



GENERAL AWARENESS

LIC ADO



1) The security which is offered to a bank in case of a loan is taken is known as which among the following?

- a) Collateral
- b) Pledge
- c) Primary Security
- d) Secondary Security
- e) Mortgage

2) Which among the following is a bond that is sold at good discount as it has no coupon is known as which among the following?

- a) One time bond
- b) Zero coupon bond
- c) Extra coupon bond
- d) Face value bond
- e) Other than those given in options

3) Which among the following defines the right of the creditor to take possession of all the goods taken as security for any outstanding debt of the borrower?

- a) General Lien
- b) Pledge
- c) Mortgage
- d) Call up security
- e) Other than those given in options

4) Which among the following focuses on giving financial services to companies?

- a) Retail banking
- b) Wholesale banking

- c) Virtual banking
- d) Online banking
- e) Other than those given in options

5) Which among the following defines the dilution of stake by the government in public sector undertaking companies?

- a) Disinvestment
- b) Investment
- c) Privatization
- d) Cartelization
- e) Other than those given in options

6) According to a recent RBI report, India's Forex reserves increased to

_____.

- a) 721.1 bn
- b) 121.7 bn
- c) 421.8 bn
- d) 226.5 bn
- e) 321.8 bn



7) RBI slapped s 2 crore fine on Kotak Mahindra Bank for not complying with directions. Headquarters of Kotak Mahindra Bank is in _____.

- a) Vadodara
- b) Chennai
- c) Bengaluru
- d) Delhi
- e) Mumbai

8) Infrastructure Finance Company (IFC) is a non-banking finance company. It should have a Capital to Risk-weighted Assets Ratio of _____.

- a) 15%
- b) 10%
- c) 12%
- d) 9%
- e) 8%

9) The rolling out of forex platform for retail participants was announced by the RBI. The platform had been developed by _____.

- a) CII
- b) BSE
- c) CCIL
- d) FICCI
- e) NSE



10) As per the Global Economic Prospects report from the World Bank, the forecasted growth rate of India has retained at _____ for the current Fiscal year.

- a) 8.9%
- b) 7.5%
- c) 6.9%
- d) 3.2%
- e) 8.0%

Answers :

1) Answer: e)

In case of a bank extending loan to an individual, it wants to ensure that in case of the loan becoming NPA, the bank can recover the money somehow. To meet this demand, a bank

takes an asset as the security to cover the risk of lending to an individual. This acts as the security for the loan given by the bank

2) Answer: b)

A Zero Coupon Bond is such a bond that makes no periodic interest payment and is sold at a deep discounted value from the face value for this reason. The buyer of the bond receives a return by gradual appreciation of the security, which is redeemed at face value on the date of maturity which is a specified date

3) Answer: a)

General Lien is the power given to a creditor to take possession of all the goods or property given to him or her against the outstanding dues of the account of the borrower any time. However, the creditor has no right to sell the same and can only take possession till the time the debt amount is realized by the bank

4) Answer: b)

Wholesale Banking is defined as that type of banking which is mainly for government agencies, corporations, pension funds, companies with sound and strong balance sheets etc so that all the financial needs of these organizations can be taken care of by the same financial organization to avoid any complication on the part of the company and the financial organization both

5) Answer: a)

Disinvestment is defined as the process of diluting the stake of the government in the public sector companies. This is of various types such as strategic disinvestment, token disinvestment etc and it depends on this whether the management control of the company is transferred or not

6) Answer: c)

According to RBI's new data, country's foreign exchange reserves increased by USD 1.875 billion to USD 421.867 billion in the week ending May 31, in which foreign currency assets, being a major component of the overall reserves. Foreign Currency assets stand at USD 394.1 bn.

7) Answer: e)

The Reserve Bank of India has imposed a monetary penalty of Rs 2 crore on Kotak Mahindra Bank for non-compliance of directions. This action was taken under sections

27(2) and 35A of the Banking Regulation Act, 1949. HQ of Kotak Mahindra Bank – Mumbai

8) Answer: a)

The CRAR of the Infrastructure Finance Company should be at 15% with Tier I capital at 10%. Infrastructure Finance Company is a non-banking finance company which deploys at least 75% of its total assets in infrastructure loans.

9) Answer: c)

The platform had been developed by Clearing Corporation of India Ltd (CCIL). RBI announced the rollout of a foreign exchange trading platform for retail participants. It aims to provide transparency of pricing & promote competition among market-makers leading to better pricing for all customers.

10) Answer: b)

As per the Global Economic Prospects report from the World Bank, the forecasted growth rate of India has retained at 7.5% for the current financial year. Also, WB stated that India's growth rate is expected to remain the same for the next two fiscals.

