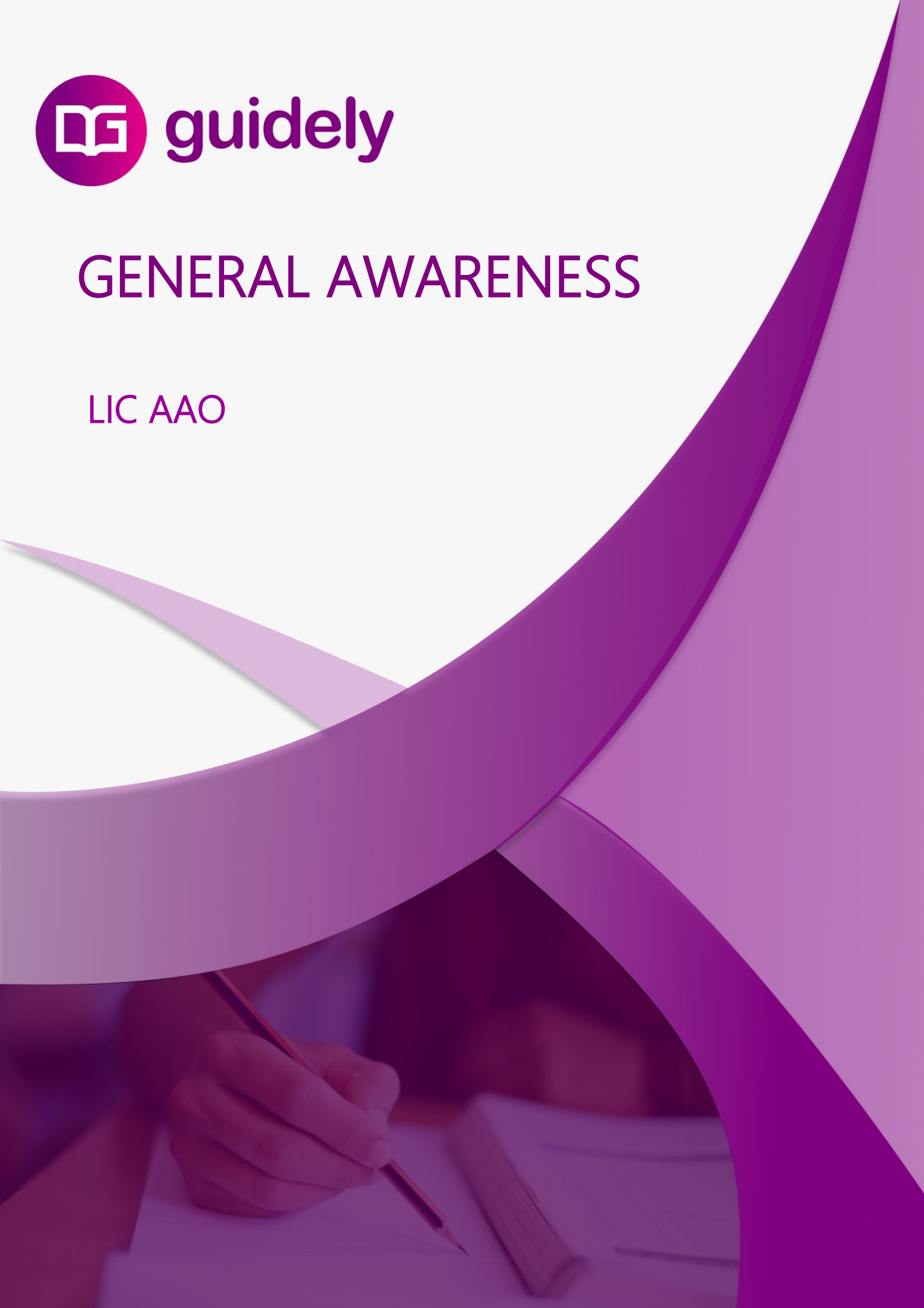




GENERAL AWARENESS

LIC AAO



1) What is the expand form of 'OTC'?

- a) Opposite Tenure Counter
- b) Over Term Counter
- c) Over Transfer of Cash
- d) Opposite Transfer of Cash
- e) Over the Counter

2) In Economics, the business of buying trade debts at a discount and making a profit when debt is realized and also taking over a collection of trade debts at agreed prices is termed _____.

- a) Forfeiting
- b) Factoring
- c) Exfoliation
- d) Hypothecation
- e) None of the above



3) In the context of Indian economy, 'Open market Operations' refers to _____.

- a) Purchase and sale of Government securities by the Government
- b) Purchase and sale of Government securities by the RBI
- c) Borrowing by the scheduled commercial banks from RBI
- d) Lending by commercial banks to Industries and traders
- e) None of the above

4) Which agency maintains the Micro Finance Development and Equity Fund in India?

- a) SEBI
- b) NABARD
- c) RBI

d) Ministry of Finance

e) SIDBI

5) As per Coinage Act 1906, in India, coins can be issued upto the denomination of?

a) Rs. 50

b) Rs. 100

c) Rs. 500

d) Rs. 1000

e) None of these

6) What is the revised interest rate of Employee's Provident Fund (EPF) for 2018-19?

a) 8.45%

b) 8.55%

c) 8.35%

d) 8.65%

e) None of these



7) What is the revised GDP growth of India for the financial year 2019-20, as per India Ratings and Research company?

a) 7.2%

b) 7.1%

c) 7.3%

d) 7.5%

e) None of these

8) Name the Cryptocurrency Exchange in India, which has launched the first Indian Platform for Wholesale Cryptocurrency Trading?

a) Zebpay

- b) Belfrics
- c) BuyUcoin
- d) Coinsecure
- e) None of these

9) Which motif is depicted in the back side of the new Rs.20 denomination note?

- a) Mangalyaan
- b) Ellora caves
- c) Hampi with Chariot
- d) SanchiStupa
- e) None of these

10) Reserve Bank of India (RBI) has extended the ombudsman scheme coverage to non-deposit taking Non-banking Financial Companies (NBFCs) having asset size of how much worth?

- a) 100 crore
- b) 50 crore
- c) 20 crore
- d) 75 crore
- e) None of these

Answers:

1) Answer: e)

OTC – Over the Counter

The phrase “over-the-counter” can be used to refer to stocks that trade via a dealer network as opposed to on a centralized exchange. It also refers to debt securities and other financial instruments, such as derivatives, which are traded through a dealer network.

2) Answer: b)

Forfeiting: In International Trade when an exporter finds it difficult to realize money from the importer, he sells the right to receive money at a discount to a forfaiter, who undertakes inherent political and commercial risks to finance the exporter, of course with assumption of a profit in the venture. Factoring: Business of buying trade debts at a discount and making a profit when debt is realized and also taking over collection of trade debts at agreed prices.

3) Answer: b)

Open Market Operations (OMO): The buying and selling of eligible securities in the money market by RBI for the purpose of curtailing or expanding the volume of credit. By selling securities the RBI can absorb funds, and buying the securities can release funds also into the market. The purpose of OMO is to influence the volume of cash reserves with the commercial banks and thus influence the volume of loans and advances they can make to the industrial and commercial sector.

4) Answer: b)

In the Union budget of 2000-01, creation of Micro Finance Development Fund (MFDF) came into existence. The objective of the MFDF is to facilitate and support the orderly growth of the micro finance sector through diverse modalities for enlarging the flow of financial services to the poor, particularly for women and vulnerable sections of society, consistent with sustainability. Consequently, MFDF with a corpus of Rs.200 crore was established in NABARD.

5) Answer: d)

The Reserve Bank can also issue notes in the denominations of one thousand rupees, five thousand rupees and ten thousand rupees, or any other denomination that the Central Government may specify. There cannot, though, be notes in denominations higher than ten thousand rupees in terms of the current provisions of the Reserve Bank of India Act, 1934. Coins can be issued up to the denomination of Rs.1000.

6) Answer: d)

The Department of Financial Services, a wing of the Ministry of Finance, has approved an Employee's Provident Fund (EPF) interest rate hike of 10 basis point to 8.65 percent for 2018-19, as decided by the retirement fund body Employee's Provident Fund Organisation (EPFO). This move will benefit more than 6 crores formal sector workers. Earlier in 2017-18, the interest rate on EPF was 8.55 percent. In February 2019, the EPFO's apex decision making body, the Central Board of Trustees headed by Labour Minister Santosh Gangwar, had decided to hike the interest rate on EPF to 8.65 percent for 2018-19 from 8.55 percent for 2017-18. This hike was the first increase in the last three years.

7) Answer: c)

India's GDP growth projection for 2019-20 lowered to 7.3 percent by India Ratings and Research, a Fitch Group company, due to below normal monsoon prediction, continued agrarian distress and loss of momentum in industrial output. The earlier projected GDP growth was 7.5 percent. Other reason for lowered growth projection is slow progress on cases referred to the National Company Law Tribunal under Insolvency and Bankruptcy Code, 2016. Investment Expenditure Growth which is measured by gross fixed capital formation (GFCF) has also been downgraded to 9.2 percent from the earlier forecast of 10.3 percent for the year 2019-20, is another reason cited for lowering the growth forecast.

8) Answer: c)

BuyUcoin, second oldest Cryptocurrency Exchange in India, has introduced a new and unique platform for wholesale cryptocurrency trading. This platform works on 'free trading model' which means it charges zero fee on any trade. This wholesale platform also known as OTC (Over-the-counter) Desk allows users to trade on a large scale with low price fluctuations. This new platform will help to improve the problem of liquidity of cryptocurrency in Indian market. This will also help in quicker transactions, better prices and market stability.

9) Answer: b)

The Reserve Bank of India (RBI) will issue new Rs 20 denomination banknotes having a base colour of greenish -yellow with size of 63 X 129 mm. The first Rs 20 notes were issued in the Mahatma Gandhi Series in August 2001. The new note will have a motif of Ellora caves on the dorsal side.

10) Answer: a)

The Reserve Bank of India (RBI) extended the ombudsman scheme coverage to non-deposit taking (NBFCs) Non-banking Financial Companies having asset size of Rs.100 crore or higher. This was notified in the Statement of Developmental and Regulatory Policies under the Monetary Policy Statement. The objective of this was to provide a cost-free and swift complaint-redressal mechanism relating to shortage in the services, concerning loan and other issues by NBFCs under the scheme. The scheme before the extension to some categories of NBFCs was effective for deposit-accepting NBFCs.