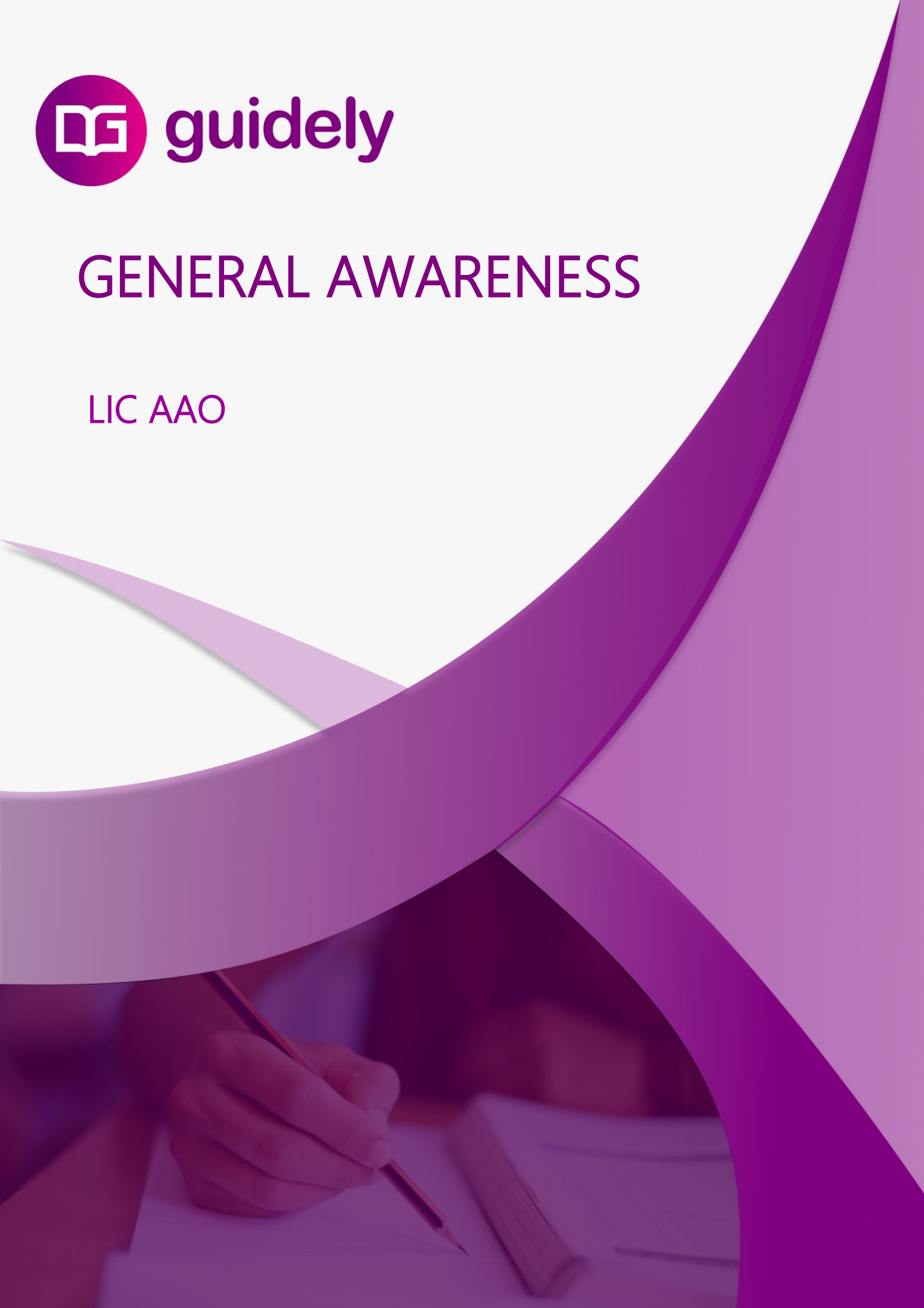




GENERAL AWARENESS

LIC AAO



1) A Saving account or Current account is classified as 'Inoperative' or 'Dormant' if there are no transactions in the account for over a period of ___ years.

- a) 9 months
- b) 1 year
- c) 1.5 years
- d) 2 years
- e) 2.5 years

2) Which type of money market instrument is a short term debt instrument issued by Government of India and are presently issued in three tenors?

- a) Commercial Paper
- b) Call Money
- c) Notice Money
- d) Treasury Bills
- e) None of these



3) Collateralized Borrowings & Lending Obligation (CBLO) is a type of money market instrument operated by which of the following?

- a) RBI
- b) NPCI
- c) CCIL
- d) INFINET
- e) SEBI

4) Treasury bills are sold in India which of the following –

- a) Government of India
- b) Commercial Banks
- c) Reserve Bank of India

d) The Securities and Exchange Board of India

e) Both a) and c)

5) In 2010, Government of India, in consultation with RBI introduced a new short term instrument to meet the temporary mismatch in cash flow of the Government of India. The name of this money market instrument is ____

a) Cash Management Bills (CMB)

b) Bankers acceptance

c) Municipal notes

d) Federal funds

e) None of the above

6) The Reserve Bank sets the average base rates of NBFC-MFI. It is;

a) 8.15%

b) 9.21%

c) 8.81%

d) 9.52%

e) 7.96%



7) The Reserve Bank of India, RBI will inject long-term liquidity worth _____ US Dollars into the banking system.

a) 1 billion

b) 3 billion

c) 7 billion

d) 5 billion

e) 9 billion

8) The Asian Development Bank downgraded economic growth forecasts to _____ from 7.6 percent for India.

- a) 7.2 percent
- b) 7.4 percent
- c) 7.0 percent
- d) 7.5 percent
- e) 7.6 percent

9) Direct tax collections have fallen short by _____-thereby failing to meet the revised target of Rs 12 lakh crore for 2018-19.

- a) Rs 60,000 crore
- b) Rs 40,000 crore
- c) Rs 70,000 crore
- d) Rs 50,000 crore
- e) Rs 55,000 crore

10) World Bank to provide _____ for the National Rural Economic Transformation Project (NRETP) to boost Rural Incomes across 13 States in India.

- a) 200 Million dollar
- b) 150 Million dollar
- c) 250 Million dollar
- d) 300 Million dollar
- e) 100 Million dollar

Answers:

1) Answer: d)

RBI has stipulated that a saving/current account will be classified as an inoperative/dormant if there is no operation in the account for over a period of two years. Interest credited by the bank on the balance in the account and any charges debited by the bank is not considered as transaction for this purpose.

2) Answer: d)

Treasury Bills are short term (up to one year) borrowing instruments of the Government of India which enable investors to park their short term surplus funds while reducing their market risk. They are auctioned by Reserve Bank of India at regular intervals and issued at a discount to face value. Treasury bills are presently issued in three maturities, 91 day / 182 day / 364 day.

3) Answer: c)

The Collateralized Borrowing & Lending Obligation (CBLO) market is a money market segment operated by the Clearing Corporation of India Ltd. (CCIL)

4) Answer: c)

Treasury bills are issued by Government of India and sold by Reserve Bank of India to banks.

5) Answer: a)

In 2010, Government of India, in consultation with RBI introduced a new short term instrument to meet the temporary mismatch in cash flow of the Government of India called Cash Management Bills (CMB).

6) Answer: b)

The Reserve Bank set the average base rate to be charged from borrowers by non-banking financial companies (NBFCs) and micro-finance institutions (MFIs) at 9.21% for the first quarter of the next fiscal (April-June). The regulator in February 2014 had issued directions to NBFC-MFIs regarding pricing of credit.

7) Answer: d)

The Reserve Bank of India, RBI said it will inject long-term liquidity worth 5 billion US Dollars into the banking system through a dollar-rupee buy-sell swap for a tenure of three years on April 23. The RBI statement stated that the move intends to meet the durable liquidity needs of the system.

8) Answer: a)

The Asian Development Bank downgraded economic growth forecasts for India and Southeast Asia for 2019 as global risks from trade tensions to Brexit mount. Gross domestic product in India will probably increase 7.2 percent this year, down from a December forecast of 7.6 percent, according to the ADB's latest Asian Development Outlook report.

9) Answer: d)

Direct tax collections have fallen short by Rs 50,000 crore thereby failing to meet the revised target of Rs 12 lakh crore for 2018-19 fiscal on account of poor personal income tax collections. The target of personal income tax of Rs 5.29 lakh crore was not met by almost the same shortfall amount of Rs 50,000 crore, which dragged down the direct tax collections for the fiscal 2018-19.

10) Answer: c)

World Bank to provide 250 Million dollar for the National Rural Economic Transformation Project (NRETP) to boost Rural Incomes across 13 States in India.

