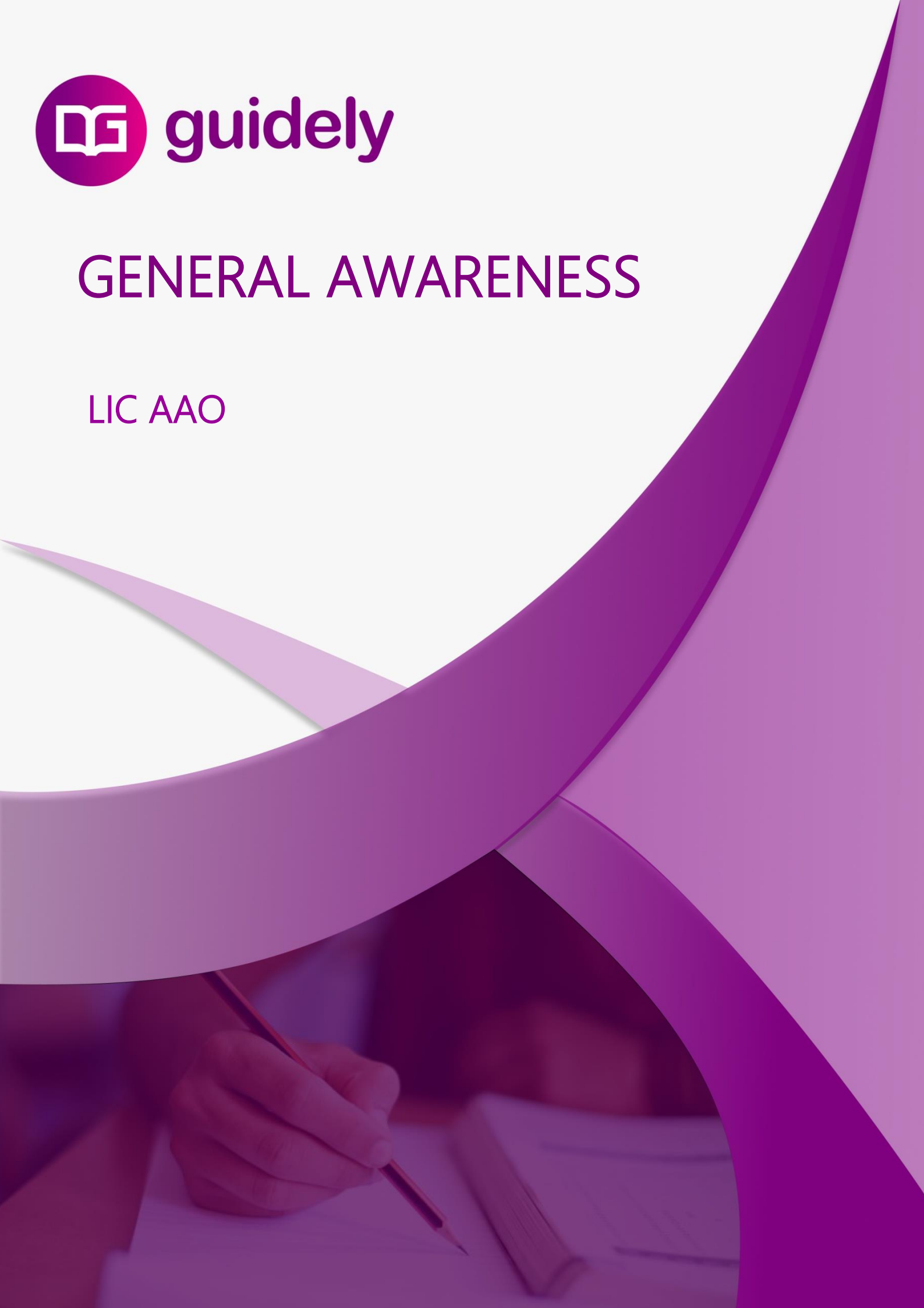




GENERAL AWARENESS

LIC AAO



1) According to RBI guidelines, what is the minimum percent of Capital to Risk Assets Ratio (CRAR) that all Regional Rural Banks (RRBs) must maintain?

- a) 5%
- b) 7%
- c) 9%
- d) 11%
- e) 12%

2) _____ is a situation where the prices go out of control and the monetary authorities are unable to impose any check on it.

- a) Creeping inflation
- b) Deflation
- c) Galloping inflation
- d) Hyperinflation
- e) Stagflation

3) In NEFT, the maximum amount per transaction is limited to _____ for cash-based remittances within India.

- a) Rs. 25000
- b) Rs. 50000
- c) Rs. 2 Lakh



d) Rs. 75000

e) Rs. 1 Lakh

4) Bank loans up to a limit of ____ per borrower for building social infrastructure in Tier II to Tier VI centers are eligible for classification under priority sector.

a) Rs. 10 millions

b) Rs. 50 millions

c) Rs. 100 millions

d) Rs. 25 millions

e) Rs. 40 millions

5) Assets which loss has been identified by the bank and remains uncollectable are termed as _____ assets.

a) Substandard

b) Standard

c) Doubtful

d) Loss

e) None of the above

6) What is the housing loan limit under priority sector lending for metropolitan cities?

a) Rs. 35 lakhs

b) Rs. 50 lakhs

- c) Rs. 20 lakhs
- d) Rs. 25 lakhs
- e) Rs. 40 lakhs

7)'Mi Pay', a UPI-Based Payments App launched recently by mobile company Xiaomi in India. Which bank is service provider of this application?

- a) Axis Bank
- b) ICICI Bank
- c) IDBI Bank
- d) Kotak Mahindra Bank
- e) HDFC Bank

8)What amount of loan agreement was recently signed between the government of India, government of Andhra Pradesh and the World Bank for implementation of the 'Andhra Pradesh Health Systems Strengthening Project'?

- a) \$ 250 million
- b) \$ 328 million
- c) \$ 465 million
- d) \$ 765 million
- e) \$ 124 million

9)Which state has announced a Rs. 2250 crores scheme named as "MukhyaMantriKrishiYojana" to help farmers to double their income by 2022?

- a) Jharkhand
- b) Chhattisgarh
- c) Karnataka
- d) Odisha
- e) Jammu & Kashmir

10) Which multilateral institution has acquired 14% stake in micro-financier Annapurna Finance?

- a) International Monetary Fund
- b) Asian Development Bank
- c) World Bank
- d) New Development Bank
- e) None of these



Answers :

1) Answer: c)

According to RBI guidelines, all Regional Rural Banks or RRBs are advised to achieve and maintain a minimum Capital to Risk Assets Ratio (CRAR) of 9%. CRAR is expressed as a percentage of a bank's risk credit exposures and is also known as Capital Adequacy Ratio (CAR). It is the amount of money which a bank must keep with itself in form of cash. It is used by any bank in case of NPA or other financial problem to continue its operation or return the money of depositor. It protects depositor money and promote the stability and efficiency of financial systems.

2) Answer: d)

Creeping Inflation: This is also known as mild inflation or moderate inflation. This type of inflation occurs when the price level persistently rises over a period at a mild rate. When the rate of inflation is less than 10 per cent annually, or it is a single digit inflation rate, it is moderate inflation.

Deflation is the reverse of inflation. It refers to a sustained decline in the price level of goods and services. It occurs when the annual inflation rate falls below zero percent (a negative inflation rate), resulting in an increase in the real value of money.

If mild inflation is not checked and if it is uncontrollable, it may assume the character of galloping inflation. Inflation in the double or triple digit range of 20, 100 or 200 percent a year is called galloping inflation.

Hyperinflation occurs when the prices go out of control and the monetary authorities are unable to impose any check on it.

3) Answer: b)

National Electronic Funds Transfer (NEFT) is a nation-wide payment system facilitating one-to-one funds transfer. The maximum amount per transaction is limited to Rs.50,000/- for cash-based remittances within India and also for remittances to Nepal under the Indo-Nepal Remittance Facility Scheme.

4) Answer: b)

Bank loans up to a limit of Rs. 50 millions per borrower for building social infrastructure for activities namely schools, health care facilities, drinking water facilities and sanitation facilities (including loans for construction/ refurbishment of toilets and improvement in water facilities in the household) in Tier II to Tier VI centers are eligible for classification under priority sector.

5) Answer: d)

Loss assets are those where loss has been identified by the bank and remains uncollectable

Standard asset for a bank is an asset that is not classified as an NPA.

NPA is a loan or advance for which the principal or interest payment remains overdue for a period of 90 days

Sub Standard assets are the assets which have remained NPA for a period less than or equal to 12 months

Doubtful asset is an asset would be classified as doubtful if it has remained NPA for a period exceeding 12 months

6) Answer: a)

Loans to individuals up to Rs. 35 lakhs in metropolitan centres (with population of ten lakh and above) and loans up to Rs. 25 lakhs in other centres for purchase/construction of a dwelling unit per family, are eligible to be considered as priority sector provided the overall cost of the dwelling unit in the metropolitan centre and at other centres does not exceed Rs. 45 lakhs and Rs. 3 lakhs, respectively. Housing loans to banks' own employees are not eligible for classification under priority sector.

7) Answer: b)

In March 2019, Xiaomi launched 'MiPay', a UPI (Unified Payments Interface) based mobile payment service in India to send money from one bank account to another or between UPI (Unified Payments Interface) accounts. The service provider of this application is ICICI Bank.

8) Answer: b)

The World Bank has decided to provide a loan of Rs. 2200 crores (\$328-million) to Andhra Pradesh for implementation of the 'AP Health Systems Strengthening Project (APHSSP)'. The loan agreement was signed between the Government of India, government of Andhra Pradesh and the World Bank.

9) Answer: a)

In December, 2018, Jharkhand chief minister Raghubar Das announced a Rs. 2250 crores scheme named as "MukhyaMantriKrishiYojana" which will help around 22.76 lakhs medium and marginal farmers to double their income by 2022. The Central Government has set a goal to double the income of all the farmers by 2022.

10) Answer: b)

In February, 2019, Asian Development Bank (ADB) bought 14% stake in micro-financier Annapurna Finance for Rs. 137 crores. ADB Bank bought this stake with a motive of attracting long -term funds from global lenders and investors.