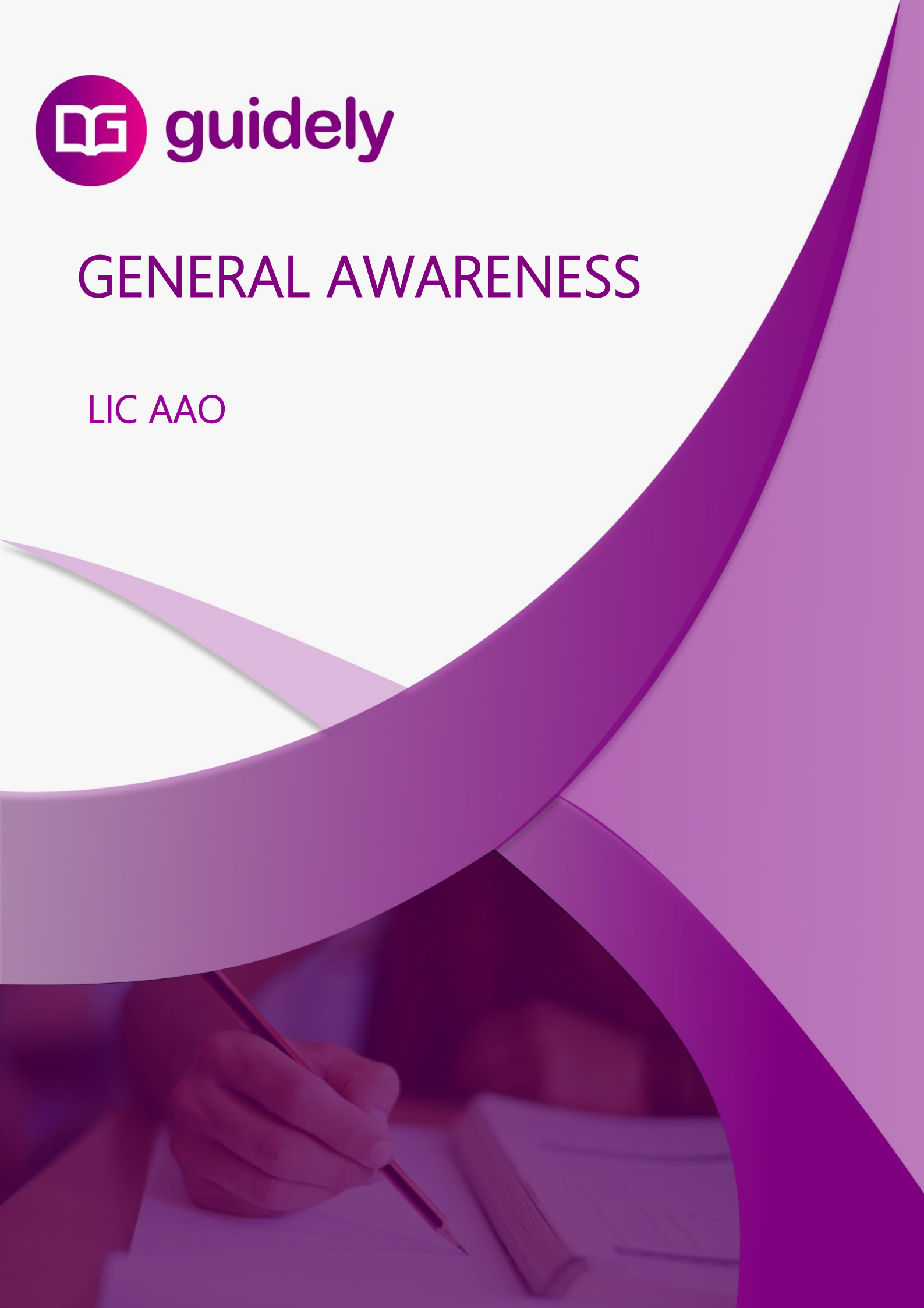




# GENERAL AWARENESS

LIC AAO



- 1) Which of the following statement is/are correct regarding the MCLR?
- a) It is the minimum interest rate of a bank below which it cannot lend
  - b) It is an internal benchmark or reference rate for the bank
  - c) The MCLR methodology has replaced the base rate system
  - d) The aim of MCLR is to improve the transmission of policy rates into the lending rates of banks
  - e) All of the above
- 2) When an unlisted company makes \_\_\_\_\_, it seeks to sell shares to the general public for the first time.
- a) Follow-On Public Offering
  - b) Initial Public Offering
  - c) Offer for sale method
  - d) Private placement of securities
  - e) Tender Method
- 3) The difference between the total receipts of the government and its total expenditure in a financial year is known as \_\_\_\_\_.

- a) Budget Deficit
- b) Expenditure Deficit
- c) Revenue Deficit
- d) Receipts Deficit
- e) None of the above

4) Which of the following are correct regarding the Mutual Funds?

Custodian of the Mutual Funds should be registered with RBI

Mutual Funds cannot invest in debt securities

In India, the Mutual Fund Industry started in 1991

a) Only I and II are correct

b) Only III is correct

c) Only II is correct

d) All are correct

e) None are correct

5) IFSC is an alpha-numeric code that uniquely identifies a bank-branch participating in the NEFT system. How many digits are present in IFSC code?

a) 11

b) 12

c) 13

d) 17

e) 10

6) Which state has announced a hike of Rs 200 per month in the social security pension under 'Madhu Babu Pension Yojana', on 19 January 2019?

a) West Bengal

b) Uttar Pradesh

c) Odisha

d) Maharashtra

e) Gujarat

7) Under the Pradhan Mantri Kisan Samman Nidhi (KISAN) scheme, vulnerable farmers with 2 hectares of land will get direct income support of ₹ \_\_\_\_\_ per year.

a) 4,000

b) 5,000

c) 6,000

d) 7,000

e) 8,000

8) Govt. announced that individual taxpayers with annual income up to ₹\_\_\_\_\_ lakh will not have to pay any Income Tax.

a) 3

b) 4

c) 5

d) 6

e) 7

9) What is premium of Pradhan Mantri Jeevan Jyoti Bima Yojana?

a) 330

b) 260



c) 350

d) 250

e) 450

10) According to the Finance Minister, Piyush Goyal, the fiscal deficit will be at \_\_\_\_\_ per cent of GDP in 2019.

a) 2.8

b) 3.1

c) 3.4

d) 3.5

e) 3.8



Answers :

1) Answer: e)

The marginal cost of funds-based lending rate (MCLR) refers to the minimum interest rate of a bank below which it cannot lend, except in some cases allowed by the RBI.

a) It is an internal benchmark or reference rate for the bank.

b) MCLR actually describes the method by which the minimum interest rate for loans is determined by a bank.

c) MCLR is decided on the basis of marginal cost or the additional or incremental cost of arranging one more rupee to the prospective borrower.

2) Answer: b)

Initial Public Offering (IPO) is made by a company for either the fresh issue of securities or sale of existing securities by an unlisted company. IPO is made by an unlisted company for the first time in its duration of existence. It is a method of raising funds by an unlisted company by offering securities to the general public.

3) Answer: a)



The budget deficit is defined as the difference between the total receipts of the government and its total expenditure in a financial year as mentioned in the annual financial statement of the government. If both are equal, there is said to be no budget deficit for that financial year. Here, earning includes both revenue receipts and borrowing whereas expenditure includes interest payments as well.

4) Answer: e)

A trust that pools together the savings of many individuals and then invest in capital market instruments are referred to as Mutual Funds. Custodian of the Mutual Funds should be registered with SEBI. Mutual Funds can invest in debt securities and other securities depending on the financial requirements of the

investors. In India, mutual Fund industry started in 1963, with the formation of Unit Trust of India as an initiative of the Government of India and the Reserve Bank of India.

5) Answer: a)

IFSC stands for Indian Financial System Code and is an 11 digit code. The first 4 alpha characters represent the bank, and the last 6 characters representing the branch. The 5th character is 0.

6) Answer: c)

On 19 January 2019, the Odisha government announced a hike of Rs 200 per month in the social security pension under 'Madhu Babu Pension Yojana'. About 48 lakh elderly, widows and destitute women will be benefited from the scheme. The pension holders will get a revised pension of Rs 500 per month against Rs 300 while people aged over 80 years will get Rs 700 per month instead of Rs 500.

7) Answer: c)

Union Interim Finance Minister Piyush Goyal presented the Interim Budget 2019-20 on Feb 1, 2019. Govt. has introduced the Pradhan Mantri Kisan Samman Nidhi (KISAN) scheme to provide assured income to small and marginal farmers. Under the scheme, vulnerable farmers with 2 hectares of land will get direct income support of ₹6000 per year. It is expected to benefit 12 crore farmer families.

8) Answer: c)



Government announced that individual taxpayers with annual income up to ₹5 lakh will not have to pay any Income Tax. Those with gross income of up to ₹6.5 lakh also won't have to pay any tax if they make investments in prescribed methods. This will give ₹18,500 cr tax benefit to 3 cr middle class people. He also said that Income Tax returns will be processed in 24 hours and refund initiated.

9) Answer: a)

Pradhan Mantri Jeevan Jyoti Bima Yojana is available to people between 18 and 50 years of age with bank accounts. The premium of Pradhan Mantri Jeevan Jyoti Bima Yojana is Rs 330.

10) Answer: c)

Finance Minister Piyush Goyal said the fiscal deficit will be at 3.4 per cent of GDP in 2019 while presenting the interim budget on Feb 1, 2019. He also said that current account deficit is likely to be 2.5 per cent of GDP this year. He added that capital expenditure is pegged at 3.36,292 lakh crore.