



FINANCE

School Level Examination

GRADE

9

DO NOT OPEN THIS BOOKLET UNTIL INSTRUCTED TO DO SO

- * 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 an **HB Pencil** only.

- * You **MUST** record your answers on the **ANSWER SHEET.**
- * 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 oval that matches your answer.

- * Marks are **NOT** deducted for incorrect answers.
- * Return the **Answer Sheet** to the invigilator at the end of the examination.
- * Write your Roll No. on the Question Paper too and take it home for future reference.
- * You are **NOT** allowed to use a calculator.

You may use a ruler and spare paper for rough work.

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.)

- Which of these is a pool of funds used to purchase securities on behalf of investors?
(A) Provident Fund (B) Bond
(C) Mutual Fund (D) None of these
- What is the denomination of the minimum currency notes presently issued by RBI?
(A) ₹ 1 (B) ₹ 2
(C) ₹ 5 (D) ₹ 10
- Which of the following contract is an insurance contract?
(A) Guarantee (B) Warrantee
(C) Bailment (D) Indemnity
- A fire destroyed Nitish's office. Investigators determined the fire originated in the garbage dumpster behind the office, and the insurance company indemnified him for his loss. What insurance term describes the fire that caused the destruction of Nitish's office?
(A) Peril (B) Severity of loss
(C) Captive (D) Hazard
- A _____ is the amount of money borrowed to be returned within a defined time period and with pre-decided interest.
(A) Loan (B) Deposit
(C) Fund (D) None of these
- Read the given statements.

Statement I: A risk is the probability of return on an investment being lower than the expected return.

Statement II: Insurance risk is the probability of a known occurrence but its mode or actual value is variable.

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.
7. What is the time period of medium-term financing?
- (A) Less than 1 year (B) 1 to 3 years
(C) 3 to 5 years (D) More than 5 years
8. In case of a life insurance, a _____ is same as the beneficiary.
- (A) nominee (B) agent
(C) customer (D) insured
9. How many digits are there in an Aadhar number?
- (A) 8 (B) 12
(C) 15 (D) 16
10. How many members constitute the Central Board of Directors of RBI?
- (A) 15 (B) 18
(C) 20 (D) 21
11. Which of the following technology allow machines to read and process cheques?
- (A) OMR (B) OCR
(C) MICR (D) NEFT
12. _____ is an agreement whereupon after the payment of an amount, one agrees to pay the other a specific amount upon the occurrence of a specific loss.
- (A) Insurance (B) Overdraft
(C) Peril (D) Community
13. Who legislates insurance in India?
- (A) RBI (B) SBI
(C) Central government (D) State government
14. In which year was IRDA incorporated as a statutory body?
- (A) 2000 (B) 2002
(C) 2003 (D) 2004
15. What are the charges to issue the Aadhar card?
- (A) No fees (B) ₹ 100
(C) ₹ 500 (D) Depends upon the state
16. Which of these is NOT a criterion for categorizing source of fund?

- (A) Time period (B) Ownership
(C) Source of generation (D) Type of loan
17. Which of these is the first step for addressing insurance grievance?
(A) IRDA (B) Ombudsman
(C) District court (D) Insurance company
18. Which of the following is a disadvantage of investing in bonds?
(A) Bonds are good sources of current income.
(B) Bonds have limited profit potential.
(C) Bond investments are relatively safe from huge losses.
(D) Bondholders receive their payments before shareholders get their compensation.
19. What is the term used for the 3-digit number printed at the back of a debit card?
(A) PIN (B) OTP
(C) CVV (D) KYC
20. Which of these is a valid PAN?
(A) ABCPE0123F (B) ABC0123PEF
(C) 012318654219 (D) 4414AXD9PT
21. Which is the correct description of a credit card?
(A) Allows us to borrow money at a cheap rate from the bank.
(B) Allows us to pay for the goods immediately.
(C) Defers payment for one month only.
(D) Defers payment indefinitely provided you maintain interest payments.
22. In which year, the Reserve Bank of India Act was formed?
(A) 1930 (B) 1934
(C) 1935 (D) 1938
23. Which of these is the easiest type of loan that can be taken by a common person?
(A) Education loan (B) Vehicle loan
(C) Overdraft (D) Gold loan
24. Which of the following is a source of short-term financing?
(A) Trade Credit (B) Debenture

- (C) Retained Earnings (D) Bank Loan
25. Which of these Forms is used for applying PAN card?
- (A) 43A (B) 45A
(C) 47A (D) 49A
26. EMI stands for _____ Monthly Instalment.
- (A) End (B) Equal
(C) Equated (D) Extracted
27. Which of the following funding can be raised only at very early stage of a company?
- (A) Equity (B) Debt
(C) Venture (D) Internal
28. The early termination of an insurance product by the policyholder is called _____.
- (A) Rebate (B) Rider
(C) Surrender (D) Renewal
29. What happens after you report a fraudulent transaction to a bank?
- (A) If you notify the bank within 3 days of an unauthorised transaction, the bank representatives will monitor your account for next 7 days before blocking the card.
- (B) When you notify the bank regarding an unauthorised transaction, your bank's representatives will immediately block your account or card, after confirming some personal details.
- (C) When you notify the bank regarding an unauthorised transaction, your bank's representatives will lodge a complaint at the police station and the rest of the things will be done by the police.
- (D) All of the above
30. What is the difference between interest on deposits and interest on loans?
- (A) The rate of interest is less in deposits than loans.
- (B) The rate of interest is more in deposits than loans.
- (C) The rate of interest is twice on loans than deposits.
- (D) The rate of interest is same in both.
31. In which year was Malhotra Committee setup to recommend reforms in insurance sector?

- (A) 1991 (B) 1993
(C) 1994 (D) 1999

32. Read the statements.

Statement I: RBI provides facilities to banks to maintain accounts for statutory reserve requirements and maintenance of transaction balances.

Statement II: BI provides RTGS facilities to the banks for inter-bank transactions.

Choose the incorrect statement.

- (A) Only statement I is incorrect.
(B) Only statement II is incorrect.
(C) Both the statements are incorrect.
(D) Both the statements are correct.
33. Which of the following is NOT an external source of finance?
(A) Debt (B) Profits
(C) Bonds (D) Equity
34. Which insurance company has the tag line 'Zindagi ke Saath bhi, Zindagi ke Baad bhi'?
(A) Max Life Insurance (B) Life Insurance Corporation
(C) SBI Life (D) ECGC
35. Which of the following public sector banks has the largest number of branches in foreign countries?
(A) Bank of India (B) Punjab National Bank
(C) Corporation Bank (D) Bank of Baroda
36. How many life insurance companies are active in India?
(A) 20 (B) 24
(C) 26 (D) 29
37. How much portion of India is in a high seismic zone?
(A) 10-20% (B) 25-40%
(C) 30-50% (D) 50-65%
38. Which of these means part ownership of a company in the form of shares?
(A) Equity (B) Bonds
(C) Mutual Funds (D) All of these

39. Which section of IRDA tells us about duties, powers and functions of IRDA?
(A) 14 (B) 15
(C) 20 (D) 21
40. Which character in a PAN card represents status of the PAN card holder?
(A) First (B) Second
(C) Third (D) Fourth

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. Which of these are insurance products?
(A) Peril (B) Whole life
(C) Endowment (D) Grace
42. Which of these can be insured?
(A) Death (B) Perishable commodities
(C) Livestock (D) Property
43. Which of these are long term sources of finance?
(A) Preference Capital (B) Debentures
(C) Trade Credit (D) Bank overdraft
44. Which of these are functions of RBI?
(A) Banker to government (B) Custodian of foreign currency
(C) Banker to public (D) Banker to World Bank
45. Choose the correct statements.
(A) **Agent** – An individual who take the insurance policy.
(B) **Lapse** – The ending of a policy if the policy owner fails to pay the premium within the grace period.
(C) **Claim** – A demand made by the insured, or the insured's beneficiary, for payment of the benefits as provided by the policy.
(D) **Maturity Date** – The date at the policy is being taken.
46. Which of these are forms of investment in real estate?
(A) Land (B) Bullion
(C) Commercial Property (D) None of these

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