FBIL)
c) Government of India 6-Months Treasury Bill yield published by the FBIL
d) Any other benchmark market interest rate published by the FBIL.
e) All of the above

Explanation:

(a) All new floating rate personal or retail loans (housing, auto, etc.) and floating rate loans to Micro and Small Enterprises extended by banks from October 01, 2019 shall be benchmarked to one of the following:

- Reserve Bank of India policy repo rate
- Government of India 3-Months Treasury Bill yield published by the Financial Benchmarks India Private Ltd (FBIL)
- Government of India 6-Months Treasury Bill yield published by the FBIL
- Any other benchmark market interest rate published by the FBIL.

(b) Banks are free to offer such external benchmark linked loans to other types of borrowers as well.

(c) In order to ensure transparency, standardisation, and ease of understanding of loan products by borrowers, **a bank must adopt a uniform external benchmark within a loan category;** in other words, the adoption of multiple benchmarks by the same bank is not allowed within a loan category.



Q.33 Recently SEBI allowed certain technology companies to issue Superior Rights shares. What is maximum voting right these can have?

a) 2:1
b) 5:1
c) 10:1
d) 25:1
e) None of these

Explanation: A company having superior voting rights shares (SR shares) would be permitted to do an initial public offering (IPO) of only ordinary shares subject to fulfillment of eligibility requirements of the SEBI(Issue of Capital and Disclosure Requirements) Regulations, 2018 and the following conditions :

- The issuer company is a **tech company** (as per the definition in Innovators Growth Platform) i.e. intensive in the use of technology, information technology, intellectual property, data analytics, bio-technology or nano-technology to provide products, services or business platforms with substantial value addition.
- The SR shareholder **should be a part of the promoter group whose collective net worth does not exceed Rs 500 Crores.**
- The SR shares have been issued **only to the promoters/ founders** who hold an executive position in the company.

Q.34 As per Large Exposure Framework of Reserve Bank India, what is the exposure limit on lending to a single NBFC ?

a) 20% of Tier-I capital
b) 15% of Tier-I capital
c) 15% of Tier-I & Tier-II capital
d) 20% of of Tier-I & Tier-II capital
e) None of these

Explanation: Bank's exposure to a single NBFC (excluding gold loan companies) will be restricted to 20 percent of that bank's eligible capital base.

Q.35 The Finance Ministry has recently slashed the corporate tax rates to ___% for domestic companies and _____% for new domestic manufacturing companies.

a) 15%, 20%
b) 22%, 20%
c) 22%, 15%
d) 15%, 22%
e) None of these

Explanation:

- The effective rate for **domestic companies** with inclusive surcharge and cess shall be **25.17%.**
- The effective rate for **new domestic companies** with inclusive surcharge and cess shall be **17.01%.**

Q.36 Which document has been made mandatory under GST to be linked during the registration of taxpayers?

a) Personal Identification Number
b) Aadhaar
c) House number
d) Both a and c
e) None of them

Explanation:

- The council has decided to link **Aadhaar with the registration of taxpayers under GST** and is in the process to make Aadhaar number mandatory for claiming refunds.
- **No GST** will be charged for **hotel rooms** having tariffs of up to **1,000 Rupees per night.**
- Hotel rooms whose tariff ranges between **1,001 to 7,500 Rupees**, will be levied with **12%** GST instead of the existing 18%.
- A hotel room will be charged with **18% GST** those having the tariff of **7,500 Rupees and above** from the existing 28%.
- **28% tax plus 12% compensation cess** will be charged on **caffeinated beverages** instead of the existing tax rate of 18%.
- A tax of 12% instead of the existing 5% has been put on railway wagon and coaches.
- 12% tax is levied on the woven/non-woven polyethene bags.
- The council has cut the tax rate to **0.25% from 3%** for cut and polished **semi-precious items.**
- GST Council **recommends** lowering 12% cess on vehicles of 1,500 cc diesel, 1,200 cc petrol having the capacity to carry up to 13 people.
- Import of specified **defence goods not being manufactured indigenously** have been **exempted** from GST/IGST till 2024.
- GST on **marine fuels** has been reduced to **5% from 18%.**
- All the above changes in the tax rates are made effective from **1st October 2019.**

Q.37 Recently, the government has allowed corporate social responsibility (CSR) spending on _____ for corporate companies?

a) Waste Management Control
b) Research and Development activities
c) Water conservation

d) Afforestation
e) None of these

Explanation: The Companies Act requires firms with

- net worth of Rs 500 crore
- turnover of Rs 1,000 crore or net profit of Rs 5 crore or more

to set aside 2% of their average net profit over the last 3 years towards 'approved' CSR activities.

Q.38 RBI has expanded the scope of the Bharat Bill Payment System (BBPS) by allowing_____ payments on its platform?

a) Recurring Payments
b) Insurance premium
c) Mutual funds
d) Both b and c
e) None of them

Explanation:

- BBPS is an interoperable medium to **facilitate customers to pay bills** such as direct-to-home (DTH), telephone, water, gas and electricity **at a single location** either physical or electronic.
- After the expansion of the payment facility, municipal taxes, insurance premiums, school fees and other **recurring payments** can also be paid via BBPS.
- All categories of billers (except prepaid recharges) are permitted, who provide for recurring bill payments to participate in BBPS on a voluntary basis.
- BBPS payments can be made using cash, cheques, through digital methods including debit, credit card, internet banking.

Q.39 RBI has recently allowed _____ to apply for Small Finance Bank (SFB) licences through the "on tap licensing"?

a) NBFCs
b) Payment Banks
c) Core Investment Companies
d) NABARD
e) None of these

Explanation:

- Under the **"on tap licensing",** the criteria that the promoter of a payment bank have to meet to set up an SBF is that both banks come under the **non-operating financial holding company (NOFHC) structure.**
- The SFB licence to the payments banks will allow them to boost deposits and lend, that is currently **capped at Rs 1 lakh per customer.**
- The **minimum paid-up capital requirement for SFBs** is also revised by the RBI from **Rs 100 crore to now Rs 200 crore.**
- Promoter's shareholding should be a **maximum of 40% by the end of 5 years**, and within **10years it should be down to 30%** and within **15years it should be down to 15%** shareholding.
- Promoters could exit from the bank after the lock-in period of 5years.

Q.40 As per the latest RBI bi-monthly monetary policy review, what is the policy repo rate ?

a) 5.15%
b) 5.45%
c) 5.60%
d) 5.90%
e) None of these

Explanation: On the basis of an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) at its meeting today decided to:

- reduce the policy repo rate under the liquidity adjustment facility (LAF) by 35 basis points (bps) from 5.75 per cent to 5.40 per cent with immediate effect.

Consequently, the reverse repo rate under the LAF stands revised to 5.15 per cent, and the marginal standing facility (MSF) rate and the Bank Rate to 5.65 per cent.

- The MPC also decided to maintain the accommodative stance of monetary policy.



Q.41 What is the lending cap on micro finance institutions in India ?

a) Rs.75,000
b) Rs.1 lac
c) Rs.1.25 lac
d) 2 lacs
e) None of these

Explanation:

- The Reserve Bank of India has raised the lending cap for microfinance institutions to Rs 1.25 lakh, against the earlier limit of Rs 1 lakh, to improve credit availability in rural and semi-urban areas.

Q.42 As per latest RBI circular, NEFT payment system is available till ?

a) 4 PM
b) 4:30 pm
c) 7:45 PM
d) 24x7
e) None of these

Explanation: NEFT payment system operated by RBI as a retail payment system is available for customers from 8.00 am to 7.00 pm on all working days of the week (except 2nd and 4th Saturdays of the month). The availability of NEFT on a 24x7 basis is expected to revolutionise the retail payments system of the country.

Q.43 As per latest RBI circular, what is the maximum household limit for the borrowers of micro finance institutions (NBFC-MFIs) in urban areas?

a) 1.5 lacs
b) 2 lacs
c) 3 lacs
d) 5 lacs
e) None of these

Explanation:

- It has also been decided to "increase the household income limit for borrowers of non-banking financial companies-micro finance institutions (NBFC-MFIs) from the current level of Rs 1 lakh for rural areas and Rs 1.60 lakh for urban/semi urban areas to Rs 1.25 lakh and Rs 2 lakh, respectively".

Q.44 Who manages The Bharat-22 Exchange Traded Fund (ETF) ?

a) ICICI Prudential Mutual Fund
b) Aditya Birla Sun Life Mutual Fund
c) UTI Mutual Fund
d) Axis Mutual Fund
e) None of these

Explanation:

- The investors would get a **3% discount over the issue price.**
- The offer has a base issue size of Rs 2,000 crore along with a greenshoe option to retain another Rs 6,000 crore, making the **total amount to Rs 8000 crore.**
- The total sum raised through Bharat-22 ETF to the GOI amounts to Rs 35,900 crore.
- Public sector enterprises like ONGC, IOC, SBI, BPCL, Coal India and Nalco are the part of Bharat-22.
- **State Bank of India (SBI). Indian Bank and Bank of Baroda** are the only three public sector banks that figure in Bharat-22 index.
- **Private companies:** L&t, ITC, Axis bank, Bharat electronics.

Q.35 As per IMF's in its World Economic Outlook report, what is the forecasted GDP growth rate of India?

a) 6.1%
b) 6.5%
c) 6.9%
d) 7.1%

e) None of these

Explanation: "India's economy is set to grow at 6.1% in 2019, picking up to 7% in 2020," the IMF said in its latest World Economic Outlook, adding that the downward revision reflected a weaker-than-expected outlook for domestic demand.

Q.46 RBI has decided to offer on-tap authorisation for Bharat Bill Payment Operating Unit, what is the minimum networth requirement for the applicants ?

a) Rs25 cr
b) Rs.100 cr
c) Rs.500 cr
d) Rs.1000 cr
e) None of these

Explanation: For entities desirous to function, operate, or provide platforms for BBPOU, the RBI said they should have a Rs 100 crore net worth and should be maintained at all times.

Q.47 As per RBI's "Priority Sector Lending Guidelines", Small Finance Banks will have a target of_____ for priority sector lending of their Adjusted Net Bank Credit (ANBC).

a) 75 per cent
b) 40 per cent
c) 60 per cent
d) 80 per cent
e) None of these

Explanation: Small Finance Banks will have a target of 75 per cent for priority sector lending of their Adjusted Net Bank Credit (ANBC). While 40 per cent of ANBC should be allocated to different sub-sectors under PSL as mentioned below, the balance 35 per cent can be allocated to any one or more sub-sectors under the PSL, where the banks have competitive advantage.

Q.48 SEBI has recently made it mandatory to hold at least _____% liquid assets in mutual fund liquid schemes?

a) 10%
b) 15%
c) 20%
d) 25%
e) None of these

Explanation:

- The **liquid assets include** cash, government securities, T-Bill and repo on Government securities.
- The decision is taken in the wake of the recent credit crisis and **aimed at** ensuring sufficient liquidity and improving risk management.
- Also, **Fund houses** have to match **20% norm** before they start their investment.
- The new rule is applicable from **1st April 2020.**

Q.49 The newly "UMMID" initiative of the government is launched for which purpose?

a) To provide early medication in the first one hour of child birth
b) To reduce the new-born death due to malnutrition

c) To provide aid for genetic disorders in new-borns
d) To provide aid of Rs 7000 to each newborn girl child
e) None of these

Explanation:

- The scheme is launched to help people who cannot afford expensive care **for genetic disorders.**
- Genetic disorders are the **third most common cause of mortality** in new-borns among the urban areas of India and due to high birth rate, large population and consanguineous marriage in many communities, these diseases are very common among them.
- **NIDAN (National Inherited Diseases Administration) Kendra** has .also been inaugurated by the ministry to provide help related to genetic diseases at one place.
- The **aims** of the UMMID initiative is to establish NIDAN Kendras to provide, management, counselling, prenatal testing and multidisciplinary care in Government Hospitals.

Q.50 The Margadarshan and Margdarshak Scheme were recently launched by the government for?

a) Providing training to School teachers
b) Help mentee institutions (institutions with low accreditation) improve their ranking
c) Provide atleast 100 teachers to each mentee institutions (institutions with low accreditation)
d) Help students of mentor institution to teach the students of mentee institutions
e) None of these

Explanation:

- Under the initiative, the topmost institutions will mentor institutions that need support for improving their rankings.
- Under the Margadarshan scheme, highly performing institutions with good accreditation record are supposed to mentor relatively newer 10 - 12 potential institutions.
- These institutions are also provided funding up to Rs. 50 lakhs per institution over a period of 3 years in instalments for carrying out various activities like training, workshops, conferences and travel.
- In the 1st phase, institutes are provided Margadarshaks, those having a student enrolment of at least 70% and willing to get mentoring through AICTE's Margadarshaks but are not yet accredited.

Q.51 The Pradhan Mantri Matru Vandana Yojana (PMMVY) has been implemented in all states of the country except?

a) Odisha
b) Andhra Pradesh
c) Telangana
d) Himachal Pradesh
e) Both a & c

Explanation:

- PMMVY is a direct benefit transfer scheme which was launched on **1st January 2017.**
- Under the scheme, cash benefits are provided through Direct Benefit Transfer (DBT) to **pregnant women.**
- The **objective** of the scheme is to meet enhanced nutritional needs of the mother and child and partially compensate for wage loss.
- The scheme is implemented under the **Women and Child Development Ministry.**
- The beneficiaries receive a cash benefit of **Rs 5000 in 3 instalments** under the scheme.

- They eligible beneficiaries also receive cash incentive under **Janani Suraksha Yojana,** through which a women gets **Rs 6000 on an average.**
- All states except **Odisha and Telangana** have implemented the scheme.



Q.52 The Government of India's Scheme NIRVIK is concerned with?

a) Import of Gold
b) Insurance coverage on Exports
c) Minimum Export Price
d) Domestic Consumption
e) None of these

Explanation:

- The **Export Credit Guarantee Corporation (ECGC)** under the ministry has introduced the scheme with the aim to **ease the lending process and enhance loan availability** for exporters.
- The scheme will ensure guaranteed insurance cover **up to 90%** of the principal and interest including the pre and post-shipment loss.
- The present coverage is provided up to **60%** of the loss by the current Export Credit Guarantee Corporation of India (ECGC).
- The initiative would make the ECGC more exporter friendly and also make Indian exports more competitive.

Q.53 Choose the correct option to boost the Credit flow in agriculture, as per the recommendations of RBI?

a) No farm waivers
b) Setting up of management information system (MIS) for banks
c) Interest subvention/subsidy to be replaced with DBT
d) All of them
e) None of these

Explanation:

- To boost the Credit flow in agriculture RBI recommended the following measures:
    - Interest subvention/subsidy to be replaced with Direct transfer of subsidies or DBT (Direct Benefit Transfer).
    - No farm waivers
    - A management information system (MIS) to be developed by banks to flag loans sanctioned against gold as collateral.
    - Set up a federal institution like GST council with participation from centre and states.
    - Banks should increase credit for consumption loans to farmers and other allied farm activities up to a sanctioned limit of Rs 1 lakh.
    - The centre should complete updation and digitisation of land records in a time-bound manner.

Q.54 Recently RBI allowed e-mandate processing on cards for recurring transactions, what is the maximum limit for recurring transactions ?

a) Rs.2000
b) Rs.2500
c) Rs.5000
d) Rs.10000
e) None of these

Explanation:

- The Reserve Bank of India (RBI) has decided to permit processing of e-mandate on cards for recurring transactions with additional factor authentication (AFA) during registration.
- This will be applicable for transactions done using all types of cards — debit and credit cards and Prepaid Payment Instruments, including wallets. The maximum limit for such a transaction will be Rs.2,000.

Q.55 Adhering to the Bimal Jalan Committee recommendations, the RBI has decided to set the CBR level at _____of the balance sheet?

a) 4.5%
b) 5.5%
c) 7%
d) 14%
e) None of these

Explanation: The Reserve Bank of India has decided to transfer a sum of Rs. 1,76,051 crores to the Government of India as per the recommendations made by Bimal Jalan Committee.



About the committee:

- RBI constituted a panel on the economic capital framework which was headed by ex-RBI governor Bimal Jalan.
- The committee has given a range of 5.5-6.5% of RBI's balance sheet for Contingent Risk Buffer while transferring the remaining excess reserves worth Rs.52,637 crore to the government.

Q.56 The Bimal Jalan Committee on Economic Capital Framework of the RBI has proposed change in its accounting year from July-June to April-March from the financial year _____?

a) 2020-21
b) 2021-22
c) 2022-23
d) 2023-24
e) None of these

Explanation: The Bimal Jalan Committee on Economic Capital Framework of the RBI has proposed a more transparent presentation of the RBI's annual accounts and change in its accounting year from July to June to April to March from the financial year 2020-21.

Q.57 Under Interest Subvention Scheme for Kisan Credit Card (KCC) to Fisheries and Animal Husbandry farmers, the 2 per cent interest subsidy on short-term loans of up to _____ for farmers engaged in fisheries and animal husbandry through Kisan Credit Card (KCC).

a) Rs. 2 Lakh
b) Rs. 3 Lakh
c) Rs. 5 Lakh
d) Rs. 7 Lakh
e) None of these

Explanation: The Reserve Bank of India (RBI) on Monday announced modalities for providing 2 per cent interest subsidy on short-term loans of up to Rs 2 lakh for farmers engaged in fisheries and animal husbandry through Kisan Credit Card (KCC).

Q.58 Calculate the Interest subvention/PRI benefit that will be available to the farmer.

Overall Kisan Credit Card limit – Rs.3 lakhs

Limit under Crop loan – Rs. 0.5 lakh

Sub-limit KCC for Animal Husbandry and / or Fisheries – Rs.2.5 lakhs

a) Rs.2.5 lakhs
b) Rs.2 lakhs
c) Rs.3 lakhs
d) Rs.3.5 lakhs

Explanation: Overall KCC limit – Rs.3 lakhs Limit under Crop loan – Rs.0.5 lakh Sub-limit KCC for Animal Husbandry and / or fisheries – Rs. 2.5 lakhs Interest subvention/PRI benefit will be available on overall Rs. 2.5 lakhs i.e. **Rs. 0.5 lakh crop loan + Rs.2 lakhs animal husbandry and / or fisheries.**

Q.59 Section 80-IAC of the Income Tax Act, 1961 was recently in the news for which context?

a) Insolvency and Bankruptcy Code related norms
b) Foreign direct investment
c) Angel tax provisions
d) Start-ups tax holiday eligibility
e) None of these

Explanation: Section 80-IAC contains a detailed definition of the eligible start-up which, provides that a start-up shall be eligible for the deduction, if

1) It is incorporated on or after 1st April 2016.
2) Its turnover does not exceed Rs. 25 crore in the year of deduction, and
3) It holds a certificate from the Inter-Ministerial Board of Certification.

Q.60 As per RBI's minimum holding period requirement, the minimum number of instalments to be paid before securitisation is _____monthly installments.

a) 6
b) 12
c) 18
d) 24
e) None of these

Explanation:

1) RBI has relaxed the minimum holding period (MHP) requirement for originating NBFCs, in respect of loans of original maturity above 5 years, to receipt of repayment of six monthly installments or two quarterly installments.
2) Earlier, they had to hold these assets for at least one year.
3) However, relaxation on MHP will be allowed when the NBFC retains 20% of book value of these loans.
4) RBI has also prescribed certain Minimum Retention Requirement (MRR) for NBFCs for availing the relaxed norms.

Q.61 In case of recovery of excess/wrong payment made to a pensioner which the pensioner had withdrawn and unable to repay back, what portion of his/her future net pension payment can be recovered every month ?

a) ½
b) 1/3
c) ¼
d) 1/5
e) None of these

Explanation: **Recovery of excess payments made to pensioners**

In case the pensioner expresses his inability to pay the amount, the same may be adjusted from the future pension payments to be made to the pensioners. For recovering the over-payment made to pensioner from his future pension payment in instalments 1/3rd of net (pension + relief) payable each month may be recovered unless the pensioner concerned gives consent in writing to pay a higher installment amount.

