

1. Out of the promoters' contribution, at least should come preferably by way of equity in case of project loan
- 25%
 - 20%
 - 30%
 - 50%
 - 5%

Answer:- **50%**

2. Minimum margin to be stipulated for financing second hand commercial vehicle is
- 50%
 - 40%
 - 20%
 - 25%
 - 10%

Answer:- **40%**

3. Minimum margin to be stipulated for financing second hand machinery is
- 50%
 - 40%
 - 20%
 - 25%
 - 10%

Answer:- **50%**

4. Branch to ascertaining genuineness of Insurance policy in case coverage of more than Rs..... crore by writing directly to respective Insurance Company
- 1
 - 2
 - 3
 - 4
 - 5

Answer:- **1**

5. Due diligence of supplier of machinery is to be conducted where cost of single machinery is above Rs..... crore

- a. 5
- b. 2
- c. 10
- d. 7
- e. 25

Answer:- 5

6. Audited balance sheet required to be submitted in case total exposure from all banks is Rs. ____ Lakh and above

- a. 10
- b. 20
- c. 30
- d. 40
- e. 25

Answer:- 25

7. Passport details of the proprietor/partners /guarantor's is mandatory in case of credit limits of Rs. ____ Crore and above

- a. 50
- b. 20
- c. 75
- d. 10
- e. 60

Answer:- 50

8. Stable Areas under Loan Policy does not include

- a. Cement
- b. Capital market
- c. Carbon credit
- d. Auto ancillaries

- e. Warehouse industry

Answer:- **Warehouse industry**

9. Computation of DER is by using formula

- a. $(LTL+CL)/TNW$
- b. $(LTL+CL)/ATNW$
- c. Long Term Liability/TNW
- d. Long Term Liability/ATNW
- e. Intangible Asset/TNW

Answer:- **Long Term Liability/TNW**

10. Preliminary Information memorandum applicable for new credit proposal

- a. <Rs.20 crores
- b. >Rs.50 crores
- c. >Rs. 20 crores
- d. > Rs.100 crores
- e. Rs.10 crores

Answer:- **>Rs. 20 crores**

11. As per CVC guidelines, the takeover norms should also apply where the borrower comes to another bank after closing account with the previous bank. However, the prescription shall be applicable to accounts which are closed with other Banks within a period

- a. 1 month
- b. 2 months
- c. 3 months
- d. 4 months
- e. 5 months

Answer:- **3 months**

12. With M-27 copies of process notes in respect of account with fund based limits are to be attached

- a. 10 lac and above

Topic- Loan Policy

- b. 25 lac and above
- c. Above 25 lakh
- d. Above 20 lakh
- e. Above 10 lakh

Answer:- **Above 10 lakh**

13. CPA is not applicable in cases

- a. Adhoc facilities sanctioned by CACs at Central Office
- b. Loan against Deposit with credit limits of Rs.50 crores & above
- c. KCC loan for credit limits above Rs.25 lakhs
- d. Retail loans of less than Rs.10 lakhs in Rural & Semi-urban branches
- e. All advances accounts with aggregate credit limits of Rs.1 Crore and above

Answer:- **Retail loans of less than Rs.10 lakhs in Rural & Semi-urban branches**

14. All fresh sanctions, if not _____ months in case of working capital (FB / NFB) facilities would lapse and require validation from the competent/delegated authority

- a. Availed within a period of 3 months
- b. Disbursed within a period of 6 months
- c. Availed within a period of 6 months
- d. Documented within a period of 6 months
- e. Documented within a period of 3 months

Answer:- **Documented within a period of 3 months**

15. Which of the following is not unsecured advance

- a. Bridge loan
- b. Clean loan
- c. Bonus loan to industries
- d. Personal loan
- e. Consumer loan backed by tangible

Answer:- **Consumer loan backed by tangible**

16. CRILC stands for

- a. Central Registry of Information on Large Credit

- b. Central Repository of Information on Large Credit
- c. Central Repository of Investment on Large Credit
- d. Central Repository of Information on Large Corporates
- e. Central Repository of Information on Long-term Credit

Answer:- **Central Repository of Information on Large Credit**

17. Low priority Area under Loan Policy does not include

- a. Diamond cut and polished
- b. Gems and jewellery
- c. Airline services
- d. Casting of iron in primary form
- e. MSME sector

Answer:- **MSME sector**

18. Which of the following is deducted while calculating Adjusted TNW of any borrower?

- a. Investment in Sister Concern
- b. Loan From Sister Concern
- c. Security Deposit
- d. Quasi Equity
- e. Debtors older than 6 months

Answer:- **Investment in Sister Concern**

19. Which of the following is not true about ISCR?

- a. ISCR stands for Interest Service Coverage Ratio
- b. It is calculated by the formula= EBITDA/Interest
- c. It is applicable for exposures having term loan only
- d. Benchmark ISCR is minimum 1.25:1
- e. Deviation in ISCR may be permitted by RLCCs & above

Answer:- **It is applicable for exposures having term loan only**

20. Corporate borrower as per Loan Policy includes

- a. Limited Liability Partnership
- b. Sole Proprietorship Firm

- c. Hindu Undivided Family (HUF)
- d. Trust
- e. Co-operative Society

Answer:- **Limited Liability Partnership**

21. Restricted areas of lending as per Loan Policy comprises of all except

- a. No loans / advances shall be granted against Certificate of Deposits except Mutual fund
- b. No advances should be granted for purchase of gold in any form, including primary gold, gold bullion, gold jewellery, gold coins
- c. No loans / advances shall be granted to companies for buy-back of their own securities (except buy back of FCCB)
- d. No loans / advances shall be granted against the security of partly paid shares
- e. No loan shall be given for Shipping industry

Answer:- **No loan shall be given for Shipping industry**

22. Bank guarantees are represented by all except

- a. Off balance sheet items
- b. Contingent liabilities
- c. Non-fund-based limits
- d. Fund based limits
- e. Eligible for CCF

Answer:- **Fund based limits**

23. Properties mortgaged / Fixed Assets hypothecated are to be got revalued in

- a. Once in 3 years
- b. At least once in 5 years
- c. At least once in 2 years
- d. At least once in 7 years
- e. At least once in 10 years

Answer:- **Once in 3 years**

24. Which of the following is not true regarding PIM

- a. PIM stands for Preliminary Information Memorandum
- b. PIM is put up to NBG (New Business Group) for approval for all new proposals above Rs.20 crore irrespective of delegation
- c. It is applicable for new credit proposals of above Rs.20 Crore
- d. Based on PIM, a view on important parameters like Rate of Interest, Collateral, exposure etc. is taken and conveyed to the field for further negotiation
- e. The decision of NBG for considering approval of PIM should be unanimous

Answer:- PIM is put up to NBG (New Business Group) for approval for all new proposals above Rs.20 crore irrespective of delegation

25. As per loan policy the valuation of properties to be reckoned with reference to which price during first year after registry

- a. Registered
- b. Fair
- c. Market value
- d. Distress
- e. FMV

Answer:- Registered

26. In case of aggregate exposure under the consortium is below Rs. 250 crore, Bank's minimum share shall not be less than Rs..... crore

- a. Rs 5 Crore
- b. Rs 50 Crore
- c. Rs 25 Crore
- d. Rs 15 Crore
- e. Rs 100 Crore

Answer:- Rs 25 Crore

27. Up to what amount of collateral security, the valuation can be made by Branch Officials themselves

- a. Rs. 5.00 Lakhs
- b. Rs. 10.00 Lakhs
- c. Rs. 15.00 Lakhs
- d. Rs. 20.00 Lakhs

e. Rs. 25.00 Lakhs

Answer:- **Rs. 10.00 Lakhs**

28. Branch Head should invariably lead the due diligence verification in case of advances above

- a. Rs.3.00 crore
- b. Rs.1.00 crore
- c. Rs.10.00 crore
- d. Rs.5.00 crore
- e. Rs.2.00 crore

Answer:- **Rs.1.00 crore**

29. The main objective of loan policy does not include

- a. To ensure continuous growth in loan assets
- b. To ensure that assets remain standard
- c. To mitigate and reduce risk associated with lending by fine tuning the systems, procedures, and controls
- d. To ensure growth of bank deposits
- e. To enlarge the client base of Bank

Answer:- **To ensure growth of bank deposits**

30. UDIN stands for

- a. Unique Document Investment Number
- b. Unique Document Identification Norm
- c. Unique Digital Identification Number
- d. Unique Document Identification Number
- e. None of these

Answer:- **Unique Document Identification Number**