

1. The maximum amount of foreign exchange which an AD can release without approval from RBI for studies abroad is USD or equivalent per academic year
- USD 100000.00 equivalent or Estimate of the College, whichever is higher
 - USD 125000.00 equivalent or Estimate of the College, whichever is higher
 - USD 150000.00 equivalent or Estimate of the College, whichever is higher
 - USD 200000.00 equivalent or Estimate of the College, whichever is higher
 - USD 250000.00 equivalent or Estimate of the College, whichever is higher

Answer:- USD 250000.00 equivalent or Estimate of the College, whichever is higher

2. Who is authorized to maintain the Primary Account of Trust/NGO receiving foreign remittances
- SBI, New Delhi Main Branch
 - SBI, Fort Branch
 - Any SBI Branch
 - Any PNB Branch
 - Any BOB Branch

Answer:- SBI, New Delhi Main Branch

3. On return from foreign trip, travelers are required to surrender unused traveler cheques within _____ days of return
- 30 Days
 - 60 Days
 - 90 Days
 - 120 Days
 - 180 Days

Answer:- 180 Days

4. NRI customer will be categorized under which risk category in CRM
- No Risk
 - Low Risk
 - Moderate Risk
 - High Risk
 - Depends on the Risk classification of country he is residing in

Answer:- High Risk

5. Each currency bears its 3 letter ISO code developed by the
- International Organization for Standardization
 - United States Treasury

- c. International Chambers of Commerce
- d. International Monetary Fund
- e. World Trade Organization

Answer:- International Organization for Standardization

6. SWIFT is primarily used for

- a. International Trade Agreements
- b. Sending E-mails
- c. Communicating regarding Interbank financial transactions
- d. Weather Forecasting
- e. Social Networking

Answer:- Communicating regarding Interbank financial transactions

7. Which of the following parties are responsible for initiating a Letter of Credit under UCP 600

- a. Issuing Bank
- b. Advising Bank
- c. Negotiating Bank
- d. Reimbursing Bank
- e. Confirming Bank

Answer:- Issuing Bank

8. What is the role of Confirming Bank in Letters of Credit transaction under UCP 600

- a. Verifying the authenticity of the documents
- b. Acting as mediator in case of disputes
- c. Adding its confirmation to the credit
- d. Collecting funds from Importer
- e. Shipping goods on behalf of Exporter

Answer:- Adding its confirmation to the credit

9. Export Credit Insurance tries to mitigate the following risk

- a. Exchange Rate Risk
- b. Interest Rate Risk
- c. Political Risk
- d. Operational Risk
- e. Cyber Risk

Answer:- Political Risk

10. What does EDPMS stand for

- a. Electronic Data Processing and Monitoring System
- b. Export Documentation and Payment Management System
- c. Export Data Processing and Monitoring System
- d. Export Document and Port Management System
- e. Export Data and Payment Monitoring System

Answer:- Export Data Processing and Monitoring System

11. Which Regulatory body is responsible for issuance of IEC Code

- a. Reserve Bank of India(RBI)
- b. Director General of Foreign Trade (DGFT)
- c. Foreign Exchange Dealers Association of India (FEDAI)
- d. Ministry of Commerce and Industry
- e. Indian Customs

Answer:- Director General of Foreign Trade (DGFT)

12. Which is true about Vostro Accounts

- a. These are always denominated in currency of their country
- b. These are always denominated in currency of country where account is held
- c. These are used for domestic transactions
- d. These are free of all regulations
- e. These can be owned by Individuals

Answer:- These are always denominated in currency of country where account is held

13. The balances of following accounts are considered while calculating the Monthly Average Balance of UTCA scheme

- a. UTCA Account
- b. EEFC/DDA Account
- c. Other Current Accounts
- d. (a) & (b)
- e. (a), (b) & (c)

Answer:- (a), (b) & (c)

14. Which is the nodal Agency/Department for formulation of the policy of the Government on Foreign Direct Investment (FDI)?

- a. Director General of Foreign Trade, Ministry of Commerce
- b. Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GOI
- c. Department of External Investments & Operations, Reserve Bank of India

- d. Foreign Investment Promotion Board
- e. DGFT in consultation with RBI.

Answer:- Department for Promotion of Industry and Internal Trade, Ministry of Commerce and Industry, GOI

15. The erstwhile interest rate benchmark LIBOR was regulated by Financial Conduct Authority, UK. Which authority is now regulating alternate reference rates such as SOFR or SONIA or ESTR etc.

- a. Financial Conduct Authority, UK
- b. International Monetary Fund
- c. Central Bank of respective country
- d. Central Banks of respective country in consultation with IMF
- e. There is no uniform practice and the governing framework in each country for respective currency is different

Answer:- There is no uniform practice and the governing framework in each country for respective currency is different

16. Which of the following benefit is available to a person resident in India maintaining EEFC Account in a foreign currency with AD Bank in India?

- a. Account holders earn interest on the balance
- b. Account holder can earn forward points when the foreign currency is quoted at high premium in exchange market for any period in future
- c. Account holder is protected from any exchange fluctuations for any future liability in foreign currency
- d. Account holder can avail advance against balances held in the account
- e. Account holder can retain funds for as long as he wants

Answer:- Account holder is protected from any exchange fluctuations for any future liability in foreign currency

17. Which one of the following is not considered as export in context to sale or purchase by an SEZ Unit?

- a. Sale to another SEZ Unit
- b. Sale from SEZ to DTA Unit
- c. Sale from DTA to SEZ Unit
- d. Sale from SEZ to cross border overseas buyer
- e. Sale from cross border overseas buyer to SEZ

Answer:- Sale from SEZ to DTA Unit

18. Which one is not a Foreign Currency Account

- a. EEFC
- b. DDA
- c. NRE
- d. FCNR
- e. RFC

Answer:- NRE

19. Overseas Remittance for which type of current account transaction is allowed under the LRS limit

- a. Schedule I of Foreign Exchange Management (Current account Transaction) Rules, 2000
- b. Schedule II of Foreign Exchange Management (Current account Transaction) Rules, 2000
- c. Schedule III of Foreign Exchange Management (Current account Transaction) Rules, 2000
- d. Schedule IV of Foreign Exchange Management (Current account Transaction) Rules, 2000
- e. Schedule V of Foreign Exchange Management (Current account Transaction) Rules, 2000

Answer:- Schedule III of Foreign Exchange Management (Current account Transaction) Rules, 2000

20. Importer Exporter Code unless canceled/deactivated has permanent validity, details however need to be updated

- a. Atleast once in each financial year
- b. Every year during April-June period, no change also needs to be confirmed
- c. Every year within one month of Balance Sheet Date
- d. Every year on 31st March
- e. Every quarter, no change also need to be confirmed

Answer:- Every year during April-June period, no change also needs to be confirmed

21. Import of Household Goods/personal effects is allowed as a part of passenger baggage as per Baggage Rules notified by_____

- a. Indian Customs Authority
- b. Ministry of Finance
- c. Ministry of Aviation

- d. Reserve Bank of India
- e. Director General of Foreign Trade (DGFT)

Answer:- Ministry of Finance

22. Goods excluding items restricted for exports, of value _____ can be exported as a gift as per FTP-2023

- a. not exceeding Rs.10 Lacs
- b. not exceeding Rs.5 Lacs
- c. not exceeding Rs.10 Lacs in a licensing year
- d. not exceeding Rs.5 Lacs in a licensing year
- e. cannot be exported as gift

Answer:- not exceeding Rs.5 Lacs in a licensing year

23. TCS was introduced by Govt.of India in _____ and was effective from _____

- a. 01/10/2020, 01/04/2020
- b. 01/04/2020, 01/10/2020
- c. 01/10/2021, 01/04/2021
- d. 01/04/2020, 01/10/2020
- e. 01/10/2021, 01/04/2022

Answer:- 01/10/2020, 01/04/2020

24. LRS scheme is available to (a) Resident Individuals , (b) NRIs, (c) PIOs, (d) OCIs

- a. Only (a)
- b. Only (b)
- c. Only (c)
- d. Only (d)
- e. (b), (c), and (d)

Answer:- Only (a)

25. Bank Guarantee from Bank of International repute is request when advance payment for merchandise exceeds

- a. USD 100000.00
- b. USD 200000.00
- c. USD 250000.00
- d. USD 500000.00
- e. USD 1000000.00

Answer:- USD 200000.00

26. LC issued in lieu of bank guarantee, is called:

- a. Anticipatory L/C
- b. Standby L/C
- c. Revolving L/C
- d. Back-to-Back L/C
- e. Red Clause L/C

Answer:- Standby L/C

27. Capital Goods, except restricted goods, can be sent abroad for _____ and re-imported without authorization

- a. standardisation of technology
- b. repairs
- c. quality upgradation
- d. testing
- e. all the above purposes

Answer:- all the above purposes

28. As per prevailing guidelines, how much of one's foreign exchange earnings can be credited into an EEFC account

- a. 0.2
- b. 0.25
- c. 0.5
- d. 0.75
- e. 1

Answer:- 1

29. This is not a permitted credit to EEFC Account

- a. Foreign Inward remittance against Exports
- b. Foreign Inward remittance against Foreign Currency Loans
- c. Payment received in foreign currency from an Indian unit in SEZ
- d. Payment received in foreign currency from an Indian unit which is 100 percent EOU
- e. Professional earnings including directors' fee, consultancy fee etc.

Answer:- Foreign Inward remittance against Foreign Currency Loans

30. How much amount in Indian Rupees, can resident individual, gift to his NRI or OCI Card holder Relative in India?

- a. Any amount provided the transaction is conducted through banking channel
- b. Any amount to NRIs through bank account since they are citizen of India but nothing to OCI Card holder

- c. Any amount to NRI relative and up to LRS limit to OCI Card holder relative
- d. A resident individual can make a rupee gift only to an NRI/PIO relative for amount not exceeding USD 250,000 per FY under LRS limit
- e. A resident individual cannot make any rupee gift to a NRI/PIO relative

Answer:- A resident individual can make a rupee gift only to an NRI/PIO relative for amount not exceeding USD 250,000 per FY under LRS limit