



SmartKeeda

The Question Bank

Presents

TestZone

India's least priced Test Series platform

JOIN

12 Month Plan

2018-19 All Test Series

@ Just

₹ 399/-

300+ Full Length Tests

- Brilliant Test Analysis
- Excellent Content
- Unmatched Explanations

JOIN NOW

Important Insurance and Financial Market Awareness Questions for LIC AAO 2019 Exam

Insurance and FMA Quiz 7

Directions: Read the following questions carefully and choose the right answer.

1. Which of the following is true about India Post Payments Bank?

I. Central government owns 75% of equity in it.

II. It can accept deposits upto Rs 1.5 lakh.

III. It is not allowed to extend loans/credit.

A. Only II

B. Only III

C. Only I and II

D. Only II and III

E. None of the above

2. The annual interest rate offered on the Sukanya Samriddhi Account scheme for the quarter October-December 2018 is –

A. 8.1%

B. 8.2%

C. 8.3%

D. 8.4%

E. 8.5%

3. The compounding frequency of the Kisan Vikas Patra scheme is-

A. Monthly

B. Monthly and Paid

C. Semi-annually

D. Quarterly

E. Annually

4. The five pronged approach called SASHAKT to deal with NPAs in banks was recommended by –

A. Sunil Mehta Committee

B. Priyanka Deshmukh committee

C. Urjit Patel Committee

D. Abhijit Sen Committee

E. Bimal Jalan Committee

5. FSR stands for –

A. Fiscal Standard Report

B. Financial Stability Report

C. Foreign Stressed Reserves

D. Financially Stressed Reserves

E. Final Stable Report

6. When a person dominates the will of another person and uses their position to obtain undue advantage over the other, it is known as –

A. Undue influence

B. Coercion

C. Fraud

D. Mistake

E. Either A or B

7. The Principle of Utmost Good Faith is also known as –

A. Consensus ad idem

B. berrima Fides

C. Caveat Emptor

D. Habeas Corpus

E. Amicus Curiae

8. Which of the following is true about the term 'material facts' in an insurance contract?

I. It includes a list of properties of the insured.

II. It has an effect on whether the insurer would accept the risk.

III. It may impact the premium rate and other conditions.

A. Only II

B. Only III

C. Only I and III

D. Only II and III

E. All of the above

9. When the insured is silent about material facts because the insurer did not raise any specific enquiry is known as –

- A. Innocent misrepresentation
- B. Non-disclosure
- C. Fraudulent misrepresentation
- D. Concealment
- E. None of the above

10. The duration of free-look period is –

- A. 10 days
- B. 15 days
- C. 20 days
- D. 30 days
- E. None of the above



Smartkeeda

The Question Bank

Correct answers:

1	2	3	4	5	6	7	8	9	10
B	E	E	A	B	A	B	D	B	B

Explanations:

1. Statement I: Central government owns 100 % of equity in it.

Statement II: It can accept deposits upto Rs 1 lakh.

Statement III is correct.

Hence, option B is correct.

2. The annual interest rate offered on the Sukanya Samriddhi Account scheme for the quarter October-December 2018 is 8.5%. This is an increase from 8.1% offered in the July-September quarter.

Hence, option E is correct.

3. The compounding frequency of the Kisan Vikas Patra scheme is annual.

Hence, option E is correct.

4. The Sunil Mehta Committee was setup to deal with resolution of stressed assets and recommended creating an asset management company for the resolution of stressed loans worth more than Rs. 500 crores. It also recommended the five-pronged strategy Project called 'SASHAKT' to deal with Non-performing Assets in the country's banking system. The five-pronged strategy includes: 1. SME resolution approach, 2. Bank-led resolution approach, 3. AMC/AIF led resolution approach, 4. NCLT/IBC approach, & 5. Asset-trading platform.

Hence, option A is correct.

5. FSR stands for Financial Stability Report. This report is released by RBI and talks about risks to financial stability in the economy.

Hence, option B is correct.

6. Undue Influence is when a person dominates the will of another person and uses their position to obtain undue advantage over the other.

Hence, option A is correct.

7. The Principle of Utmost Good Faith is one of the fundamental principles of an insurance contract. It is also called Uberrima Fides and means every party to the contract must disclose all material facts relating to the subject matter of insurance.

Hence, option B is correct.

8. A material fact has been defined as a fact that would affect the judgment of an insurance underwriter in deciding whether to accept the risk and if so, the rate of premium and the terms and conditions.

Statement I is irrelevant and incorrect as per this while II and III are correct.

Hence, option D is correct.

9. Non-disclosure is when the insured is silent about material facts because the insurer did not raise any specific enquiry.

Hence, option B is correct.

10. A free-look period has been introduced whereby a policyholder has the option of cancelling the it, in case of disagreement, within 15 days of receiving the policy document.

Hence, option B is correct.



SmartKeeda

The Question Bank

प्रस्तुत करते हैं

TestZone

भारत की सबसे किफायती टेस्ट सीरीज़

अभी
जुड़ें

12 Month Plan

2018-19 All Test Series

@ Just

₹ **399/-**

300+ फुल लेन्थ टेस्ट

- श्रेष्ठ विश्लेषण
- उत्कृष्ट विषय सामग्री
- बेजोड़ व्याख्या

अभी जुड़ें