

Topic- Delegation of Loaning Power

1. Agriculture Loan Point Credit Committee (ALCC) Level - I will be headed by
 - a. GM
 - b. DGM
 - c. AGM
 - d. Either I or II
 - e. Either II or III

Answer:- AGM

2. Which committee has the delegation to approve deviation in Retail Proposals unless otherwise specified under the scheme will vest with
 - a. CAC III and above
 - b. CAC II and above
 - c. CAC I
 - d. ZLCC and above
 - e. None of these

Answer:- CAC II and above

3. The competent authority to sanction Bridge Loan and Bonus Loans vests with _____ and above
 - a. RLCC
 - b. ZLCC
 - c. CAC I
 - d. CAC II
 - e. CAC III

Answer:- CAC II

4. Digital Retail term loan review permit Branch Head to digitally review the Term Loan without manual intervention upto _____ Lakh irrespective of scheme and scale of Branch Head
 - a. 10
 - b. 20
 - c. 25
 - d. 50
 - e. 100

Answer:- 50

5. Digital Retail term loan review permit Branch Head to digitally review the Term Loan without manual intervention irrespective of scheme and scale of Branch Head
 - a. 10
 - b. 20

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- c. 25
- d. 50
- e. 100

Answer:- 25

6. The Branch Head of M.S. Marg Branch, Mumbai has the delegation to allow TOD under Capital Market exposure is _____

- a. 25 lakh
- b. 50 lakh
- c. 100 lakh
- d. 500 lakh
- e. any amount

Answer:- 100 lakh

7. M.S. Marg Branch Mumbai is allowed to sanction excess upto ₹ _____ Crore against the security of pledge of shared per broker for capital market

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

Answer:- 2

8. The Branch Head of M.S.Marg Branch, Mumbai has been delegated to allow Intra Day facility of ₹ _____ Crore per broker against High Value Cheques deposited in Clearing, but under pipeline

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

Answer:- 3

9. Sanction of adhoc limit shall be restricted to maximum _____ Percentage of sanctioned working capital limit

- a. 10
- b. 15
- c. 20
- d. 25
- e. 40

Answer:- 25

10. which statement is not correct

- a. Adhoc proposal falling under low priority areas will be placed before next higher authority of the delegatee under whose delegation proposal falls
- b. In accounts where limits have been sanctioned or enhanced, no adhoc generally to be allowed during the 1st six months. In case such instance arises, the delegation will vest with ZLCC & above.
- c. Sanction of adhoc limit shall be restricted to a maximum of 20% of sanctioned working capital limit
- d. In a financial year adhoc can be allowed only on two occasions.
- e. The ad-hoc proposals falling under low priority areas or having credit rating of UBI/CR-6 & below (non-investment grade) or equivalent will be placed before next higher authority

Answer:- Sanction of adhoc limit shall be restricted to a maximum of 20% of sanctioned working capital limit

11. Which statement(s) is correct

- a. Minimum margin of 10% should be obtained in case of Import/Inland LC on DP basis
- b. Minimum margin of 25% should be obtained in case of Import/Inland LC on DP basis
- c. Minimum margin of 10% should be obtained in case of Import/Inland LC on DA basis
- d. Minimum margin of 25% should be obtained in case of Import/Inland LC on DA basis
- e. Only I and IV

Answer:- Only I and IV

12. Revolving LCs, Bid Bond Guarantees are to be sanctioned by _____

- a. Branches headed by scale IV and above
- b. Branches headed by scale V and above
- c. Branches headed by scale VI and above
- d. Branches headed by scale VII and above
- e. Branches has no delegation to sanction

Answer:- Branches headed by scale V and above

13. Delegation of loaning power for MFIs shall be restricted at

- a. RLCC and above
- b. ZLCC and above
- c. CAC I and above
- d. CAC II and above
- e. CAC III and above

Answer:- RLCC and above

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14. At Central Office MFIs proposals are to be handled by which department

- a. SCV Business Department
- b. MCV Business Department
- c. LCV Business Department
- d. Either (ii) or (iii)
- e. Anyone as per their delegation

Answer:- LCV Business Department

15. If a branch has to issue a Letter of Guarantee on behalf of Joint Ventures/Subsidiaries of the concern then as per the Guarantee and Co-acceptance of policy of the bank the branch has to obtain prior permission from

- a. RLCC and above
- b. ZLCC and above
- c. CAC I and above
- d. CAC II and above
- e. CAC III and above

Answer:- ZLCC and above

16. The ZLCs headed by GM/CGM are authorized to approve Harvesting and Transportation outlay/Basel Dose Outlay aggregating up to ₹_____ Crore per borrower under scheme for financing farmer members of sugar factories for cultivation of sugarcane/contract

- a. 10
- b. 20
- c. 30
- d. 40
- e. 50

Answer:- 30

17. To issue a LG minimum margin of 25% by way of cash/FDR/Collateral the minimum share of cash/FDR should be

- a. 10%
- b. 11%
- c. 15%
- d. 17%
- e. There is no such restriction

Answer:- 11%

18. In case of Pre-shipment finance the extension of due date upto 180 days can be granted by

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- a. Branch Head
- b. RLCC - I
- c. RLCC - II
- d. ZLCC - I
- e. ZLCC - II

Answer:- Branch Head

19. In case of Pre-shipment finance the extension of due date beyond 360 days can be done by

- a. RO
- b. RO with prior permission of ECGC
- c. ZO
- d. ZO with prior permission of ECGC
- e. Treasury and International Banking Division (TIBD) with prior permission of ECGC

Answer:- ZO with prior permission of ECGC

20. As per the RBI guidelines the period of realisation and repatriation of export proceeds is _____ months from the date of exports for all exporters

- a. 3
- b. 6
- c. 9
- d. 10
- e. 12

Answer:- 9

21. If any exports made to warehouse abroad the export proceeds are to be received within _____ from the date of export

- a. 3 months
- b. 6 months
- c. 9 months
- d. 12 months
- e. 15 months

Answer:- 15 months

22. The TReDS related business is vested with

- a. MSME Department of CO
- b. MCV at CO
- c. LCV of CO
- d. SCV of CO
- e. None of these

Answer:- LCV of CO

23. Minimum collateral security to be obtained while sanctioning new credit facility or enhancement in existing limits for acquisition or construction of educational institution is

- a. 25%
- b. 50%
- c. 75%
- d. 100%
- e. 125%

Answer:- 50%

24. Which ZLCC are vested with delegation for allowing excess and TOD under Capital Market Exposure

- a. Vadodara
- b. Delhi
- c. Bangalore
- d. Mumbai
- e. Ahmedabad

Answer:- Mumbai

25. The delegated authority to approve pay-out structure of Direct Selling Agents (DSAs)/ Car Dealers/ Corporate Selling Associates (CSAs) shall be vested with

- a. MSME Loan Point Credit Approval Committee (MLCC)
- b. CAC - I
- c. CAC - II
- d. CAC - III
- e. Operational Risk Management Committee

Answer:- Operational Risk Management Committee

26. Where the borrower/ Proprietor/ Director of the borrowing firm/company is/are wilful defaulter(s) the power of sanction of such proposal is vested with _____ irrespective of the amount

- a. ZLCC
- b. CAC - I
- c. CAC - II
- d. CAC - III
- e. Management Committee of Board

Answer:- Management Committee of Board

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27. The delegated authority to finance applicant/ guarantor who had settled their dues by compromise/OTS with other banks will vest with

- a. Next higher authority upto RLCC
- b. Next higher authority upto ZLCC
- c. Next higher authority upto CAC - I
- d. Next higher authority upto CAC - II
- e. Next higher authority upto CAC - III

Answer:- Next higher authority upto ZLCC

28. In case an applicant who had settled their dues by compromise settlement and the applicnat has applied for fresh finance then which one is not the correct in this context

- a. The cooling period in respect of exposures other than farm credit exposures shall be subject to a floor of 12 months
- b. The cooling period is 1 day for Agriculture advances where running ledger is upto ₹ 50 Lakh
- c. The cooling period is 3 months for Agriculture advances where running ledger is above ₹ 50 Lakh
- d. The cooling period for Technical write-offs shall be 6 months from the date of closure of account
- e. All the above

Answer:- The cooling period for Technical write-offs shall be 6 months from the date of closure of account

29. Minimum collateral security to be obtained while sanctioning new credit facility or enhancement in existing limits for acquisition or construction of educational institution is 50%. If any relaxation in minimum collateral security is required then who sha

- a. ZLCC
- b. CAC - I
- c. CAC - II
- d. CAC - III
- e. Can't be permitted

Answer:- CAC - II

30. The following Credit facility will not rank for reckoning in the aggregate Fund/Non-fund based limits

- a. Retail lending schemes
- b. Bills discounting facility under accepted LCs of reputed / prime banks.

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- c. Domestic Letter of Guarantee with 100% cash margin / Term Deposit or Foreign Letter of Guarantee with 110% cash margin/term deposit with Letter of Lien.
- d. Inland Letter of Credit with 100% cash margin / Import Letter of Credit with 110% cash margin / Term Deposit with Letter of Lien.
- e. All the above

Answer:- All the above