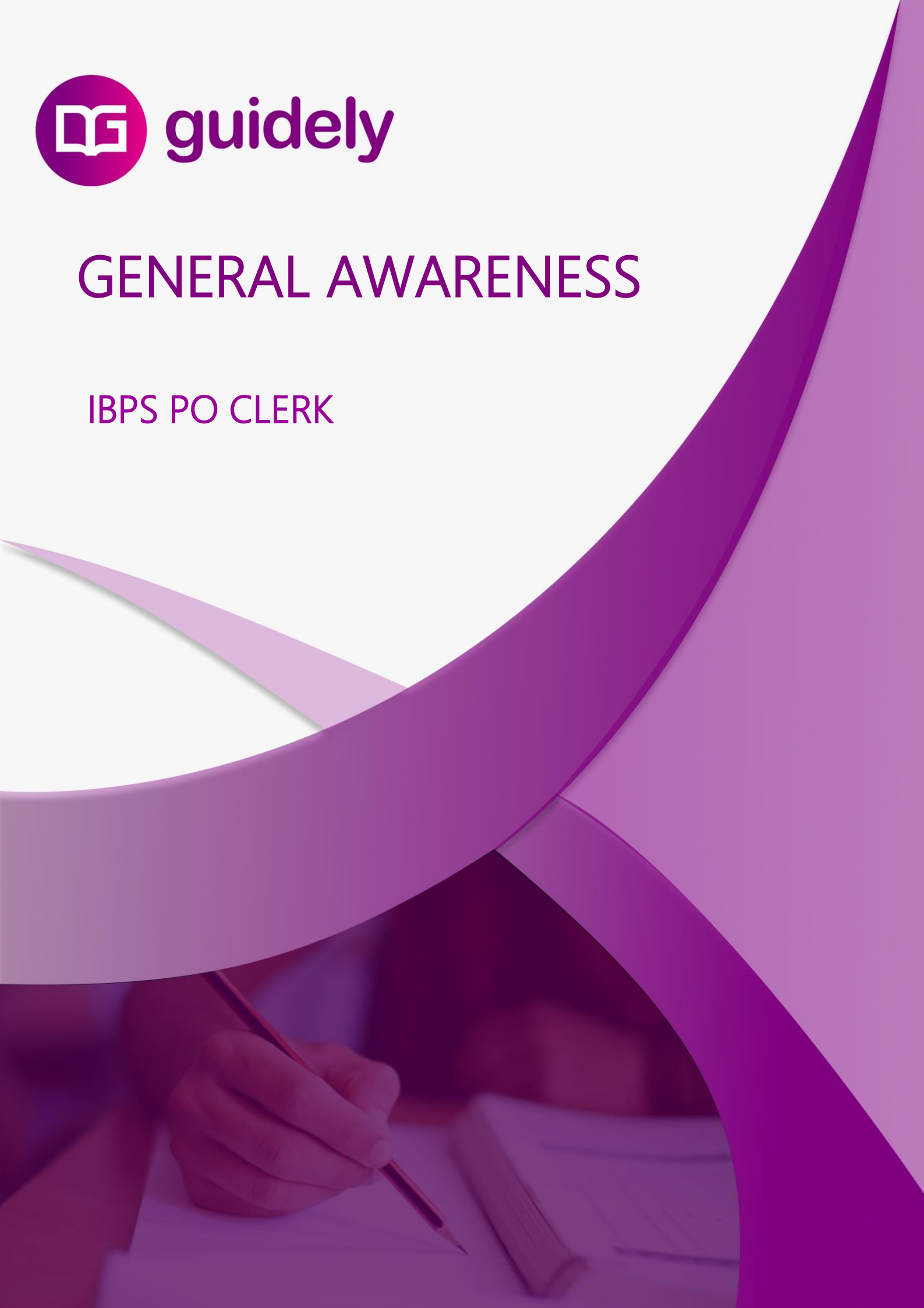




# GENERAL AWARENESS

IBPS PO CLERK



1) \_\_\_\_\_ is the primary objective of Corporate governance

- a) Employee welfare and interest
- b) Government interest
- c) Customer interest protection
- d) Investors interest protection
- e) Society's welfare and interest

2) Dividend distribution tax will be classified under

- a) Indirect tax
- b) Personal income tax
- c) Corporation direct tax
- d) Service tax
- e) Transaction tax

3) What is DCC under the Lead Bank Scheme?

- a) Direct Credit Council
- b) District Compensatory conduct
- c) District Consultative Committee
- d) Direct Companies Council
- e) Debt collector's committee

4) Annuity is a form of investment in which

- a) Investor pays money in instalments and receive lump sum
- b) Investor pays lump sum and receive monthly payments
- c) In case of certain events the investor is paid a heavy amount for the damage
- d) Investor receives amount whenever stock market rises

e) Investor can lose money if the stock market falls

**5) Which of the following does not fall under the ambit of RBI?**

a) Manager of foreign exchange

b) Banker to the Govt.

c) Regulator of Banks

d) Supervising payment systems

e) Protecting rights of investors

**6) Beta which is used as a measure of systematic risk can be calculated by dividing**

a) Covariance of stock returns and benchmark returns divided by variance in stock returns

b) Covariance of stock returns and competitor returns divided by variance in stock returns

c) Covariance of stock returns and benchmark returns divided by variance in benchmark returns

d) Covariance of stock returns and competitor returns divided by variance in benchmark returns

e) Covariance of stock returns and overall portfolio returns divided by variance in stock returns

**7) What is a depository receipt?**

a) Issued by banks against savings deposits

b) Issued by GOI against bond payments

c) Issued by banks to represent foreign securities

d) Issued by RBI to banks

e) Issued to institutional investors by SEBI

**8) The context of “stigmatised capitalism” was in the news recently. What does it mean?**

- a) A country's economic activity controlled by private owners rather by the state or government
- b) The government should try to finish off the policy initiatives already implemented rather than implementing new
- c) Efficient allocation of resources
- d) Heavily leveraging corporate India
- e) Market borrowings needs to be scrutinised more diligently

**9) What is cost-push effect with respect to inflation?**

- a) When the input costs decrease, the firms charge high prices for high profits leading to inflation
- b) When the input costs increase, the firms charge higher prices leading to inflation
- c) Firms are unable to bear the cost of labor and then they start pushing workforce out leading to deflation
- d) Firms inflate the price artificially by creating false demand causing inflation
- e) Firms try to leverage cost differences across states

**10) Which of the following is true if we want to differentiate UPI from wallets?**

- a) UPI can get linked to bank accounts, wallets cannot link to bank accounts for loading money
- b) UPI can be used for payment between people, wallet cannot be used
- c) UPI is an infrastructure on the top of which apps can be built, wallets on the other hand are apps themselves, digital version of the physical wallets which we use
- d) UPI cannot be used for purchasing goods and services
- e) UPI can store money unlike wallets

**Answers :**

**1) Answer: D**

Investor interest protection is the main objective of corporate governance, rest all options may or may not be the outcome of it.

**2) Answer: C**

Dividend distribution is the tax paid by corporations on the distribution of the dividends to their shareholders and is therefore both direct and corporation tax.

**3) Answer: C**

DCC is the District Consultative Committee as laid down by RBI under lead bank scheme wherein the district collector will be the chairman.

This is a part of an Area approach to increase presence for the development of banking and credit structure in rural areas. In this Lead bank scheme each bank should focus on certain districts where it should perform as a “Lead Bank”

**4) Answer: B**

Annuity is like an insurance and involves products like pension also, the difference being in annuities the insurer receives payments in fixed intervals based on the lumpsum amount he has invested or accumulated over a period of time in an account (typically done in NPS) over his lifetime.

**5) Answer: E**

Protecting rights of investors fall under the ambit of SEBI, rest are a part of the functions performed by RBI.

**6) Answer: C**

Beta is how the stock prices vary along with volatility in benchmark returns, hence it is the covariance of stock returns and benchmark returns (which can be sensex or some other index), divided by variance in the benchmark returns

**7) Answer: C**

By means of depository receipts banks can allow investors to invest in securities which are traded outside the country

**8) Answer: D**

Stigmatised capitalism was used by CEA Arvind Subramanian during the conference on Economic survey 2018. It says that Banks could end up favouring the private sector more,

contributing to the Twin balance sheet problem. Banks would go easy on those who have defaulted on loans taken during the infrastructure boom.

**9) Answer: B**

Cost-push effect relates to rise in input costs of raw materials etc forcing firms to pass these to the customers leading to inflation

**10) Answer: C**

UPI is more like an infrastructure provided on the top of which apps can be built, but the core function of UPI would always remain the same, i.e., to facilitate transactions with ease or transferring amount between two people or between a business and a customer.

