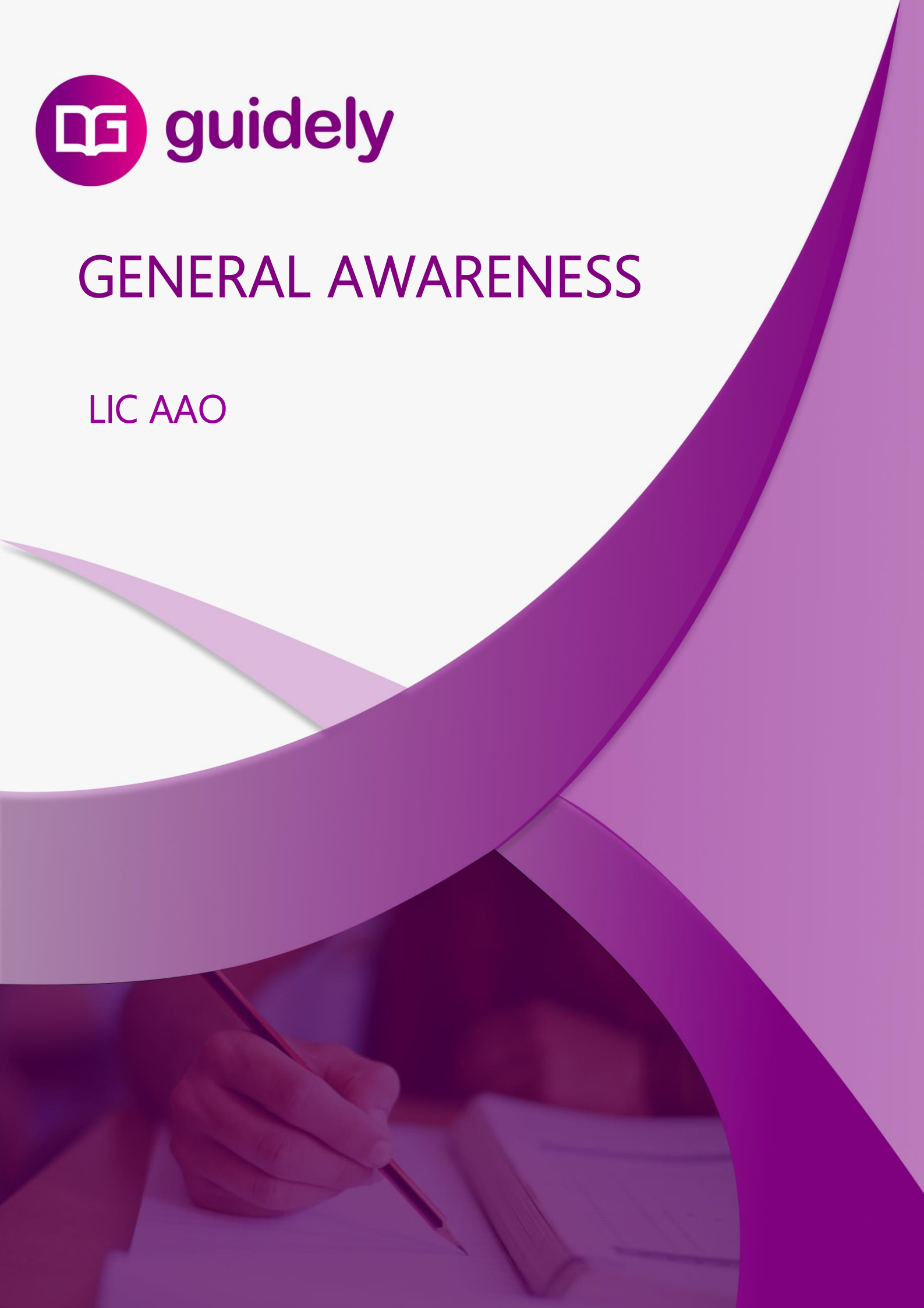




GENERAL AWARENESS

LIC AAO



1) Pre-paid Payment Instruments (PPIs) facilitate the purchase of goods and services, including funds transfer, against the value stored on such instruments. Which of the following requirements a does company need to fulfill to issue PPIs in India?

- a) The company should be incorporated in India
- b) The company should have a minimum paid-up capital of Rs. 5 crore
- c) The company should have a positive net worth of Rs. 1 crore at all the times
- d) Only a) and b)
- e) All a), b) and c)

2) If a banking company fails to maintain the required amount of SLR, what interest is it liable to pay to RBI on the shortfall?

- a) Rate of one percent per annum above the Reverse Repo Rate
- b) Rate of three percent per annum above the Repo Rate
- c) Rate of three percent per annum above the Bank Rate
- d) Rate of three percent per annum above the Reverse Repo Rate
- e) Rate of one percent per annum above the Bank Rate

3) The mutual fund shall ensure that the repurchase price of the units of a close-ended scheme shall not be lower than _____ of the Net Asset Value.

- a) 95%
- b) 93%
- c) 107%
- d) 95%
- e) 92%

4) In which year did SEBI provide regulatory notification on mutual funds?

- a) 1989
- b) 1999

c) 1993

d) 1975

e) 1985

5) Equitas Small Finance Bank is a _____ based financial institution.

a) Chennai

b) Jalandhar

c) Kolkata

d) Nashik

e) Guwahati

6) Who has become the first lender to charge for UPI (Unified Payments Interface) use?

a) ICICI Bank

b) RBL Bank

c) South Indian Bank

d) Kotak Mahindra Bank

e) None of these

7) The Union government has decided to give how many billion USD financial assistance to the island nation of Maldives?

a) \$ 1.2 billion

b) \$ 1.4 billion

c) \$ 1.6 billion

d) \$ 1.8 billion

e) \$ 2.0 billion



8) Government of India has recently signed \$ 300 million loan agreement with which international organisation to support IIFCL (Infrastructure Finance Company Limited) of India?

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

9) Recently Union government has announced to increase the contribution of government up to what percentage in “National Pension Scheme (NPS)”?

- a) 10%
- b) 14%
- c) 12%
- d) 8%
- e) 15%



10) What percentage of stake has been acquired by Asian Development Bank in micro-financier company ‘Annapurna Finance’ recently?

- a) 24%
- b) 14%
- c) 49%
- d) 76%
- e) 51%

Answers:

1) Answer: e)

Pre-paid Payment Instruments (PPIs) are defined in the RBI Guidelines issued under the Payment and Settlements Systems Act, 2005 as payment instruments that facilitate the purchase of goods and services, including funds transfer, against the value stored on such instruments. The value stored on such instruments represents the value paid for by the holders by cash, by debit to a bank account, or by credit card. Only those companies incorporated in India and have a minimum paid-up capital of Rs. 5 crore and minimum positive net worth of Rs. 1 crore at all the times are permitted to issue PPIs in India.

2) Answer: c)

If a banking company fails to maintain the required amount of SLR, it shall be liable to pay to RBI in respect of that default, the penal interest for that day at the rate of three percent per annum above the Bank Rate on the shortfall and if the default continues on the next succeeding working day, the penal interest may be increased to a rate of five per cent per annum above the Bank Rate for the concerned days of default on the shortfall.

3) Answer: a)

While determining the prices of the units, the mutual fund shall ensure that the purchase price is not lower than 93% of the Net Asset Value and the sale price is not higher than 107% of the Net Asset Value. The repurchase price of the units of a close-ended scheme shall not be lower than 95% of the Net Asset Value.

4) Answer: c)

SEBI notified regulations for mutual funds in 1993. Thereafter, mutual funds sponsored by private sector entities were allowed to enter the capital market. The regulations were fully revised in 1996 and have been amended thereafter from time to time. As far as mutual funds are concerned, SEBI formulates policies, regulates and supervises mutual funds to protect the interest of the investors

5) Answer: a)

Equitas Small Finance Bank is headquartered in Chennai city. It was launched in 2007 as a Microfinance institution with just 4 branches. It was started as a small finance bank in 2016.

6) Answer: d)

Kotak Mahindra Bank becomes the first lender to Charge for UPI Use. For each Kotak Bank account, the first 30 UPI fund transfers will be free, after which a charge will be levied on all fund transfers from the bank account. Unified Payments Interface (UPI) is an instant real-time payment system developed by National Payments Corporation of India facilitating inter-bank transactions.

7) Answer: b)

The Union government has decided to give USD 1.4 billion to the island nation of Maldives. This decision came after Maldivian president Ibrahim Mohamed Solih met Prime Minister Narendra Modi during his 3-days visit to India. This is Solih's first foreign trip after he was sworn in as the President of Maldives in a ceremony on 17th November 2018, which PM Modi had also attended.

8) Answer: d)

Recently in November, 2018, the Asian Development Bank (ADB) and the Government of India signed a \$300 million Loan Agreement to support lending by 'India Infrastructure Finance Company Limited (IIFCL)'.

9) Answer: b)

Finance Minister Arun Jaitley recently announced the rise in contribution of the government in National Pension Scheme (NPS) to 14 per cent from existing 10 per cent. The change in contribution was recommended by Committee of Secretaries (CoS), thus resulting in a total corpus of 24% from the previous 20%. Out of the 24%, 14 per cent would be contributed by the government and the remaining 10 per cent by the employees. Furthermore, he also made entire withdrawal amount tax free at the time of retirement by enhancing the tax exemption limit for lump sum withdrawal on exit to 60%.

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.