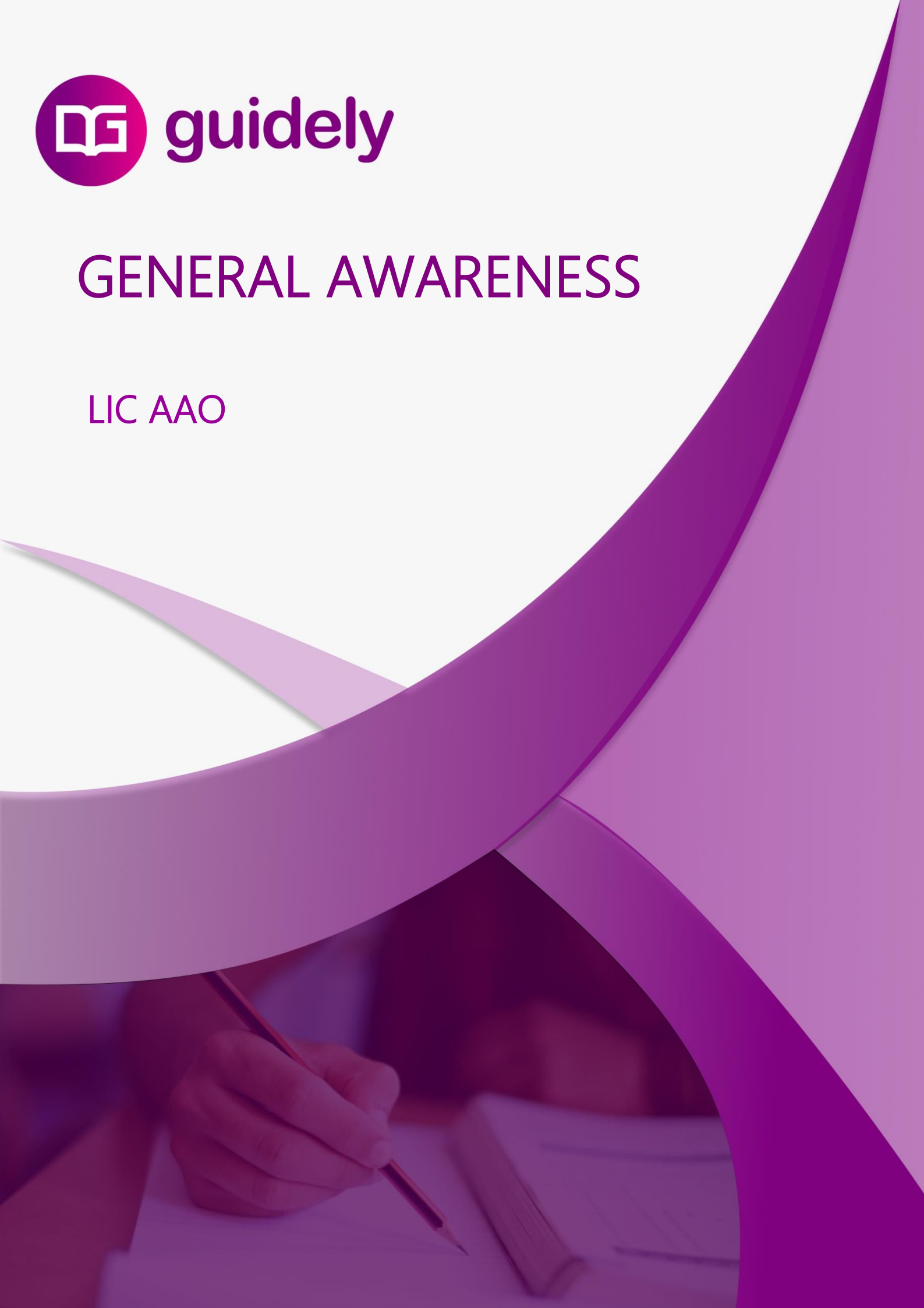




GENERAL AWARENESS

LIC AAO



- 1) Which of the following is not a feature of gilt edged securities?
 - a) Issued by non-governmental service organization
 - b) Issued by government entities
 - c) Repayment of both principal and interest is secured
 - d) They have zero default risk
 - e) All of these

- 2) The market price of a share of common stock is determined by:
 - a) The board of directors of the firm.
 - b) The stock exchange on which the stock is listed.
 - c) The president of the company.
 - d) Individuals buying and selling the stock.
 - e) Securities and Exchange Board of India

- 3) When an agent asks a customer to invest in a mutual fund product without telling him/her about the risks involved in the investment, the process is termed as-
 - a) Mis-selling
 - b) Undertaking
 - c) Misappropriation of funds
 - d) Cross-selling
 - e) None of these

- 4) If Indian govt. decides the level of Rupee to be 57 from 55 against 1 dollar, it is called _____.
 - a) Depreciation
 - b) Devaluation

c) Appreciation

d) Revaluation

e) Demonetisation

5) 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

6)The government of India has doubled the monetary limit to _____ rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions.

a) 20 lakh rupees

b) 30 lakh rupees

c) 10 lakh rupees

d) 60 lakh rupees

e) 50 lakh rupees

7)The National Green Tribunal imposed a cost of Rs. 25 lakh on the which state government for failing to stop dumping of sewage and untreated water in the Ganga Canal.

a) Uttar Pradesh

b) Uttarakhand

c) Madhya Pradesh

d) Bihar

e) Jharkhand

8) What was the volume of priority sector lending certificates (PSLCs) in the financial year 2018-19?

a) Rs 1.9 trillion

b) Rs 50,000 crore

c) Rs 2.1 trillion

d) Rs 3.3 trillion

e) Rs 2.8 trillion

9) Union Cabinet approved the establishment of a New Greenfield Airport at which of the following city in an estimated cost of Rs. 1405 crore?

a) Silchar in Cachar, Assam

b) Khair in Aligarh, Uttar Pradesh

c) Hirasar in Rajkot, Gujarat

d) Tezpur in Sonitpur, Assam

e) None of these

10) Which among the following bank launches paperless account facility for NRIs?

a) Corporation Bank

b) Syndicate Bank

c) Bank of Baroda

d) IDBI Bank

e) UCO Bank

Answers :

1) Answer: a)

These securities are usually referred to as 'gilt-edged' securities as repayments of principal as well as interest are totally secured, being the first charge on the nation's purse. Hence the Central Government securities are considered as safest claims

2) Answer: d)

The market price of a share of common stock is determined by the market forces ie. Individuals buying and selling the stock.

3) Answer: a)

Misselling is a significant problem in financial services industry and for financial industry regulators. Brokers, financial advisors, bank representatives or other salespeople of financial products or services who are compensated based on commissions may have significant incentives to sell investments or investment products based on how much they can earn rather than what is suitable or what is needed by a customer. Misselling may occur with insurance products, annuities, investments, mortgages and a variety of other financial products. A financial loss is not necessarily required to meet the definition of misselling; the sale of an unsuitable product is enough.

4) Answer: b)

Depreciation refers to a fall in the value of a currency due to market changes while devaluation signifies the deliberate reduction undertaken by a countries govt. to its own currency.

5) Answer: d)

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.

6) Answer: a)

The government of India has doubled the monetary limit to 20 lakh rupees for filing loan recovery application in the Debt Recovery Tribunals (DRT) by banks and financial institutions. As per the Finance Ministry, the move is aimed at helping reduce pendency of cases in DRTs.

7) Answer: a)

The National Green Tribunal imposed a cost of Rs. 25 lakh on the Uttar Pradesh government for failing to stop dumping of sewage and untreated water in the Upper Ganga Canal. A bench headed by NGT Chairperson Justice Adarsh Kumar Goel directed the urban development ministry to deposit a performance guarantee of Rs. 35 lakh.

8) Answer: d)

The priority sector lending certificates (PSLCs) volume rocketed to Rs. 3.3 trillion in FY19, up from Rs. 1.9 trillion in the last financial year and Rs. 50,000 crore in FY17. PSLCs are used to enable banks to achieve the priority sector lending target and sub-targets by purchasing these instruments in the event of shortfall. Those falling short of targets have the choice to place money with Nabard and Sidbi at low interest rates or invest in PSLCs issued by fellow lenders which carry higher coupon.

9) Answer: c)

Union Cabinet approved the establishment of a New Greenfield Airport at Hirasar in Rajkot, Gujarat at an estimated cost of Rs. 1405 crore. Rajkot is the fourth largest city of Gujarat and existing airport of Rajkot is severely land constrained having only 236 acres of land. Therefore the decision to develop new airport was taken by cabinet.

10) Answer: d)

The Non-Resident Indians (NRIs) living in nearly 40 countries will now be able to open account in IDBI Bank without submitting paper documents. IDBI Bank has launched 'NRI-Insta-Online' account opening process for NRIs residing in Financial Action Task Force (FATF) member countries. The person will not be required to furnish physical documents as well as KYC proofs for opening an account with the bank.

Related Articles :

LIC AAO 2019 – Financial Awareness Questions (Day – 48)

LIC AAO 2019 – Financial Awareness Questions (Day – 47)

LIC AAO 2019 – Financial Awareness Questions (Day – 46)

LIC AAO 2019 – Financial Awareness Questions (Day – 45)

