

Which policy guidelines to be complied with, in respect of financing units of GJD (Gems, Jewellery, Diamond) sector?

- a) Union Swarnkar
- b) Union Shringaar
- c) Union Alankaar
- d) Union Diamond
- e) Union Golden

Answer: Union Alankaar

Which branches are responsible for undertaking the proposals for financing lab-grown diamonds?

- a) Mid Corporate Branch
- b) Large Corporate Branch
- c) Mid Corporate Branch & Large Corporate Branch
- d) Small Branch
- e) Industrial Finance Branch

Answer: Mid Corporate Branch & Large Corporate Branch

What is the full form of GJEPC?

- a) Gem and Jewellery Export Promotion Council
- b) Gold and Jewellery Export Promotion Committee
- c) Gemstone and Jewellery Export Promotion Corporation
- d) Global Jewellery Export Promotion Council
- e) Gem and Jewellery Export Promotion Committee

Answer: Gem and Jewellery Export Promotion Council

As per Loan Policy, Gems and Jewellery sector falls under which lending area?

- a) Thrust area
- b) Stable area
- c) Low Priority area
- d) Prohibited area
- e) Restricted area

Answer: Low Priority area

What is the minimum benchmark of credit rating required for a takeover under Union Alankaar?

- a) CR-1/UBC-1
- b) CR-4/UBC-4
- c) CR-5/UBC-5
- d) CR-3/UBC-3
- e) CR-2/UBC-2

Answer: CR-3/UBC-3

What is the minimum quantum of limit available under Union Alankaar?

- a) ₹5 lakh
- b) ₹15 lakh

- c) ₹50 lakh
- d) ₹10 lakh
- e) ₹100 lakh

Answer: ₹10 lakh

What is the minimum quantum of limit available for financing Lab grown diamond under Union Alankaar?

- a) ₹50 lakh
- b) ₹500 lakh
- c) ₹10 lakh
- d) ₹1 lakh
- e) ₹100 lakh

Answer: ₹100 lakh

What is the maximum permissible exposure to a single borrower rated BBB under Union Alankaar?

- a) Rs. 300 Crore
- b) Rs. 100 Crore
- c) Rs. 150 Crore
- d) Rs. 250 Crore
- e) Rs. 50 Crore

Answer: Rs. 150 Crore

What is the threshold limit, beyond which all new exposures must be considered under consortium lending only?

- a) Rs. 100 Crore
- b) Rs. 50 Crore
- c) Rs. 250 Crore
- d) Rs. 500 Crore
- e) Rs. 150 Crore

Answer: Rs. 50 Crore

What is the maximum permissible exposure to a single borrower, externally rated as "A or better" for financing Lab Grown Diamond under Union Alankaar?

- a) Rs. 100 Crore
- b) Rs. 50 Crore
- c) Rs. 250 Crore
- d) Rs. 500 Crore
- e) Rs. 150 Crore

Answer: Rs. 100 Crore

What is the minimum collateral coverage requirement for accounts having internal credit rating as CR 4?

- a) 40Percent
- b) 45Percent

- c) 50Percent
- d) 55Percent
- e) 60Percent

Answer: 40Percent

Bank to obtain ECR of the Associate Concerns whenever sales to associates are more than ___Percent of total sales.

- a) 25Percent
- b) 35Percent
- c) 45Percent
- d) 30Percent
- e) 40Percent

Answer: 25Percent

What are the benchmark of Interest Coverage Ratio (EBITDA/Interest), for new and existing limit respectively?

- a) 2.60, 1.75
- b) 1.75, 2.60
- c) 1.60, 2.75
- d) 1.60, 2.75
- e) 1.50, 2.50

Answer: 2.60, 1.75

Which authority's registered valuers are typically preferred for the valuation of collateral in the form of gems and jewellery?

- a) Directorate General of Foreign Trade (DGFT)
- b) Gem & Jewellery Export Promotion Council (GJEPC)
- c) Export Credit Guarantee Corporation of India Ltd (ECGC)
- d) Reserve Bank of India (RBI)
- e) Securities and Exchange Board of India (SEBI)

Answer: Gem & Jewellery Export Promotion Council (GJEPC)

What is the frequency of stock audit generally conducted for borrowers in the gems and jewellery sector?

- a) Monthly
- b) Annually
- c) Bi-annually
- d) At the discretion of the bank
- e) Quarterly

Answer: Annually

Which registration has been made mandatory for exporters by the Gems and Jewellery Export Promotion Council?

- a) Registration with the Ministry of Commerce

- b) Registration with the MyKYCBANK
- c) Registration with the Reserve Bank of India
- d) Registration with the World Gold Council
- e) Registration with the International Gemological Institute

Answer: Registration with the MyKYCBANK

In case of Existing borrowers with an external credit rating of BBB, what is the maximum limit of Direct Bills discounting permitted?

- a) 50Percent
- b) 40Percent
- c) 60Percent
- d) 45Percent
- e) 55Percent

Answer: 50Percent

What is the minimum collateral coverage requirement for accounts having internal credit rating as below CR 5?

- a) 40Percent
- b) 75Percent
- c) 50Percent
- d) 55Percent
- e) 60Percent

Answer: 75Percent

What is the required margin percentage for a Term Loan used for acquiring or constructing an outlet under Union Alankaar?

- a) 35Percent
- b) 25Percent
- c) 20Percent
- d) 30Percent
- e) 40Percent

Answer: 35Percent

Who is the competent authority to approve any deviation (w.r.t borrower below UBC-4 in selective cases) under Union Alankaar?

- a) RLCC
- b) ZLCC & above
- c) CAC III
- d) CAC II & above
- e) Zonal head

Answer: CAC II & above

What is the maximum cap for discounting of bills raised on Group/Associate/Sister concerns in relation to post-shipment limits?

- a) 20Percent of post-shipment limits
- b) 30Percent of post-shipment limits
- c) 40Percent of post-shipment limits
- d) 50Percent of post-shipment limits
- e) 60Percent of post-shipment limits

Answer: 40Percent of post-shipment limits

For borrowers engaged exclusively in domestic sales, what is the allowed Cash Credit limit in relation to their stock of jewellery?

- a) Up to 1 week of stock
- b) Up to 2 week of stock
- c) Up to 1 month of stock
- d) Up to 2 month of stock
- e) Up to 3 month of stock

Answer: Up to 1 month of stock

What is the minimum experience required for promoters in the Diamond/Lab Grown Diamond activity?

- a) 6 months
- b) 1 year
- c) 2 years
- d) 2 months
- e) 3 years

Answer: 2 years

Lab grown diamonds are the diamonds made in lab using cutting edge technology that replicates the natural diamond growing process. Presently there are two methods of growing it. Please select one of the correct method.

- a) High Pressure High Temperature (HPHT)
- b) Ultrasonic Crystallization
- c) Molecular Beam Epitaxy (MBE)
- d) Liquid Phase Epitaxy (LPE)
- e) Vapor Phase Epitaxy (VPE)

Answer: High Pressure High Temperature (HPHT)

What is the maximum percentage of total credit facility that can be allocated as Working Capital facility under Lab Grown Diamond segment?

- a) 10Percent
- b) 20Percent
- c) 15Percent
- d) 25Percent
- e) 30Percent

Answer: 10Percent

With respect to Exporters dealing in Gems, Jewellery and Diamonds (per exporter exposure restricted to Rs.100.00 crs.), what is the coverage available under ECGC ECIB-WTPC & WTPS)

- a) 50Percent
- b) 90Percent
- c) 60Percent
- d) 75Percent
- e) 65Percent

Answer: 50Percent

What is the maximum Door to Door repayment period for Term Loan under Union Alankaar, including a moratorium period of 12 months?

- a) 5 years
- b) 3 years
- c) 7 years
- d) 10 years
- e) 7 month

Answer: 7 years

What is the the maximum Door to Door repayment period for Tem Loan for financing Lab Grown Diamonds under Union Alankaar, including a moratorium period of 12 months?

- a) 5 years
- b) 3 years
- c) 7 years
- d) 10 years
- e) 7 month

Answer: 5 years

What is the correct code for Cash Credit limit for financing Lab grown diamond under Union Alankaar?

- a) CCLGD
- b) CCGLD
- c) CCUTR
- d) CCGEN
- e) CCGJD

Answer: CCLGD

In the Stock Audit Report, auditor should also comment, inter-alia, on the following: (Please select the incorrect option)

- a) KYC of the Associate concern
- b) Genuineness of the transactions
- c) List of top buyers & percentage of total sales to associates
- d) Time taken in realization of receivables and recovery experience.
- e) Stock Auditor to comment on the list of top buyers covering at least 50Percent of receivables.

Answer: Stock Auditor to comment on the list of top buyers covering at least 50Percentof receivables.