



GENERAL AWARENESS

LIC ADO



1) The initial share capital of Reserve Bank of India was _____.

- a) 1 crore
- b) 2 crore
- c) 5 crore
- d) 7 crore
- e) 10 crore

2) A secured credit card is issued to which among the following?

- a) A real estate broker
- b) A magician
- c) A person with poor credit history
- d) A person with strong credit history
- e) None of the above

3) _____ is an economic concept which states that inflation and unemployment have a stable and inverse relationship.

- a) Kuznets Curve
- b) Laffer Curve
- c) Phillip Curve
- d) Lorenz Curve
- e) Engel Curve

4) Gini Coefficient can be represented graphically with _____.

- a) Lorenz Cure
- b) Philips Curve
- c) Laffer Curve

d) Raymond Curve

e) Raman Curve

5) ARC is a specialised financial institution which solves the twin balance sheet syndrome. 'R' in 'ARC' stands for _____.

a) Refinancing

b) Regulatory

c) Reconstruction

d) Realtor

e) Registered

6) Which year is set as a target year to make India a five trillion dollar economy ?

a) 2030

b) 2025

c) 2024

d) 2020

e) None of these



7) Which state received Rs 1,650cr from Asian Development Bank(ADB) for development of piped water supply, underground drainage, underground sewage or scientific septage management, roads with pavement.

a) Tripura

b) Mizoram

c) Manipur

d) Meghalaya

e) None of these

8) Which country has received \$15 million from India to organize the African Union (AU) Summit for the first time?

- a) Niger
- b) Republic of Chad
- c) Burkina Faso
- d) Mali
- e) None of these

9) What is the revised growth of India forecasted by Fitch for the Fiscal Year20 recently?

- a) 7%
- b) 7.2%
- c) 6.8%
- d) 6.6%
- e) None of these

10) How much collateral-free loans for MSME's were recommended by U K Sinha, from earlier Rs 10 lakh?

- a) Rs 20 lakh
- b) Rs 30 lakh
- c) Rs 15 lakh
- d) Rs 40 lakh
- e) None of these

Answers :

1) Answer: c)

RBI did not start as a government-owned bank in 1934 but the bank started as a privately owned bank with an initial share capital of Rs 5 crore. The total share base was divided into shares of Rs 100 each fully paid up. The apex bank was nationalized in 1949 through an act of parliament.

2) Answer: c)

A Secured Credit card is given to a person with very poor credit history in his records. It is so because security is taken against such issuance of the card as collateral. These cards are generally issued against safe deposits with banks and the value of the limit amount is generally more or the same as that of the safe deposit with the bank.

3) Answer: c)

The Phillips curve states that inflation and unemployment have an inverse relationship. Higher inflation is associated with lower unemployment and vice versa. The Phillips curve was a concept used to guide macroeconomic policy in the 20th century, but was called into question by the stagflation of the 1970's. Understanding the Phillips curve in light of consumer and worker expectations, shows that the relationship between inflation and unemployment may not hold in the long run, or even potentially in the short run

4) Answer: a)

Gini coefficient or Gini Index is a statistical measure of distribution developed by the Italian statistician Corrado Gini in 1912. It is often used as a gauge of economic inequality, measuring income distribution or, less commonly, wealth distribution among a population. The coefficient ranges from 0 to 1, with 0 representing perfect equality and 1 representing perfect inequality. It is often represented graphically through the Lorenz curve.

5) Answer: c)

'Asset Reconstruction Company (ARC)' is a specialized financial institution that buys the NPAs (Non- Performing assets) or bad assets from banks and financial institutions so that the latter can clean up their balance sheets. 'Asset reconstruction companies (ARCs)' are in the business of buying bad loans from banks. ARCs clean up the balance sheets of banks.

6) Answer: c)

Prime Minister said the goal to make India a five trillion dollar economy by 2024 can be achieved though it is challenging. He urged the states to increase their economy by 2 to 2.5 times, which in turn would increase the common man's purchasing power. He called upon the Chief Ministers to study their State's export potential and work on export promotion.

7) Answer: a)

On June 16, 2019, The Asian Development Bank (ADB) has approved a project submitted by the Urban Development Department (UDD) of Tripura amounting to Rs. 1650 crore for overall infrastructure development of seven districts headquarter towns of Tripura. The fund is meant for development of piped water supply, underground drainage, underground sewage or scientific septage management, roads with pavement. The ADB will give 80 percent of Rs 1650 crore as grant-in-aid and the State Government of Tripura will have to repay back only 20 percent loan in due course of time.

8) Answer: a)

India extended \$15 million grant to Niger to organize the African Union (AU) Summit scheduled from 7-8 July, 2019 in Niamey, Niger. It was symbolically handed over to Mrs. Lamido Ousseini Bala Goga Salamatou, Deputy Foreign Minister, Government of Niger in the presence of Mr Mohammed Saidil Moctar, Minister and Special Advisor to the President of the Republic of Niger by Ambassador of India to Niger Shri Rajesh Agarwal at a ceremony held on 17 June 2019, in Niamey.

9) Answer: d)

On June 17, 2019, Fitch reduced India's growth forecast for the current fiscal year (FY20) from 6.8% to 6.6% due to the slow down of manufacturing and agriculture sectors over the past years. In the latest Global Economic Outlook, it retained its GDP (Gross Domestic Product) growth forecast for the fiscal 2020-21 at 7.1% and 7% for 2021-22. GDP growth of India declined for the fourth consecutive quarter in January-March 2019, with the economy expanding by 5.8%. It was reduced from a cyclical high of 8.1% in the March quarter of 2018. In 2018-19, Indian economy grew at a 5-year low pace of 6.8%.

10) Answer: a)

The Committee suggested doubling collateral-free loans for MSMEs to Rs 20 lakh from Rs 10 lakh. This is also applicable to Micro Units Development and Refinance Agency (MUDRA) and Self-Help Groups (SHGs). Currently, MSMEs can get collateral-free loans under two mechanisms- based on the RBI's 2010 circular (July 1, 2010) and on Credit Guarantee Fund (CGF). RBI's 2010 circular prescribe a limit of Rs 10 lakh and CGF provides collateral-free loans up to Rs 2 crore.