

1. Saving is induced by-
  - (1) Higher earning
  - (2) Rate of interest
  - (3) Getting more money in future
  - (4) All of these
2. Those children who have control of their money get-
  - (1) Freedom of choice
  - (2) Freedom to spend as much as they want
  - (3) Learning experience
  - (4) None of these
3. Financial success and failures of children depend upon-
  - (1) How much they are spending
  - (2) How much allowance they get
  - (3) How much they are able to save
  - (4) How are they spending their money
4. It is seen that some people are more successful in attaining their financial goals. This can be attributed to-
  - (1) Their high saving
  - (2) Careful spending plans
  - (3) Their financial experiences
  - (4) Both (2) & (3)
5. Changes in needs affect-
  - (1) Source of income      (2) Saving
  - (3) Spending plan      (4) Both (2) & (3)
6. Buying things online helps to-
  - (1) reduce expenditure
  - (2) get some deals
  - (3) do cashless transactions
  - (4) Both (2) & (3)
7. Keeping the records of spending helps in-
  - (1) following the spending plan
  - (2) planning expenses for next year
  - (3) checking on overspending
  - (4) all of these
8. Saving and investments depend entirely upon-
  - (1) income      (2) rate of interest
  - (3) both (1) & (2)      (4) none of these
9. \_\_\_\_\_ is a way of transacting business without the use of cash. You can buy what you need and pay for it with what you have.
  - (1) Barter      (2) Point of sale
  - (3) Investment      (4) None of these
10. Goods or services that are necessary for living such as food, clothing and shelter are-
  - (1) Wants
  - (2) Needs
  - (3) Both (1) & (2)
  - (4) None of these
11. Which of the following is a limitation of barter system-
  - (1) Exchange of goods or services without money
  - (2) Absence of common measure value
  - (3) Presence of double coincidence of wants
  - (4) Both (2) & (3)
12. Drain of saving occurs when-
  - (1) Savings are put away
  - (2) Income is less than saving
  - (3) Income is less than spending
  - (4) None of these

- 13.** Surjit who earns ₹ 45,000.00 a month, wishes to holiday in Singapore which will cost him at least ₹ 1,00,000.00 he should-
- (1) Start saving for his holiday
  - (2) Get it financed by bank loan
  - (3) Looking at the cost of trip, forget about the idea of holiday
  - (4) None of these
- 14.** Demonetization is a term used for-
- (1) Dealing with money
  - (2) Dealing without money
  - (3) Demanding more money
  - (4) None of these
- 15.** The plastic currency was first issued by-
- (1) India
  - (2) U.K.
  - (3) Australia
  - (4) None of these
- 16.** Lessons of money management can be learnt by-
- (1) Spending
  - (2) Saving
  - (3) Copying elders
  - (4) None of these
- 17.** Introduction of plastic notes will help in tackling the problems of-
- (1) Scribbling on notes
  - (2) Soiling
  - (3) Effect of humid condition
  - (4) All of these
- 18.** Future payoff depend upon-
- (1) Current income
  - (2) Current saving
  - (3) Current investments
  - (4) None of these
- 19.** The tax laws to encourage investment, affects the interest rate to a great extent.
- (1) True
  - (2) False
  - (3) Can't say
  - (4) Not at all
- 20.** Securities contract regulation act was the basis for the establishment of-
- (1) NSE
  - (2) BSE
  - (3) Both (1) & (2)
  - (4) None of these
- 21.** Atul has a saving of ₹ 50,000.00. He wants to earn out of it. He should-
- (1) Buy shares
  - (2) Put it in a bank
  - (3) Buy debentures
  - (4) All of these
- 22.** Ankit has got ₹ 10,000.00 as a third prize in a contest. He has options like-
- (a) Buying a smart phone
  - (b) Buying clothes
  - (c) Spending it for party
  - (d) Going for a trip
- All these show that he has-
- (1) Plenty of resources
  - (2) Scanty resources
  - (3) Problem of choice
  - (4) None of these
- 23.** Amrita has joined her friends on a trip to Hong Kong. She spent a lot of money. Now she needs money instantly. Her option for electronic currency transfer is-
- (1) Correct
  - (2) Incorrect
  - (3) Risky
  - (4) None of these

24. If you want to do cashless transaction which of the following will be the most suitable one-
- (1) Smart card
  - (2) Voter card
  - (3) Debit card
  - (4) None of these
25. Every month, Sunita has to bear the expenses of her friend's needs. She gets irritated at this. What suggestion can she give her-
- (1) Ask parents to increase allowance
  - (2) Save some money for the month end
  - (3) Post pone some expenses
  - (4) Plan monthly expenses as per her allowance
26. Value of one rupee was equated to 100 paise in the year-
- (1) 1935
  - (2) 1957
  - (3) 1964
  - (4) None of these
27. In India plastic currency was introduced on trial basis in \_\_\_\_\_ cities.
- (1) 10
  - (2) 2
  - (3) 5
  - (4) None of these
29. For successful financial management SMART approach should be followed. In this approach 'S' stands for-
- (1) Systematic method
  - (2) Specific purpose
  - (3) Both (1) & (2)
  - (4) None of these
30. Avinash who bought a phone using his credit card, later on cancelled his order. Will his money be a total loss to him?
- (1) Yes
  - (2) No
  - (3) Maybe
  - (4) None of these
31. Most of the tourists visit the office of the western union. This enables them-
- (1) To visit any country easily
  - (2) Promote tourism
  - (3) Make funds available instantly
  - (4) None of these
32. Hard currency can be softened easily by-
- (1) Using pressure
  - (2) Moisture
  - (3) Trusted third party
  - (4) None of these
33. A person who is desirous of having steady income from his investment should buy-
- (1) Shares
  - (2) Bonds
  - (3) Both (1) & (2)
  - (4) None of these
34. The loanable funds are mainly supplied by-
- (1) Banks
  - (2) Government
  - (3) Households
  - (4) None of these

35. When a sum of ₹ 5,000.00 in a saving account that earns a simple interest of 3.5% would earn rs \_\_\_\_\_ interest in 5 years.
- (1) 87.5
  - (2) 5875
  - (3) 875
  - (4) None of these
36. One rupee note was first issued during 1<sup>st</sup> world war. This was because-
- (1) The government wanted to issue more money
  - (2) Printing of notes was easy
  - (3) The government wanted to cover losses of war
  - (4) There was shortage of silver
37. There is an important tool that sows the seeds of good money management:
- (1) A monetary gift
  - (2) Freedom to spend money
  - (3) Comparison shopping
  - (4) Spending plans
38. The habit of borrowing to fund the overspending of allowance can be checked if:
- (1) Parents spend on behalf of the children
  - (2) When the friends pool in the money
  - (3) When parents charge interest on anything over and above the allowance
  - (4) None of these
39. A list of bad shopping habits includes:
- (1) Emotional buying
  - (2) Unplanned buying
  - (3) Buying for the sake of showing off
  - (4) All of these
40. Wants can wait but needs cannot. This statement is:
- (1) Correct
  - (2) Incorrect
  - (3) It's a personal choice
  - (4) Can't say
41. One of the functions of the bank is creation of credit. How does the bank perform this function?
- (1) Issue credit cards to all account holders
  - (2) Issue credit cards randomly
  - (3) Give credit to those who ask for it
  - (4) None of these
42. Cyber cash is a term used for:
- (1) Payment method
  - (2) Income method
  - (3) Online commitments
  - (4) None of these
43. The owner of Sareen Traders was very happy to install an online payment acceptance system. He was sure that now, he would not have to worry about disclosing his income receipts. In your opinion , he is:
- (1) Correct
  - (2) Incorrect thought
  - (3) Doubtful
  - (4) None of these
44. NACH is a term associated with:
- (1) National Architecture Common House
  - (2) National Archives Clearing House
  - (3) National Automated Clearing House
  - (4) None of these

45. Vishal bought an inverter and the payment was made online. After a week, he was unable to track his purchase receipt. What solution can you offer?
- (1) He can check his house thoroughly
  - (2) He can check his emails
  - (3) He can file a missing complaint
  - (4) None of these
46. In India, e-money is under the control of:
- (1) Ministry of Finance
  - (2) Banks and financial organizations
  - (3) Central Bank of India
  - (4) None of these
47. The name of “SanthoshiNakamoto” is associated with:
- (1) Paper Notes
  - (2) Coins
  - (3) Virtual Money
  - (4) None of these
48. The authority that decides the quantity of coins to be minted in India is:
- (1) Central Bank of India
  - (2) Reserve Bank of India
  - (3) Central Government of India
  - (4) Both (2) and (3)
49. PPS Act 2007 was needed to regulate:
- (1) Purchasing Power
  - (2) Prepaid payment systems
  - (3) Electronic Money
  - (4) None of these
50. The first decimal issue of coins included:
- (1) Only 1, 2 and 5 paise
  - (2) Only 1, 2, 5 and 10 paise
  - (3) Only 1, 2, 5, 10, 25, 50 paise and a one rupee coin
  - (4) None of these
51. The money with special features involving a bank account is known as:
- (1) Paper Currency
  - (2) Coins
  - (3) E-Money
  - (4) None of these
52. The notes of ₹ 1000 and ₹ 500 were withdrawn from circulation on:
- (1) November 8, 2016
  - (2) November 18, 2016
  - (3) December 18, 2016
  - (4) October 8, 2016
53. Credit cards are the cards which can be termed as:
- (1) Premium cards
  - (2) Money cards
  - (3) Plastic Money
  - (4) All can be used interchangeably
54. The term used for medium of exchange where animals were used, is known as :
- (1) Barter
  - (2) Animal Money
  - (3) Both (1) and (2)
  - (4) Collateral System

55. ATM's have multiple purposes like withdrawing money, depositing money, checking the account balance. This statement is:
- (1) True
  - (2) Partially true
  - (3) Can't say
  - (4) False
56. Ram Prasad is a farmer. He is in need of money for seeds and fertilizers. He approached a money lender, which is a:
- (1) Formal Source
  - (2) Informal Source
  - (3) Can't say
  - (4) SHG
57. Atul has opened a Saving Account in Punjab National Bank. His father has a current account in the same bank. Are both eligible to get an ATM card?
- (1) Yes
  - (2) No
  - (3) Depends on the bank
  - (4) Cards are only for the young
58. Before the invention of money, animals equated to currency. The usage of which of the below mentioned animal was common:
- (1) Buffaloes
  - (2) Cows
  - (3) Horses
  - (4) Both (2) and (3)
59. Villagers have an option of approaching money lenders, who charge exorbitant interest rates, or form a:
- (1) Villager Bank
  - (2) Cooperative Bank
  - (3) SHG
  - (4) All of these
60. A common cause for financial difficulties is:
- (1) Lack of personal training
  - (2) Poor money management habits
  - (3) Not paying tax returns timely
  - (4) Both (2) and (3)



**END OF THE EXAM**