

1. As per definition of “offence of money laundering” mentioned under Prevention of Money Laundering (PML) Act 2002, identify the false statement

- a. Whosoever directly attempts to indulge
- b. Whosoever indirectly attempts to indulge
- c. Whosoever unknowingly assists or unknowingly is a party
- d. Whosoever is actually involved in any process or activity connected with the proceeds of crime
- e. Whosoever subsequently projects it as untainted property

Answer:- Whosoever unknowingly assists or unknowingly is a party

2. Which of the following is not a component of dirty money?

- a. Raising money through Drug Trafficking
- b. Raising money through Multi-level Marketing firm
- c. Raising money through Arm dealing & antiques selling
- d. A & B both
- e. B & C both

Answer:- B & C both

3. As per KYC Policy 2024-25, customer is defined as?

- a. A person or entity that maintains an account and/or has a business relationship with the Bank.
- b. One on whose behalf the account is maintained
- c. Beneficiaries of transactions conducted by professional intermediaries as permitted under the law
- d. A & B
- e. A, B & C

Answer:- A, B & C

4. As per KYC Policy 2024-25, which of the following does not fall under the category of Beneficial Owner –

- a. natural person who controls a client
- b. natural person on whose behalf a transaction is being conducted
- c. Entity who exercises ultimate effective control over a juridical person
- d. A & B
- e. B & C

Answer:- Entity who exercises ultimate effective control over a juridical person

5. Where Officially Valid Document (OV, furnished by the customer does not contain updated address, the which of the following documents or their equivalent e-

documents thereof shall be deemed to be officially valid documents for the limited purpose of proof of address?

- a. Utility bill which is not more than two months old
- b. Pension or family pension payment orders
- c. Letter of allotment of accommodation from employer issued by statutory or regulatory bodies
- d. Leave and license agreements issued by any private employers allotting official accommodation
- e. All of the above

Answer:- Leave and license agreements issued by any private employers allotting official accommodation

6. Which of the following statement is not true while defining “Suspicious transaction” As per KYC policy 2024-25?

- a. Gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence aggregating above 10 lakhs
- b. Appears to be made in circumstances of unusual or unjustified complexity
- c. appears to not have economic rationale
- d. A & B
- e. B & C

Answer:- Gives rise to a reasonable ground of suspicion that it may involve proceeds of an offence aggregating above 10 lakhs

7. “Small Account” which is opened in terms of sub-rule (5) of the PML Rules, 2005 has the following features except -

- a. The aggregate of all credits in financial year does not exceed rupees one lakh
- b. The aggregate of all withdrawals and transfers in a month does not exceed rupees ten thousand
- c. The balance at any point of time does not exceed rupees fifty thousand
- d. Submission of KYC Documents is mandatory
- e. None of the above

Answer:- Submission of KYC Documents is mandatory

8. FATCA is an ICA (Inter Government Agreement) between the Government of India and

- a. The United States of America
- b. United Arab Emirates
- c. Government of England
- d. Government of Russia
- e. Government of Iran

Answer:- The United States of America

9. Which of the following person will be treated as “Politically Exposed Persons” (PEPs)”
- Foreign national Employed in India
 - Chinese Ambassador in India
 - Indian National employed in Foreign country
 - A & C
 - A & B

Answer:- Chinese Ambassador in India

10. Which of the following documents are not to be obtained while opening accounts of foreign nationals employed in India
- VISA
 - Employment letter
 - Unique Identification number issued by native country
 - A & C
 - B & C

Answer:- Unique Identification number issued by native country

11. As per KYC Policy 2024-25, which of the following statement is incorrect regarding Simplified Due Diligence norms for opening accounts of Self Help Groups –
- Due Diligence of all the members of SHG is required
 - Due Diligence of all office bearer is required
 - Due Diligence of all the members of SHG is required at the time of credit linking of SHGs.
 - A & B only
 - B & C only

Answer:- Due Diligence of all the members of SHG is required

12. As per KYC Policy 2024-25, which of the following statement is incorrect while opening accounts of foreign students –
- A Non-Resident Ordinary (NRO) or an NRE Account can be opened
 - Foreign Student has to provide local address proof within 30 days
 - During these 30 days, maximum inward foreign remittance of USD 10000 is allowed
 - A & C only
 - B & C only

Answer:- A & C only

13. Read the following statements regarding maintenance of record of transactions prescribed under Prevention of Money Laundering (Maintenance of Records) Rules, 2005 –

- i. All cash transactions of the value of more than Rs.10.00 lakh or its equivalent -in foreign currency
- ii. All series of cash transactions integrally connected to each other which have been individually valued below Rs.10.00 lacs and the monthly aggregate value of such transactions exceed Rs.10.00 lacs
- iii. All transactions involving receipts by Non-Profit Organizations (NPO) of value more than Rs.50.00 lacs
- iv. All suspicious transactions made in cash only

Which of the above statements are true –

- a. i, ii and iii only
- b. i, ii and iv only
- c. ii, iii and iv only
- d. i and iii only
- e. i and ii only

Answer:- i and ii only

14. Read the following statements carefully -

- i. Cash Transaction Report (CTR) will be filed for all transactions of the value of more than Rs.10.00 lakh
- ii. Counterfeit Currency Report (CCR) will be filed for all transactions of the value of more than Rs.5000/-
- iii. Non-Profit Organizations Transaction Report will be filed for all transactions involving receipts by Non-Profit Organizations (NPO) of value more than Rs.10.00 lacs
- iv. Cross-Border Wire transfers Report (CBWTR) will be filed for all cross-border wire transfers of the value of more than Rs 10.00 lac

Which of the above statements are incorrect?

- a. i, ii and iii only
- b. i and iii only
- c. ii and iv only
- d. i, ii and iv only
- e. i and iii only

Answer:- ii and iv only

15. Identify the incorrect statement with respect to reporting of transactions to Financial Intelligence Unit-India as per KYC Policy 2024-25

- a. Cash Transaction Report (CTR) shall be reported on monthly basis, before 15th of succeeding Month
- b. Counterfeit Currency Report (CCR) shall be reported on monthly basis, before 15th of succeeding Month
- c. Suspicious Transactions Report (STR) shall be reported on monthly basis, before 15th of succeeding Month
- d. Non-Profit Organizations Transaction Report (NTR) shall be reported on monthly basis, before 15th of succeeding Month
- e. Cross-Border Wire transfers Report (CBWTR) shall be reported on monthly basis, before 15th of succeeding Month

Answer:- Suspicious Transactions Report (STR) shall be reported on monthly basis, before 15th of succeeding Month

16. Read the following statements carefully regarding determination of suspicious transactions

- i. Transactions which are abandoned/aborted by customers on being asked to give some details or to provide documents.
- ii. STR shall be furnished within fifteen days of arriving at a conclusion that any transaction is of suspicious nature.
- iii. Transactions which give reasonable ground to believe that the transaction involves proceeds of crime irrespective of the amount of the transaction.

Identify the correct statement/s

- a. i, and ii only
- b. i, and iii only
- c. ii, and iii only
- d. i only
- e. ii only

Answer:- i, and iii only

17. As per KYC policy 2024-25, The bank shall maintain secrecy regarding the customer information which arises out of the contractual relationship between the Bank and customer except –

- a. Where disclosure is under compulsion of law
- b. Where there is a duty to the public to disclose
- c. the interest of Bank requires disclosure
- d. Where the disclosure is made without the express or implied consent of the customer

e. A, B & C only

Answer:- Where the disclosure is made without the express or implied consent of the customer

18. In terms of provision of Rule 9(1 of the Prevention of Money Laundering Rules, the Bank shall capture customer's KYC records and upload onto CKYCR within of commencement of an account-based relationship with the customer

- a. 7 Days
- b. 10 Days
- c. 15 Days
- d. 30 Days
- e. 90 Days

Answer:- 10 Days

19. As per KYC policy 2024-25 Where a customer submits a KYC Identifier to the Bank for account opening, with an explicit consent to download records from CKYCR, then Bank shall retrieve the KYC records online from the CKYCR and the customer shall be required to submit the same KYC records in which of the following cases –

- a. When there is a change in the information of the customer as existing in the records of CKYCR
- b. When the current address of the customer is required to be verified
- c. When the validity period of documents downloaded from CKYCR has not lapsed
- d. A & B Only
- e. A & C Only

Answer:- A & B Only

20. While handling with the accounts of tour operators/travel agents in India, Branch discovers that the turnover does not commensurate with the turnover declared by the tour operator at the time of opening of account, which of the following steps branch should initiate

- i. Branches shall call for documents evidencing tie up arrangement made by the tour operator.
- ii. Branches shall call for the credit report on overseas tour operator abroad before making any outward remittance

iii. Branches shall obtain the list of passengers and hold the same in record.

Branches shall insist for copy of passport of the passengers and shall cross check the genuineness of form 15 CB with the Chartered Accountant firm who has issued the form 15 CB.

Which of the above given statement/s is/are correct?

- a. i only
- b. ii only
- c. i & iii Only
- d. ii & iii Only
- e. i, ii and iii

Answer:- i, ii and iii

21. A shell company means –

- a. A company incorporated in a country where it has no physical presence
- b. A company incorporated in a country where it has physical presence
- c. A company incorporated outside India where it has physical presence
- d. A company incorporated outside India with physical presence in India
- e. B and C

Answer:- A company incorporated in a country where it has no physical presence

22. As per KYC Policy 2024-25, wire transfer instructions are not intended to cover the following types of payments –

- i. transaction carried out using a credit/debit card
- ii. transaction carried out using a credit card
- iii. Prepaid Payment Instrument (PPI)

Which of the above given statement/s is/are correct?

- a. i only
- b. ii only
- c. i & iii Only
- d. ii & iii Only
- e. i, ii and iii

Answer:- i, ii and iii

23. In respect of KYC compliant accounts where customer has not submitted PAN/Form 60, debit transactions will be freezed only when

- i. Threshold limit of credit Balance of rupees five lakh is reached
- ii. The total deposits made after November 9, 2016, exceeds rupees two lakh
- iii. Where exemptions are not granted to Government, Consular Office etc., as provided in Income Tax Rule 114 B

Which of the above given statement/s is/are correct?

Topic- KYC AML Part B

- a. i only
- b. ii only
- c. i & ii Only
- d. ii & iii Only
- e. i, ii and iii

Answer:- i & ii Only

24. As per KYC Policy 2024-25, who is the Money Laundering Reporting Officer in Branch

- a. Branch Manager
- b. Deputy Branch Manager
- c. Credit Officer of the Branch
- d. Any officer posted in Branch
- e. Either A or B

Answer:- Branch Manager

25. Read the following statements carefully regarding “controlling ownership interest”

- i. Ownership or entitlement to more than 10% of shares or capital in case of a company
- ii. Ownership or entitlement to more than 10% of capital or profit in case of a company
- iii. The trustee/beneficiary with 15% or more interest in the trust

Identify the correct statement/s

- a. i only
- b. ii only
- c. i & ii Only
- d. ii & iii Only
- e. i, ii and iii

Answer:- i & ii Only

26. Read the following statements regarding amended definition of “Non-profit organization”

- i. NPO means any entity or organization constituted for religious or charitable purpose as per clause (15) of section 2 of the Income tax Act 1961
- ii. Registered as a trust or a society under Societies Registration Act 1860 or any similar state legislation or
- iii. A company Registered under the section 8 of the Companies Act 2013

Which of the above given statement/s is/are correct?

Topic- KYC AML Part B

- a. i only
- b. ii only
- c. i & ii Only
- d. ii & iii Only
- e. i, ii and iii

Answer:- i, ii and iii

27. Which of the following is not a key element of KYC Policy 2024-25 ?

- a. Customer acceptance policy
- b. Risk management
- c. Customer Identification Procedures
- d. Monitoring of transactions
- e. Quick Customer Grievance Resolution

Answer:- Quick Customer Grievance Resolution

28. As per KYC Policy 2024-25, EWRA is conducted across the bank to understand and assess the total ML/TF risks faced by it. Full form of EWRA is –

- a. Enterprise Wide Risk Assessment
- b. Entity Wise Risk Assessment
- c. Entity Wide Risk Assessment
- d. Enterprise Wise Risk Assessment
- e. Enterprise Wise Realtime Assessment

Answer:- Enterprise Wide Risk Assessment

29. As per KYC Policy 2024-25, which of the following are not classified as Low Risk Customers

- a. salaried employees whose salary structure are well defined
- b. Government Departments
- c. Statutory Bodies
- d. High Net Worth individuals with identifiable source of income
- e. Government owned companies

Answer:- High Net Worth individuals with identifiable source of income

30. Which of the following statements is true about Know Your Customer (KYC) regulations?

- a. KYC means Know Your Customer
- b. It was introduced under Prevention of Money Laundering Act
- c. KYC process includes ID card verification, face verification, document verification such as utility bills as proof of address, and biometric verification.

Topic- KYC AML Part B

- d. Banks must comply with KYC regulations and anti-money laundering regulations to limit fraud.
- e. All are true

Answer:- All are true