



# GENERAL AWARENESS

LIC AAO 2019



**1)Open Market Operations (OMOs) are related to which of the following?**

- a) Fiscal policy
- b) Monetary policy
- c) Labour policy
- d) Agricultural policy
- e) Trade Policy

**2)Qualitative tools is one of the methods used by Reserve Bank of India to implement monetary policy. Which one among the following is not a Qualitative tool?**

- a) Consumer credit regulation
- b) Selective credit control
- c) Moral Suasion
- d) Open Market Operations
- e) Rationing of Credit

**3)In the context of Indian banking system, 'Bank Rate 'refers to?**

- a) It is the rate at which RBI borrows money from the commercial banks.
- b) It is the rate of interest below which banks cannot lend to the general public.
- c) It is the rate of interest charged by the RBI for providing long term loans to the commercial banks.
- d) It is the rate of interest charged by the RBI for providing or loans to the Government.
- e) It is the rate of interest applicable to interbank transactions.

**4)CRAR is a banking term frequently seen in news. What is CRAR?**

- a) It is a certain minimum amount of deposit that the commercial banks have to hold as reserves with the central bank.
- b) It signifies the availability of certain capital as a percentage of risk weighted assets.
- c) It is the reserve requirement that the commercial banks in India are required to maintain in the form of cash, gold reserves, RBI approved securities before providing credit to the customers.
- d) It is the rate at which the central bank of a country borrows money from commercial banks within the country.

e) It is an aid for banks to resolve any short term cash shortages due to economic instability or any other form of stress.

**5) Who among the following issues Treasury bills?**

- a) SEBI
- b) PFRDA
- c) BSE
- d) IRDAI
- e) None of these

**6) The 'Pong Dam' built on the Beas River is located in which state of India?**

- a) Punjab
- b) Jammu & Kashmir
- c) Sikkim
- d) Himachal Pradesh
- e) Haryana

**7) Ujjain is located on the bank of which river?**

- a) Narmada
- b) Son
- c) Mahanadi
- d) Kshipra
- e) Chambal

**8) "World Radio Day" is celebrated worldwide on which date?**

- a) 14 March
- b) 21 April
- c) 10 January
- d) 13 February
- e) 25 May

9) Headquarters of “World Meteorological Organization (WMO)” is located at which place?

- a) Rome
- b) Vienna
- c) New York
- d) Geneva
- e) Paris

10) “Nongkrem Dance Festival” celebrated in which state of India?

- a) Meghalaya
- b) Sikkim
- c) Goa
- d) Tripura
- e) Uttarakhand

### Answers :

1) Answer: b)

Open market operations (OMO) refer to a central bank’s buying and selling of government securities in the open market in order to expand or contract the amount of money in the banking system.

2) Answer: d)

Open Market Operations (OMO) refer to a central bank’s buying and selling of government securities in the open market in order to expand or contract the amount of money in the banking system. This is a feature of Quantitative Tools along with Reserve Ratio (CRR/SLR) and Bank rate.

3) Answer: c)

The bank rate, also known as the discount rate, is the rate of interest charged by the RBI for providing funds or loans to the banking system.

4) Answer: b)

The capital adequacy ratio (CAR) is a measurement of a bank’s available capital expressed as a percentage of a bank’s risk-weighted credit exposures. The capital adequacy ratio, also known as capital-to-risk weighted assets ratio (CRAR), is used to protect depositors and promote the stability and efficiency of financial systems around the world.

**5) Answer: e)**

It is issued by the Government of India. Treasury Bills are short term (up to one year) borrowing instruments of the Government which enable investors to park their short-term surplus funds while reducing their market risk. They are auctioned by Reserve Bank of India at regular intervals and issued at a discount to face value.

**6) Answer: d)**

The Pong Dam, also known as the Beas Dam, is an earth-fill embankment dam on the Beas River in the state of Himachal Pradesh, India.

**7) Answer: d)**

Ujjain, a major city in Madhya Pradesh state is situated on the eastern bank of the Kshiprariver.

**8) Answer: d)**

On 13th February 2019, the 8th edition of World Radio Day is celebrated globally by The United Nations Education, Scientific and Cultural Organization (UNESCO) to commemorate radio as a powerful and influential medium that has been in existence for over 80 years. This year World Radio is celebrated with the theme of "Dialogue, Tolerance and Peace".

**9) Answer: d)**

World Meteorological Organization (WMO) headquartered at Geneva, Switzerland founded in 1950. Head of the organization is David Grimes.

**10) Answer: a)**

Nongkrem dance festival was celebrated by the people of the Khasi Hills, in Meghalaya. This festival is celebrated annually.