



GENERAL AWARENESS

LIC ADO



1) In context of credit rating, which of the following statements is/ are true?

- a) Credit rating is an assessment of the probability of default on payment of interest and principal on a debt instrument
- b) In India, the issuer company pays for the credit rating.
- c) SEBI does not play any role in the assessment made by the rating agency
- d) Only (a) & (b)
- e) All of the above

2) ICICI Securities Ltd has announced the launch of _____ services, which instantly credits into a retail investor's bank account funds accrued from stock sales.

- a) eInvest
- b) eStock
- c) eSecure
- d) eATM
- e) ePhase



3) Who among the following is present chairman of Trade body Association of Mutual Funds in India?

- a) Kailash Kulkarni
- b) Nimesh Shah
- c) Praful Patel
- d) Dhruv Mehta
- e) Ajay Tyagi

4) What is the contract cycle for T-Bill Futures?

- a) It consists of Four serial monthly contracts followed by three quarterly contracts expiring in March, June, September and December.

b) It consists of Five serial monthly contracts followed by Four quarterly contracts expiring in March, June, September and December.

c) It consists of three serial monthly contracts followed by three quarterly contracts expiring in March, June, September and December.

d) It consists of three serial monthly contracts followed by three quarterly contracts expiring in March, June and September.

e) None of the above

5) _____ is a measure of the return of the bond.

a) Yield to maturity

b) Venture Capital Fund

c) Funding Volatility Ratio

d) Market Liability Ratio

e) Basis Point

6) With respect to the financial sector of the country, A C Shah committee is associated with _____.

a) Unemployment

b) Data Security

c) Non-Banking Financial Company

d) Agriculture Financing

e) Public Sector banks

7) Which of the following financial institutions has bought 14% stake in micro-financier Annapurna Finance for ₹ 137 Crore?

a) AIIB

b) ADB

c) EBRD

- d) NDB
- e) None of the above

8) What is the limit of hospitalization coverage under Rashtriya Swasthya Bima Yojana Scheme?

- a) Rs. 20000 per annum
- b) Rs. 30000 per annum
- c) Rs. 40000 per annum
- d) Rs. 50000 per annum
- e) Rs. 60000 per annum

9) _____ is not one of the pillars of BASEL Capital accord.

- a) Minimum capital requirements
- b) Supervisory review of an institution's capital adequacy and internal assessment process
- c) Market discipline through effective disclosure to encourage safe and sound banking practices
- d) Off-Balance Sheet exposures
- e) Both (a) & (b)

10) As per the BSE & NSE Laws, a broker cannot charge more than _____% brokerage from his clients.

- a) 2.5 %
- b) 4.5 %
- c) 0.5 %
- d) 7.5 %
- e) None of the above

Answers :

1) Answer: e)

All of the above statements are true.

A credit rating agency is an entity which assesses the ability and willingness of the issuer company for timely payment of interest and principal on a debt instrument.

Rating is denoted by a simple alphanumeric symbol, for e.g. AA+, A-, etc.

2) Answer: d)

ICICI Securities Ltd has announced the launch of **eATM** services, which instantly credits into a retail investor's bank account funds accrued from stock sales.

The money would be credited within 30 minutes with a limit of ₹ 50,000 per client per day.

Under the current settlement system, an investor gets money into their accounts after two days (T+2) after a transaction. The feature is open to all trades in cash segment on nearly 600 stocks traded on the BSE.

3) Answer: b)

Nimesh Shah is the current chairperson of Association of Mutual Funds in India. He is the MD and CEO of ICICI Prudential Asset Management Company. Kailash Kulkarni is the vice chairperson of AMFI. As per AMFI data, the Indian mutual fund industry manages nearly 21 lakh Crore of assets (Average AUM July-Sept 2018). AUM stands for Assets Under Management.

4) Answer: c)

The 'Contract Cycle' consists of three serial monthly contracts followed by three quarterly contracts expiring in March, June, September and December.

The maximum maturity for T-Bill Futures Contracts is for 12 months.

5) Answer: A)

Yield to maturity (YTM) is a measure of the return of the bond.

The Yield to maturity (YTM) is the yield promised to the bondholder on the assumption that the bond will be held to maturity and coupon payments will be reinvested at the YTM.

6) Answer: c)

The A C Shah Committee on deposit insurance for non-banking finance companies (NBFCs) has recommended that General Insurance Corporation (GIC) and Deposit Insurance and Credit Guarantee Corporation (DICGC) provide the risk cover. The committee is in favour of voluntary risk cover.

7) Answer: b)

The Asian Development Bank (ADB) bought a 14% stake in micro-financier Annapurna Finance for Rs 137 crore, reinforcing the belief that India's microfinance sector is on course to attracting long-term funds from global lenders and investors.

8) Answer: b)

Rashtriya Swasthya Bima Yojana (RSBY) a Health Insurance Scheme for the Below Poverty Line families with the objectives to reduce OOP expenditure on health and increase access to health care. The Rashtriya Swasthya Bima Yojana (RSBY) offers medical insurance up to Rs 30,000 for a family of five living below the poverty line.

9) Answer: d)

Off-Balance Sheet is not one of the pillars of BASEL Capital accord.

It refers to the business activities of a bank that generally do not involve booking assets (loans) and taking deposits. Off-balance sheet activities normally generate fees but produce liabilities or assets that are deferred or contingent and thus, do not appear on the institution's balance sheet until and unless they become actual assets or liabilities.

10) Answer: a)

The maximum brokerage that can be charged by a broker has been specified in the Stock Exchange Regulations and hence, it may differ from across various exchanges. As per the BSE & NSE Laws, a broker cannot charge more than 2.5% brokerage from his clients.