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WEEKLY GENIUS BANKING AND FINANCE

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 STATE EXAMS

Ques: Japan International Cooperation Agency (JICA) signed ODA loan agreements with India worth approximately how much amount?

- A) ¥150 billion
- B) ¥200 billion
- C) ¥300 billion
- D) ¥275 billion
- E) ¥350 billion

Answer: Option D

Explanation :

- Japan International Cooperation Agency signed Official Development Assistance (ODA) loan agreements worth ¥275 billion (approx ₹16,420 crore) with the Government of India.

- The funds will support major development projects across Punjab, Maharashtra, and Karnataka.

- Key Projects include:

Maharashtra Healthcare Project: ¥62,294 million (₹3,708 crore approx.)

Punjab Climate-Resilient Horticulture Project: ¥18,684 million (₹1,112 crore approx.)

Bengaluru Metro Rail Phase 3: ¥102,480 million (₹5,500 crore approx.) for 44.65 km elevated corridors

Mumbai Metro Line 11: ¥92,400 million (₹6,100 crore approx.) for 17.51 km underground corridor

- These projects aim to improve healthcare, infrastructure, urban transport, and climate-resilient agriculture.

Ques: RBI recently imposed penalties on which of the following entities for non-compliance with KYC and regulatory norms?

- A) SBI, HDFC Bank, ICICI Bank, Paytm
- B) Union Bank of India, Central Bank of India, Bank of India, Pine Labs

- C) Axis Bank, Yes Bank, Kotak Mahindra Bank, Razorpay
- D) PNB, Canara Bank, IDBI Bank, PhonePe
- E) UCO Bank, Indian Bank, Bandhan Bank, BharatPe

Answer: Option B

Explanation :

- Reserve Bank of India (RBI) imposed monetary penalties on Union Bank of India (₹95.40 lakh), Central Bank of India (₹63.60 lakh), Bank of India (₹58.50 lakh), and Pine Labs (₹3.10 lakh).
 - The penalties were imposed for non-compliance with KYC norms, digital transaction rules, and lending practices.
 - Key issues included delay in crediting funds in unauthorized transactions (Union Bank), failure to upload KYC records (Central Bank), improper charges & interest issues (Bank of India), and issuing PPIs without full KYC (Pine Labs).
 - Established → 1 April 1935 | Headquarters → Mumbai | Governor → Sanjay Malhotra
 - The action reflects RBI's strict stance on customer protection, transparency, and regulatory compliance in banking and fintech sectors.
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Ques: How much will the Government borrow in H1 FY27?

- A) ₹6.5 lakh crore
- B) ₹7.2 lakh crore
- C) ₹8.2 lakh crore
- D) ₹9.5 lakh crore
- E) ₹10 lakh crore

Answer: Option C

Explanation :

- The Government of India will borrow ₹8.20 lakh crore during April–September FY 2026–27 through dated securities.
- This amount is about 51% of the total annual borrowing target of ₹16.09 lakh

crore.

- Borrowing will be conducted via 26 weekly auctions across multiple maturities ranging from 3 to 50 years.
- ₹15,000 crore will be raised through Sovereign Green Bonds to support green projects.
- Borrowing is mainly done through Government Securities (G-Secs) to manage fiscal deficit and fund expenditure.

Ques: According to OECD, what is India's revised GDP growth forecast for FY 2026–27?

- A) 5.8%
- B) 6.1%
- C) 6.5%
- D) 7.0%
- E) 7.6%

Answer: Option B

Explanation :

- Organisation for Economic Co-operation and Development has revised India's GDP growth forecast downward by 10 basis points to 6.1% for FY 2026–27 in its Economic Outlook Interim Report.
- For FY 2025–26, the GDP growth rate is estimated at 7.6%.
- The revision reflects global economic uncertainties and changing macroeconomic conditions.

About OECD :

- Founded: 30 September 1961
 - Headquarters: Paris
 - Membership: 38 countries
 - Secretary-General: Mathias Cormann
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Ques: SEBI has extended the ban on futures trading in how many agricultural commodities till March 2027?

- A) 5
- B) 6
- C) 7
- D) 8
- E) 9

Answer: Option C

Explanation :

- Securities and Exchange Board of India (SEBI) has extended the suspension of futures trading in certain agricultural commodities till March 31, 2027.
- The ban was originally imposed in December 2021 to control rising food inflation.
- The decision aims to curb speculative trading and reduce price volatility in essential food items.
- The suspension applies to 7 key agricultural commodities: Wheat, Moong, Paddy (Non-Basmati), Chana, Mustard Seeds, Soybean, and Crude Palm Oil.
- Futures trading involves buying and selling contracts for a future date, which can lead to speculative price movements.
- The move is expected to help stabilize food prices and protect consumers.

Ques: Lakshya Asset Management Company, recently approved by SEBI, is set to operate in which sector?

- A) Insurance
- B) Banking
- C) Telecom
- D) Real Estate
- E) Mutual Fund

Answer: Option E

Explanation :

- Lakshya Asset Management Company has received approval from Securities and Exchange Board of India to start its Mutual Fund business in India.
- The company is sponsored by Wealth First Portfolio Managers, which is listed on National Stock Exchange of India and Bombay Stock Exchange.
- It will be the first Asset Management Company (AMC) headquartered in Ahmedabad, Gujarat.

Ques: 'Payments Vision 2028' released by RBI primarily aims to focus on which area?

- A) Agricultural Credit Expansion
- B) Digital Payments Ecosystem
- C) Industrial Development
- D) Export Promotion
- E) Monetary Policy Reform

Answer: Option B

Explanation :

- Reserve Bank of India (RBI) has released the 'Payments Vision 2028', outlining a 3-year roadmap for strengthening the digital payments ecosystem.
- The vision focuses on enhancing safeguards, improving efficiency, and promoting user empowerment in digital payments.
- RBI plans to introduce electronic cheques to modernize traditional payment systems.
- A Payments Switching Service (PaSS) is proposed to enable seamless transfer of payment instructions across banks.
- A Shared Responsibility Framework will be introduced for handling unauthorized digital transactions.
- RBI will implement a Domestic Legal Entity Identifier (DLEI) framework to improve transaction traceability.
- A Cyber Key Risk Indicators (KRI) framework will be introduced for non-bank

payment operators.

- Regulatory oversight on digital payment platforms will be expanded for better compliance and security.
 - RBI will review cheque design and security features to enhance reliability.
 - Full interoperability across Trade Receivables Discounting System (TReDS) platforms will be explored to support MSMEs.
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Ques: RBI has set the WMA limit at ₹2,50,000 crore for which period?

- A) Full FY 2026-27
- B) April–September 2026
- C) October–March 2027
- D) Calendar Year 2026
- E) Only April 2026

Answer: Option B

Explanation :

- The Reserve Bank of India (RBI), in consultation with the Government of India, has set the WMA limit at ₹2,50,000 crore for the first half of FY 2026-27 (April–September 2026).
- This helps the government manage short-term liquidity and cash flow mismatches.
- RBI may trigger fresh market loan issuance when 75% of the WMA limit is utilized.
- RBI retains the flexibility to revise the WMA limit based on prevailing economic conditions.
- Interest rates: WMA is linked to the Repo Rate, while overdraft is charged at Repo Rate + 2%.

About WMA (Ways and Means Advances):

- Purpose : Short-term borrowing facility for government

- Governed by: Section 17(5) of RBI Act, 1934
 - Type : Temporary liquidity support
 - Interest Link : Repo Rate
 - Repayment Period : Within 90 days
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Ques: The Reserve Bank of India imposed a penalty of ₹231.80 lakh on which bank for non-compliance with disclosure norms?

- A) Paytm Payments Bank
- B) Jio Payments Bank
- C) India Post Payments Bank
- D) Fino Payments Bank
- E) Airtel Payments Bank

Answer: Option E

Explanation :

- The Reserve Bank of India (RBI) imposed a penalty of ₹231.80 lakh on Airtel Payments Bank Limited.
 - The penalty was due to non-compliance with guidelines related to disclosure in financial statements.
 - RBI found that the bank failed to disclose certain customer complaints in its annual financial statements for FY 2024-25.
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Ques: For which period has the Government kept interest rates unchanged for small savings schemes like PPF and Sukanya Samriddhi?

- A) January–March 2026
- B) April–June 2026
- C) July–September 2026
- D) October–December 2026
- E) Full Year 2026

Answer: Option B

Explanation :

- The Government has maintained interest rates for twelve small savings schemes for the April–June 2026 quarter.
- This marks the ninth consecutive quarter with no change in interest rates.
- The schemes include popular instruments like Public Provident Fund (PPF) and Sukanya Samriddhi Account.

Interest Rates of Small Savings Schemes (April–June 2026) :

- Post Office Savings Deposit : 4.0%
- 1-Year Time Deposit : 6.9%
- 2-Year Time Deposit : 7.0%
- 3-Year Time Deposit : 7.1%
- 5-Year Time Deposit : 7.5%
- 5-Year Recurring Deposit : 6.7%
- Senior Citizen Savings Scheme : 8.2%
- Monthly Income Account Scheme : 7.4%
- National Savings Certificate : 7.7%
- Public Provident Fund (PPF) : 7.1%
- Kisan Vikas Patra : 7.5% (matures in 115 months)
- Sukanya Samriddhi Account : 8.2%

About Small Savings Schemes:

- Regulated by : Government of India (Ministry of Finance)
- Review Frequency : Quarterly
- Objective : Encourage savings and provide secure investment options

Ques: Moody's Investors Service has applied to establish a branch in which location to strengthen India's offshore financial ecosystem?

A) Mumbai

- B) GIFT City
- C) Bengaluru
- D) Hyderabad
- E) Chennai

Answer: Option B

Explanation :

- Moody's Investors Service has applied to establish a branch in GIFT City to strengthen India's position as a global offshore financial centre.
- The application has been filed under the IFSCA (Capital Market Intermediaries) Regulations, 2025.
- The proposed entity will undertake credit rating and related financial activities.
- S&P Global Ratings has already received registration from IFSCA to operate in the IFSC.
- Among domestic agencies, CARE Ratings (CareEdge) was the first to set up a base in GIFT IFSC through its subsidiary in October 2024.
- Moody's is one of the "Big Three" global credit rating agencies along with S&P Global Ratings and Fitch Ratings.

About GIFT City (IFSC):

- Full Form : Gujarat International Finance Tec-City
 - Location : Gandhinagar, Gujarat
 - Regulator : International Financial Services Centres Authority (IFSCA)
 - Purpose : Develop India as a global financial services hub
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Ques: According to ICRA, what is the projected GDP growth rate of India for FY 2026-27?

- A) 5.5%
- B) 6.0%
- C) 6.5%
- D) 7.0%
- E) 7.6%

Answer: Option C

Explanation :

- ICRA has projected that India's GDP growth will moderate to 6.5% in FY 2026-27.
- This is lower than the 7.6% growth estimated for the current financial year.
- The moderation indicates a gradual slowdown in economic growth.

About ICRA Limited:

- Founded : 1991
 - Headquarters : Gurugram, Haryana
 - Type : Credit Rating Agency
 - Function : Provides credit ratings, research, and risk assessment services
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Ques: India's Index of Industrial Production (IIP) growth rate in February 2026 stood at what percentage?

- A) 4.5%
- B) 5.0%
- C) 5.8%
- D) 6.0%
- E) 5.2%

Answer: Option E

Explanation :

- India's industrial growth, measured by the Index of Industrial Production (IIP), rose to 5.2% in February 2026.
- This shows a slight increase from 5.1% recorded in January 2026.
- The growth was driven by strong performance in the manufacturing sector.
- Manufacturing sector output growth accelerated to 6% in February 2026.
- The data was released by the Ministry of Statistics and Programme

Implementation.

About Index of Industrial Production (IIP):

- Measures : Industrial output in sectors like manufacturing, mining, and electricity
- Base Year : 2011-12
- Released by : NSO (Ministry of Statistics)
- Frequency : Monthly

Ques: The RBI has mandated the use of UTI for which type of financial transactions?

- A) Government Securities Market
- B) Foreign Exchange Spot Transactions
- C) All OTC Derivatives Transactions
- D) Equity Market Transactions
- E) Mutual Fund Transactions

Answer: Option C

Explanation :

- The Reserve Bank of India (RBI) has mandated the use of Legal Entity Identifier (LEI) and Unique Transaction Identifier (UTI) for financial market transactions.
- LEI is effective immediately, while UTI will be applicable from January 1, 2027.
- The 20-character LEI is required for non-individual entities in OTC, government securities, and foreign exchange markets.
- The up-to-52-character UTI is mandated for all over-the-counter (OTC) derivatives transactions.
- These identifiers are global standards aimed at enhancing transparency in financial markets.
- LEI will also apply to users undertaking non-derivative foreign exchange transactions.

Static Part RBI:

- RBI Foundation Day – 1 April 1935
 - Headquarters – Mumbai
 - Governor – Sanjay Malhotra
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Ques: The RBI has capped banks' net open positions in the rupee at what amount per day?

- A) \$50 million
- B) \$75 million
- C) \$100 million
- D) \$150 million
- E) \$200 million

Answer: Option C

Explanation:

- The Reserve Bank of India (RBI) has capped banks' net open positions in the rupee at \$100 million at the end of each business day.
- This move is aimed at tightening oversight in the foreign exchange market amid the rupee hitting record lows.
- RBI has directed authorised dealers of foreign currency to comply with the rule by April 10.

About Net Open Position (NOP):

- Meaning : Difference between foreign currency assets and liabilities held by banks
 - Purpose : Manage exchange rate risk and ensure market stability
 - Regulated by : RBI
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Ques: In which year was the Reserve Bank of India (RBI) established?

- A) 1930
- B) 1932

- C) 1935
- D) 1947
- E) 1950

Answer: Option C

Explanation :

- The Reserve Bank of India (RBI) was established on April 1, 1935 under the RBI Act, 1934 based on the recommendations of the Hilton Young Commission.
 - RBI regulates and supervises India's banking system and acts as the central bank of the country.
 - The headquarters was permanently shifted to Mumbai in 1937 (initially in Calcutta)
 - First Governor: Sir Osborne Smith | First Indian Governor: C.D. Deshmukh | Current Governor: Sanjay Malhotra.
 - RBI is governed by a Central Board of Directors consisting of one Governor, up to four Deputy Governors and other directors (appointed for 4 years).
 - RBI also served as the central bank for Burma (Myanmar) till 1947 and Pakistan till June 1948.
 - Currency printing is handled by Bharatiya Reserve Bank Note Mudran Pvt Ltd (BRBNMPL) at Mysore and Salboni.
 - RBI has five subsidiaries: DICGC, BRBNMPL, ReBIT, IFTAS and RBIH.
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Ques: As per RBI's directive, Two-Factor Authentication (2FA) for all digital transactions became effective from which date?

- A) January 1, 2026
- B) March 31, 2026
- C) April 1, 2026
- D) July 1, 2026
- E) April 1, 2027

Answer: Option C

Explanation :

- Two-Factor Authentication (2FA) for all digital transactions became effective from April 1, 2026.
- The directive was issued by the Reserve Bank of India (RBI).
- It applies to all digital transactions, including UPI platforms.
- The ecosystem has primarily adopted SMS-based OTP as the second authentication factor.
- Users must now verify transactions through OTP, fingerprint, or facial recognition in addition to UPI PIN.
- Screenshots and screen recording are restricted in banking apps to prevent fraud.
- The initiative aims to reduce fraud and improve accountability in digital payments.

Ques: India's gross GST collections in March 2026 crossed which milestone, showing an 8.8% growth compared to March 2025?

- A) ₹1.5 lakh crore
- B) ₹1.75 lakh crore
- C) ₹2 lakh crore
- D) ₹2.5 lakh crore
- E) ₹3 lakh crore

Answer: Option C

Explanation :

- India's gross GST collections recorded a growth of 8.8% in March 2026 compared to the same month last year.
- The collections crossed the ₹2 lakh crore mark, indicating strong economic activity and better compliance.
- For the financial year 2025-26, gross GST revenues reached ₹22 lakh crore.
- This marks an increase of 8.3% over ₹20 lakh crore recorded in the previous financial year.
- The data was released by the Ministry of Finance.

Static Part :

- GST Implemented – 1 July 2017
- Constitutional Amendment – 101st Constitutional Amendment Act, 2016
- GST Council Head – Union Finance Minister

Ques: As per RBI's revised capital market exposure norms, what is the cap on loans for subscribing to shares through IPOs or ESOPs per individual?

- A) ₹10 lakh
- B) ₹20 lakh
- C) ₹25 lakh
- D) ₹50 lakh
- E) ₹1 crore

Answer: Option C

Explanation :

- RBI has capped loans for purchase of shares and other eligible securities at ₹1 crore per borrower across the banking system.
- Earlier, this limit was ₹20 lakh, which has now been increased to ₹1 crore.
- However, for IPOs, Follow-on Public Offers (FPOs) and ESOPs, the borrowing limit is restricted to ₹25 lakh per individual.
- The revised capital market exposure rules have been deferred by 3 months— from April 1 to July 1, 2026.
- The deferral was due to operational and interpretational concerns raised by banks and market participants.
- The move aims to prevent excessive leverage, curb speculative borrowing and reduce risks in the banking system.
- RBI also clarified that acquisition finance now includes mergers and amalgamations.
- Banks must obtain a corporate guarantee from the acquiring company when financing subsidiaries or SPVs.

Static Part :

- IPO Full Form – Initial Public Offering
- FPO Full Form – Follow-on Public Offer
- ESOP Full Form – Employee Stock Option Plan
- SPV Full Form – Special Purpose Vehicle
- Capital Market Regulator – SEBI
- SEBI Headquarters – Mumbai
- SEBI Chairman – Tuhin Kanta Pandey

