

100 Practice Questions For CAIB BRBL

Q1. Which of the following exercises control over banks from the opening to their winding up:

- (a) Reserve Bank of India and SEB
- (b) SEBI and Govt of India NABARD
- (c) Govt. of India and RBI
- (d) Govt. of India RBI and SEBI

Q2. The banks in India fall in which of the following category

- (a) statutory corporations and private companies
- (b) companies and cooperatives
- (c) statutory corporations companies and cooperative societies
- (d) companies, public sector banks public sector companies

Q3. Which of the following cannot accept deposits withdrawable by cheques:

- (a) banks
- (b) saving bank schemes run by the govt.
- (c) private credit societies
- (d) financial institutions

Q4. If the banking licence of a company is cancelled the appeal can be made to within from date of order rejecting the licence.

- (a) High Court, 30 days
- (b) Supreme Court. 30 days
- (c) Central Govt.. 30 days
- (d) Central Govt 60 days

Q5. Which of the following does not match:

- (a) a person cannot hold the shares of a banking company as per limit under Reserve Bank of India Act - false
- (b) a banking company can hold the shares of another banking company - true
- (c) banking companies can give brokerage as a percentage of paid-up capital -true
- (d) there is no appeal against RBI decision on cancellation of license - true

Q6. Majority of the directors i.e. _____ % of the directors should have the qualifications prescribed u/s 10 A (2) of BR Act

- (a) 24%
- (b) 49%
- (c) 51%
- (d) 74%

Q7. For the purpose of Section 42 of RBI which of the following is not included in the demand and time liabilities

- (a) saving bank and current deposits
- (b) capital and reserves
- (c) term deposits up to 1 year
- (d) borrowing

Q8. The directions issued by RBI to banks u/s 35A of Banking Regulation Act:

- (a) are binding on the banks only
- (b) are applicable to banks as well as public
- (c) are not binding on the bank but are only advisory in nature
- (d) are binding on the banks if they give acceptance to the same

Q9. If there is a transaction of a bank with a borrower that violates the RBI guidelines:

- (a) the violation would invalidate the transaction
- (b) the bank will be liable for prosecution by RBI
- (c) the transaction will be automatically cancelled
- (d) all the above

Q10. Which of the following is a correct statement:

- (a) RBI can publish the information collected from a banking company in public interest
- (b) RBI cannot publish the information collected from a banking company under provisions of Banking Regulation Act
- (c) RBI cannot publish the information obtained during inspection of a banking company
- (d) none of the above

Q11. What are the provisions of section 31 of Banking Regulation Act regarding balance sheet and profit and loss account of a banking company:

- (a) these are required to audited
- (b) these are required to be prepared as on March 31 every year
- (c) these are required to be published in a news paper within 6 months
- (d) all the above

Q12. The banks whose shares are listed on stock exchange are required to publish their un-audited results in newspapers on a..... basis as per..... requirement:

- (a) half-yearly RBI
- (b) quarterly SEBI
- (c) half-yearly SEBI
- (d) quarterly RBI

Directions (13-17): Using the following case study, choose the appropriate answers for the questions carefully.

ABC Bank is a Foreign Bank in India. The number of Directors in the Bank are 7. It's main Office is in USA and here they have a subsidiary office at Mumbai. Total they have 17 branches in India

Q13. The ABC Bank prepares its balance sheet and P&L as per the section 138 of BR Act. Is the Bank correct in doing so ?

- (a) Yes. The Bank is correct because as per RBI mandate, any bank has to prepare the B/s and P&L as per section 138 of the BR act
- (b) Yes. The Bank is correct because as per RBI mandate, any Foreign bank has to prepare the B/s and P&L as per section 138 of the BR act
- (c) No. The Bank is wrong because as per RBI mandate, any bank has to prepare the B/s and P&L as per section 29 of the BR act
- (d) No. The Bank is wrong because as per RBI mandate, only Foreign bank has to prepare the B/s and P&L as per section 129 of the BR act

Q14. The balance sheet and profit and loss account of a ABC Bank has to be signed by

- (a) the manager or principal officer of the company and at least three directors if there are more than three directors
- (b) by all directors if there are not more than three directors.
- (c) Both a and b
- (d) In the case of foreign banks, the manager or the agent of its principal office in India can sign

Q15. The balance sheet and profit and loss account have to be prepared in the forms set out in the _____ to the BR Act or as near thereto as circumstances permit

- (a) Third Schedule
- (b) Fourth Schedule
- (c) Second Schedule
- (d) Any of the above

Q16. The AGM was held for the ABC Bank on 22 May 2022. The Balance Sheet and P&L presented in the AGM were FY 2020 - 21 and approved as well by all the directors. Is there anything wrong in this ?

- (a) Nothing wrong as the Board of Directors have the power to approve the B/s and P&L
- (b) Wrong because the B/s and P&L have to be approved for the year FY 2021 - 22 in the AGM in May 2022.
- (c) Nothing wrong as the Board of Directors of a foreign bank are allowed under Sec 38 of Br Act to approve the B/s and P&L of last 2 years
- (d) None of the above

Q17. Is ABC Bank required to furnish unaudited financial results on a quarterly basis ?

- (a) Yes. Because Clause 41 of the SEBI Listing Agreement requires listed Companies (which includes listed Banking Companies) to furnish unaudited financial results on a quarterly basis
- (b) No. As the ABC Bank is a foreign Bank Clause 41 is not applicable to the Bank
- (c) Yes. Because Clause 41 of the SEBI Listing Agreement requires foreign Companies (which includes foreign Banking Companies) to furnish unaudited financial results on a quarterly basis
- (d) No. Because Clause 41 of the SEBI Listing Agreement requires any Banking Companies (which includes foreign Banking Companies) to furnish unaudited financial results on a quarterly basis

Q18. Banking Regulation Act was made applicable to cooperative banks by enacting

- (a) Banking Laws {Application to Cooperative Societies} Act 1965
- (b) Banking Regulation (Application to Cooperative Societies) Act 1965
- (c) Banking Laws {Application to Cooperative Banks} Act 1965
- (d) Banking Laws (Cooperative Societies) Act 1965

Q19. A scheduled cooperative bank has to maintain cash reserve (CRR):

- (a) as per Section 24 of Banking Regulation Act
- (b) as per requirement of Societies Registration Act
- (c) as per Section 42 of Reserve Bank of India Act
- (d) as per rules framed by State govt concerned

Q20. State Bank and nationalized banks act as agents of RBI for

- (a) carrying out transactions in govt business only
- (b) payment of pensions only
- (c) collection of taxes only
- (d) transacting govt business and other business entrusted by RBI

Q21. Section 31 of NI Act i.e. banker's obligation to make payment of cheque applies to:

- (a) customer only
- (b) bank only
- (c) bank and customer both.
- (d) neither bank nor customer

Q22. U/s 31 of NI Act the banker is under obligation to pay when duly required to do so which means that

- (a) cheque should be properly drawn, only
- (b) cheque should be signed by the drawer (customer) only
- (c) cheque can be signed by agent of drawer only
- (d) All of the above

Q23. If a bank refuses to make payment of a cheque wrongfully the bank is liable to compensate the _____ in case he suffers any loss

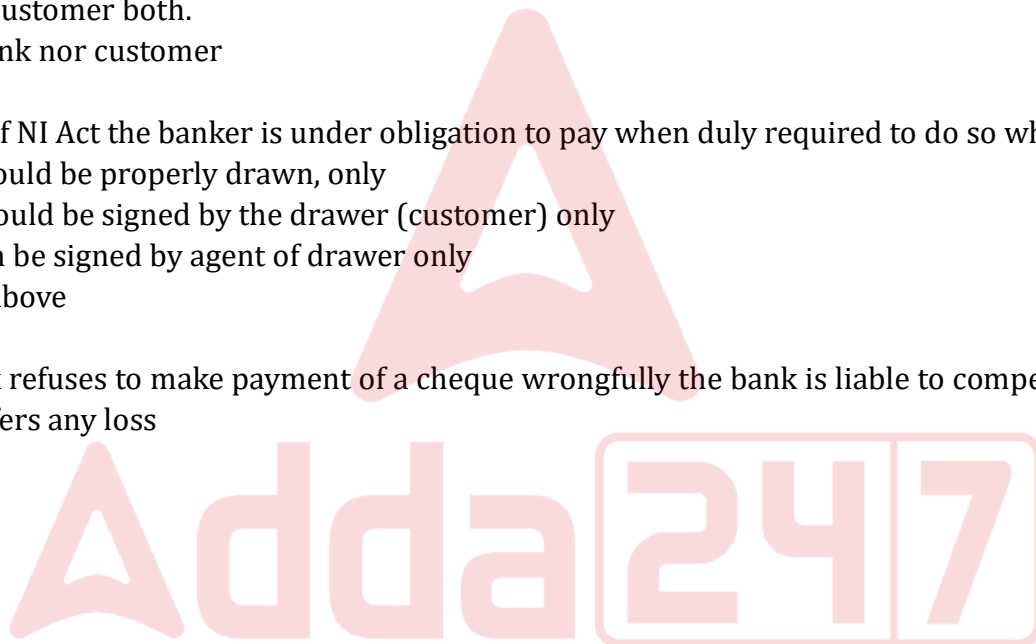
- (a) holder
- (b) payee
- (c) endorsee
- (d) drawer

Q24. In a bank guarantee the banks undertake to guarantee the:

- (a) financial commitments of their borrowers only
- (b) performance of contracts by their borrowers only
- (c) financial commitments of their borrowers and performance of contracts by their borrowers
- (d) none of the above

Q25. If a bank guarantee is issued by a bank in lieu of customer's requirement to deposit a cash security or earns money it is a

- (a) financial guarantee
- (b) performance guarantee
- (c) deferred payment guarantee
- (d) any of the above



Q26. Bank B issued a guarantee whereby it assured a 3rd party that the borrower will perform the contract entered into between the borrower and the 3rd party, failing which the bank shall compensate the 3rd party. It is:

- (a) an indemnity
- (b) a financial guarantee
- (c) a performance guarantee
- (d) a deferred payment guarantee

Q27. A lease in respect of agriculture or manufacturing purpose can be terminated by the lessor or lessee by giving a notice of _____ to the other:

- (a) 1 month
- (b) 3 months
- (c) 6 months
- (d) 11 months

Q28. A mortgager has in his possession, the mortgaged property He wants to lease the property:

- (a) he has the legal right to lease
- (b) he does not have any legal right
- (c) he cannot give the right of use to the lease
- (d) he cannot do so

Q29. A lease of an immovable property for agriculture or manufacturing purpose is deemed to be :

- (a) a long lease
- (b) a short period lease
- (c) a lease from year to year
- (d) a lease for indefinite period

Directions (30-34): Using the following case study , choose the appropriate answers for the questions carefully.

Relynce Group is planning to enter banking sector. For that it has to apply to RBI. The Board members are confused about few questions and hence come to you for consultancy. Kindly advise them on the following questions

Q30. They only want to enter the lending business , but do not want to get deposits from common public as they themselves have a lot of capital and do not require it from common public. Can they do so ?

- (a) Yes. as they have their own capital nobody can force them to take deposits
- (b) Yes. Lending is the main business of the bank and not taking deposits
- (c) Both a and b
- (d) No. They have to accept deposits and lend to common public as per BR Act

Q31. Relynce group wants name of it's bank to be 'Relynce Financial co'. The same has been approved in their AGM. It's auditors Ernst and Young also don't have any objection to this. Can they apply to RBI with the same name.

- (a) Yes. As it is approved in AGM and the same is presented in the minutes of AGM, it is allowed
- (b) Yes. As it is approved in AGM and the same is approved by it's auditors, it is allowed
- (c) No. It should have the word Bank in it's name
- (d) Yes. If the RBI Governor approves it

Q32. What are the other businesses Relynce group can do as a Bank ?

- (a) dealing in Bills of Exchange-including drawing, accepting, buying, selling etc
- (b) the lending or advancing of money either with or without security
- (c) carrying on and transacting every kind of guarantee and indemnity business
- (d) All of the above

Q33. The Board members want to use the customer database for managing, selling and realizing manu of their properties in Mumbai as TPP income to the bank. Is it allowed to do so

- (a) No. Banks are allowed to managing, selling and realizing any property which may come into the possession of the banking company in satisfaction or part satisfaction of any of its claims
- (b) Yes. Earning TPP income is the right of the bank and it can sell it's properties to the bank customers through its subsidiary using the database.
- (c) Yes. If the RBI Governor allows it
- (d) Yes. If the auditor of the banks allow it

Q34. Some of the HNI customers have requested the Relynce Bank to trade their money in stock market instead of FD, to earn higher returns. Can the bank do so ?

- (a) No. Section 8 of the Banking Regulation Act prohibits a banking company from engaging directly or indirectly in trading activities and undertaking trading risks
- (b) No. Section 9 of the Banking Regulation Act prohibits a banking company from engaging directly or indirectly in trading activities and undertaking trading risks
- (c) No. Section 29 of the Banking Regulation Act prohibits a banking company from engaging directly or indirectly in trading activities and undertaking trading risks
- (d) No. Section 138 of the Banking Regulation Act prohibits a banking company from engaging directly or indirectly in trading activities and undertaking trading risks

Q35. According to the 'The Nationalized Banks Scheme, 1970/1980', what are the two main committees of the Board with powers delegated to consider and sanction credit proposals?

- (a) Management Committee and Credit Approval Committee
- (b) Credit Approval Committee and Risk Management Committee
- (c) Management Committee and Risk Management Committee
- (d) Credit Approval Committee and Audit Committee

Q36. What was the purpose behind the establishment of Local Area Banks (LAB) in the private sector in 1996?

- (a) To promote rural and semi-urban development.
- (b) To enhance credit availability in rural areas.
- (c) To provide competitive financial intermediation services.
- (d) To bridge the gaps in institutional credit framework.

Q37. If there is a transaction of a bank with a borrower that violates the RBI guidelines:

- (a) the violation would invalidate the transaction
- (b) the bank will be liable for prosecution by RBI
- (c) the transaction will be automatically cancelled
- (d) all the above

Q38. In case of advance against supply bills the bank shall receive the payment directly from the govt department on the basis of:

- (a) documents sent by the bank to the govt department
- (b) charge assignment acknowledged by the govt department
- (c) power of attorney executed by the borrower and registered by the govt department with them k
- (d) all or any of the above

Q39. If a property is mortgaged in favour of the bank and loan amount or value of the property is Rs ____ the permission of the Income Tax Department is required to be obtained

- (a) Rs 10 lac and above
- (b) Rs 30 lac or above
- (c) Rs 50 lac or above
- (d) none of the above

Q40. What type of charge is created when the security for the loan is the document of title to goods (such as Railway receipt):

- (a) hypothecation
- (b) lien
- (c) pledge
- (d) assignment

Q41. If the goods are lying in a public warehouse and the warehouseman acknowledges to the bank that he holds the goods on behalf of the bank it is called:

- (a) actual pledge
- (b) constructive pledge
- (c) symbolic pledge
- (d) it is not a pledge at all

Q42. Pledge can on the basis of

- (a) only an agreement in writing
- (b) only on the basis of implied agreement from the nature of transaction
- (c) on the basis of written agreement or implied agreement from the nature of transaction
- (d) none of the above

Q43. Which of the following cannot create pledge:

- (a) owner of the goods
- (b) a mercantile agent subject to fulfillment of certain conditions
- (c) seller of goods in possession of the goods even after sale subject to certain conditions
- (d) none of the above

Q44. Which of the following information is mentioned in the Memorandum of Association only and not in the of Association

- (a) borrowing powers of the Board of the company
- (b) State in which the registered office of the company is located
- (c) procedure for transfer of shares
- (d) procedure for conducting the meetings of the company

Q45. Which of the following is not included in the classification of a public company:

- (a) limited liability company
- (b) unlimited liability company
- (c) limited by guarantee company
- (d) none of the above

Q46. A public company is a govt company, if at least ___ of its shareholding is held by the govt

- (a) 26%
- (b) 49%
- (c) 51%
- (d) 74%

Directions (47-51): Using the following case study , choose the appropriate answers for the questions carefully.

'Anvaya' is a microfinance company with annual lending of Rs 2500 crores. To grow their businesses, small businessmen had no option except high-interest loans from traditional moneylenders. MD's deep desire to help these marginal business owners led to the creation of Anvaya, a microfinance institution providing loans – and hope – to the poorest. In coming decade and a half, Anvaya wants made history by transforming into a universal bank that serves all socio-economic sections across the country. Now the company wants to approach RBI for small Finance Bank License. What would you suggest them on the full points

Q47. The Board of Anvaya wants to keep the company private limited as they have enough capital of their own and don't want to dilute the stake in the bank. Will they be allowed to do so ?

- (a) The Small Finance Bank shall be registered as a public limited company under the Companies Act,2013.
- (b) The Small Finance Bank shall be registered as a public or private limited company under the Companies Act,2013.
- (c) No registration in Companies Act is required once the bank get RBI approval as a bank
- (d) None of the above

Q48. When will the Anvaya Bank become scheduled bank once it fulfills the criteria for the same ?

- (a) The Small Finance Banks will be given scheduled bank status once they get approval to commence their operations.
- (b) The Small Finance Banks will be given scheduled bank status once they commence their operations.
- (c) The Small Finance Banks will be given scheduled bank status once they become public limited
- (d) The Small Finance Banks will be given scheduled bank status once they start their lending operations only

Q49. For the bank to get a license , eligible Promoters should comply with

- (a) 'Right and Proper 'criteria of RBI
- (b) 'OK and Status 'criteria of RBI
- (c) 'Perfect and Right 'criteria of RBI
- (d) 'Fit and Proper 'criteria of RBI

Q50. Once Anvaya Bank opens a branch in Lucknow city, can it open another temporary branch in Lucknow without RBI License ?

- (a) It will require permission from Reserve Bank before opening the branch.
- (b) A temporary branch for less than 90 days in a town, where a bank has an existing branch, does not require permission from Reserve Bank.
- (c) A temporary branch for less than thirty days in a town, where a bank has an existing branch, does not require permission from Reserve Bank.
- (d) A temporary branch for less than 60 days in a town, where a bank has an existing branch, does not require permission from Reserve Bank.

Q51. If RBI cancels the license of Anvaya bank and the bank wants to take step against this. What can the bank do ?

- (a) Any banking company aggrieved by the decision of the Reserve Bank cancelling a license under Sub-sections (5) and (6) of Section 22 of the BR Act section may, within thirty days from the date on which such decision is communicated to it, appeal to the Central Government.
- (b) Any banking company aggrieved by the decision of the Reserve Bank cancelling a license under Sub-sections (5) and (6) of Section 22 of the BR Act section may, within sixty days from the date on which such decision is communicated to it, appeal to the Central Government.
- (c) Any banking company aggrieved by the decision of the Reserve Bank cancelling a license under Sub-sections (5) and (6) of Section 22 of the BR Act section may, within ninety days from the date on which such decision is communicated to it, appeal to the Central Government.
- (d) None of the above

Q52. Which of the following is a correct statement

- (a) for all types of actions, the firm is liable for the actions of a partner
- (b) for actions of a company, the shareholders are liable personally
- (c) for the actions of a shareholder the company is liable
- (d) for actions of a partner in normal course of business done for a firm the firm is liable

Q53. It is mandatory that each company should suffix the word limited' But in case of _____ companies the word limited can be dispensed

- (a) Companies incorporated under a special Act of the Parliament
- (b) Section 25 Companies
- (c) Companies promoted by the Govt
- (d) Section 23 Companies

Q54. If the word limited' are not to be included in the name of the company, this can be done by obtaining _____ from _____.

- (a) permission Ministry of Corporate Affairs
- (b) licence SEBI
- (c) licence. Regional Director
- (d) no such permission or licence is required.

Q55. Which of the following is not included in the term Qualified Institutional Buyers (QIB) within the meaning of SARFAESI Act

- (a) financial institution or insurance company
- (b) banks or asset management companies
- (c) state financial corporation or state industrial development corporation
- (d) companies registered under Companies Act

Q56. When a reconstruction company issues security receipts to the Qualified Institutional Buyers representing undivided interest in the financial assets, the transaction is known as:

- (a) reconstruction of financial asset only
- (b) securitization of financial asset only
- (c) reconstruction or securitization
- (d) asset reconstruction

Q57. Within the meaning of SARFAESI Act the term security interest represents any right or title or interest upon a property created in favour of any secured creditor and does not include:

- (a) mortgage
- (b) hypothecation
- (c) assignment
- (d) pledge or lien

Q58. Which of the following can set up a Central Registry under SARFAESI Act:

- (a) Reserve Bank of India
- (b) Debt Recovery Tribunal
- (c) Registrar of Companies
- (d) Central Govt

Q59. If a registration with Central Registry takes place under SARFAESI Act in which of the following laws the registration shall not be required:

- (a) Companies Act
- (b) Registration Act
- (c) Motor Vehicles Act
- (d) none of the above

Q60. What is the time period during which the registration with Central Registry under SARFAESI Act should be made:

- (a) within 15 days of transaction or creation of security interest
- (b) within 30 days of transaction or creation of security interest
- (c) within 45 days of transaction or creation of security interest
- (d) within 60 days of transaction or creation of security interest

Q61. The bank is required to implement the Award passed by Integrated Ombudsman within

- (a) 30 days from date of order
- (b) 30 days from date of receipt of acceptance of the order from the customer
- (c) 30 days from date of receipt of order by the bank
- (d) 45 days from date of receipt of order by the bank

Q62. Which of the following decision is not possible for an appeal to be made under Integrated Ombudsman Scheme

- (a) dismissal of the appeal
- (b) allow the appeal and set aside the award
- (c) modify the award
- (d) pass any order as it may deem appropriate including keeping it pending

Q63. RDB Act (DRT Act) 1993 operates ___ and its applicable

- (a) through out India including J & K
- (b) through out India including J & K on nod of Governor
- (c) through out India except J & K
- (d) through out India including J & K on nod of President

Directions (64-68): Using the following case study , choose the appropriate answers for the questions carefully.

SBHJ Bank is promoted by a large financial group. The main share holders of the bank are Mr Ravi Kapoor and Mrs Menakshi Kapoor. They want to take complete control of their bank by acquiring more shares from the open market. You are their Chief Financial advisor. **Ans** the following questions based on the same

Q64. Can Mr Ravi Kapoor buy any number of shares of the company from open market ?

- (a) No he can buy only 10% of the paid up capital of the shares from the market
- (b) Yes he can buy any number of the shares from the market
- (c) He can buy any number of the shares from the market subject to Board approval
- (d) At any stage his shares should not exceed more than 5% of the paid up capital of the Bank

Q65. Presently Mrs Menakshi Kapoor has 26% of the shares of the company. What is the maximum voting right she can have ?

- (a) Maximum 26% of the voting rights
- (b) Maximum 10% of the voting rights
- (c) Maximum 1 the voting right as one person one vote system
- (d) None of the above

Q66. Presently Mrs Menakshi Kapoor has 26% of the shares of the company. She is not any office bearer. If the bank defaults and legal suit is filed, what percentage of claim is liable on Mrs Menakshi ?

- (a) 26% as per her share holding
- (b) 10% as per her voting rights
- (c) 50% as both husband wife are equal partners
- (d) 0% as she is not the office bearer

Q67. MR Kapoor wants to purchase new shares from the open market, by using the broker. He is ready to pay the brokerage for the purchase of shares much the broker wants. What is the maximum brokerage he can pay ?

- (a) the payments brokerage in any form should not exceed 5 per cent of the price at which the said shares are issued
- (b) the payments brokerage in any form should not exceed 10 per cent of the price at which the said shares are issued
- (c) the payments brokerage in any form should not exceed 2.5 per cent of the price at which the said shares are issued
- (d) As the money is of the promoter, he can pay as much brokerage he wants

Q68. IF SBHJ wants to go for payment of dividend to the shareholders. What are the conditions it has to satisfy?

- (a) The proposed dividend should be payable out of the current year's Net profit.
- (b) CRAR of atleast 9% for preceding two completed years
- (c) Net NPA is less than 7%
- (d) All of the above

Q69. When RDB Act (DRT Act) and Companies Act are in contradiction to each other:

- (a) the company court will take a decision
- (b) the High Court will take a decision
- (c) the RDDB Act {DRT Act} will prevail over the Companies Act
- (d) the Companies Act will prevail over the RDDB Act (DRT Act)

Q70. A company is under winding up process on the order of High Court. Bank wants to proceed against the company in DRT:

- (a) it can be done without any permission
- (b) it can be done only after permission of DRAT
- (c) it can be done only after permission of High Court that ordered the winding up
- (d) it cannot be done

Q71. Where 2 more remedies are available for a case but there is inconsistency between these remedies and the party has choice to opt for one of them which doctrine comes into play:

- (a) doctrine of choice of remedy
- (b) doctrine of election
- (c) principle of equity
- (d) principle of natural justice

Q72. If loss has been suffered by a no of consumers who are not identifiable conveniently the Distt Forum under Consumer Protection Act may order to pay such sum which shall not be less than___ % of the value of such goods

- (a) 20%
- (b) 15%
- (c) 10%
- (d) 5%



Q73. If a person is aggrieved by the order of Distt Forum under Consumer Protection Act he can appeal to _____ within _____

- (a) Distt court, 2 months
- (b) State Commission, 30 days
- (c) High Court, 30 days
- (d) no appeal is possible

Q74. If appeal is to be made by a person against decision of Distt Forum under Consumer Protection Act declared liable to make the payment he has to deposit:

- (a) 50% of the amount of the order or Rs 25000 whichever is higher
- (b) 50% of the amount of the order or Rs 25000 whichever is less
- (c) 75% of the amount of the order or Rs 25000 whichever is higher
- (d) 75% of the amount of the order or Rs 25000 whichever is less

Q75. If a loan is secured by mortgage of an immovable property, the limitation period is _____ and begins from _____

- (a) 30 years from date of mortgage
- (b) 12 years, from date of mortgage
- (c) 3 years, from date of mortgage
- (d) 3 years from date of default

Q76. Which of the following statement is not correct:

- (a) in every suit the defendant has to set up plea of limitation
- (b) acknowledgement through a document not directly addressed to the bank, does not extend the limitation period
- (c) limitation in case of demand promissory note is 3 years from date of promissory note
- (d) in Limitation Act the definition of suit includes the appeal or application also

Q77. For the purpose of limitation, a suit is deemed to have been filed when:

- (a) the application is prepared by the plaintiff
- (b) the application is presented before the proper officer
- (c) the application has been accepted by the property officer
- (d) the date of first hearing of the case

Q78. As per Information Technology Act 2000 the penalty for damage to computers computer systems etc. has been fixed for damages up to ____ by way of compensation to affected person.

- (a) Rs 1 lac
- (b) Rs 10 lac
- (c) Rs 100 lac
- (d) Rs 1000 lac

Q79. involves promotion of corporate fairness transparency and accountability in the interest of all stake holders

- (a) risk management
- (b) corporate risk management
- (c) corporate strategies
- (d) corporate governance

Q80. As a part of corporate governance, the concept of fit and proper relates to which of the following aspects

- (a) directors of banks
- (b) management of banks
- (c) to management of banks
- (d) staff of banks

Directions (81-85): Using the following case study , choose the appropriate answers for the questions carefully.

You are working in XYZ Bank as Branch Manager. The staff is hugely confused about the nomination in the various accounts in the branch. They approach you for the suggestions (81 – 85)

Q81. There is an savings account with joint holders, with instruction Either or Survivor. If any one expires, then the proceeds of the account are transferred to ____

- (a) Nominee even if he/ she is a minor
- (b) Nominee if major. If minor, the proceeds transferred to the guardian
- (c) To the other account holder and the account is closed
- (d) To the one in whose favour court gives the ruling

Q82. There is an locker with joint holders, with instruction Either or Survivor. If any one expires, then the proceeds of the locker are transferred to ____

- (a) Nominee even if he/ she is a minor
- (b) Nominee if major. If minor, the proceeds transferred to the guardian
- (c) To the other account holder
- (d) To the other locker holder and the nominee jointly after an inventory is taken in the prescribed manner.

Q83. There is an partnership account with joint holders, with instruction anyone. If any one expires, then the proceeds of the account are transferred to ____

- (a) Nominee even if he/ she is a minor
- (b) Nominee if major. If minor, the proceeds transferred to the guardian
- (c) To the other partner
- (d) To the other partner/s and the nominee jointly

Q84. There is an private limited account with 5 directors, with instruction anyone. If any one expires, then the proceeds of the account are transferred to ____

- (a) Nominee even if he/ she is a minor
- (b) Nominee if major. If minor, the proceeds transferred to the guardian
- (c) No one
- (d) To the other partner/s and the nominee jointly

Q85. There is an loan Cash Credit account with joint holders, with instruction anyone. If any one expires, then the proceeds of the account are transferred to ____

- (a) No one
- (b) Nominee if major. If minor, the proceeds transferred to the guardian
- (c) To the other partner
- (d) To the other partner/s and the nominee jointly

Directions (86-90): Using the following case study, choose the appropriate answers for the questions carefully.

You are a Chief Financial Officer of Alex Bank Ltd, a commercial bank. Your profile is to handle treasury operations. Your CEO has held a meeting with you on present bond market situation. Following are the questions asked to you.

Q86. Your outstanding borrowing transactions in Call and Notice Money is

- (a) 100% of capital funds, on a daily average basis in a reporting fortnight and 125% of capital funds on any given day
- (b) 125% of capital funds, on a daily average basis in a reporting fortnight and 100% of capital funds on any given day
- (c) 70% of capital funds, on a daily average basis in a reporting fortnight and 125% of capital funds on any given day
- (d) 100% of capital funds, on a daily average basis in a reporting fortnight and 100% of capital funds on any given day

Q87. Your outstanding borrowing transactions in Term Money is

- (a) 125% of capital funds, on a daily average basis in a reporting fortnight and 100% of capital funds on any given day
- (b) 100% of capital funds, on a daily average basis in a reporting fortnight and 100% of capital funds on any given day
- (c) Internal board approved limit within the prudential limits for inter-bank liabilities.
- (d) Internal board approved limit without any limits for inter-bank liabilities

Q88. Your CEO wants the bank to issue Certificate of Deposits. What are the limits as per RBI norms ?

- (a) CDs shall be issued only in dematerialised form
- (b) Minimum denomination of Rs. 5 lakhs and in multiples of Rs. 5 lakh thereafter.
- (c) Minimum tenor shall not be less than 7 days and shall not exceed one year
- (d) All of the above

Q89. Your CEO wants the bank to issue Commercial Papers (CP). What are the limits as per RBI norms?

- (a) A CP shall be issued in the form of a promissory note at a discount to face value
- (b) Eligible issuers, whose total CP issuance during a calendar year is Rs. 1000 crore or more, shall obtain credit rating for the issuance of CPs
- (c) Both a and b
- (d) Held in a dematerialized or physical form through any of the depositories approved by and registered with SEBI.

Q90. Your Board wants to buyback the CDs on 10 Jan 2022. It had issued the CDs on 6 Jan 2022. Can your bank buy back the same ?

- (a) Yes. It can buyback any time after issuance
- (b) No. Buyback of CDs at the prevailing market rates can be made only 7 days after the date of issue of the CD.
- (c) Buyback are allowed only if they are issued in physical form
- (d) None of the above

Directions (91-95): Using the following case study , choose the appropriate answers for the questions carefully.

RBI has announced revised guidelines in respect of the Integrated Ombudsman Scheme 2021. You are working in the legal department in your bank. The following are the questions raised by your operations team for clarifications. Kindly answer the questions given below (91 – 95)

Q91. The Scheme integrates the existing three Ombudsman schemes of RBI namely

- (a) (i)the Banking Ombudsman Scheme, 2006; (ii) the Ombudsman Scheme for Non-Banking Financial Companies 2018; and (iii) the Ombudsman Scheme for Digital Transactions ,2019.
- (b) (i)the Banking Ombudsman Scheme, 2012; (ii) the Ombudsman Scheme for Non-Banking Financial Companies 2019; and (iii) the Ombudsman Scheme for Digital Transactions ,2021.
- (c) (i)the Banking Ombudsman Scheme, 2006; (ii) the Ombudsman Scheme for Digital Lenders 2018; and (iii) the Ombudsman Scheme for Digital Transactions ,2019.
- (d) (i)the NBFC Ombudsman Scheme, 2006; (ii) the Ombudsman Scheme for Banking 2018; and (iii) the Ombudsman Scheme for Digital Transactions ,2019.

Q92. “Regulated Entities” (REs) under the new Ombudsman Scheme means

- (a) All Banks (Comm, Coop, Private, etc)
- (b) NBFC and online lenders
- (c) a + b + Credit Information Companies
- (d) Only a and b

Q93. Is the Banking Ombudsman gone now ?

- (a) Yes. there is no Banking Ombudsman now
- (b) Yes. BO has been merged with audit department of RBI
- (c) Both a and b
- (d) No. Every Bank has to have internal ombudsman and it has to solve any case satisfactorily within 30 days

Q94. RB -IOS can handle cases upto what amount ?

- (a) RB-IOs will consider the complaints of customers of REs without any limit on the amount but it should relate to deficiency in service.
- (b) RB-IOs will consider the complaints of customers of REs with a limit on the amount Rs . 10 lacs but it should relate to deficiency in service.
- (c) RB-IOs will consider the complaints of customers of REs with a limit on the amount Rs . 20 lacs but it should relate to deficiency in service.
- (d) RB-IOs will consider the complaints of customers of REs with a limit on the amount Rs . 100 lacs but it should relate to deficiency in service.

Q95. RB -IOS can award compensation upto what amount ?

- (a) A compensation up to Rupees 10 lakh, in addition to, up to Rupees One lakh for the loss of the complainant's time
- (b) A compensation up to Rupees 20 lakh, in addition to, up to Rupees One lakh for the loss of the complainant's time
- (c) A compensation up to Rupees 20 lakh, in addition to, up to Rupees 10 lakh for the loss of the complainant's time
- (d) A compensation up to Rupees 20 lakh, without any amount for the loss of the complainant's time

Directions (96-100): Using the following case study, choose the appropriate answers for the questions carefully.

You are in-charge of you ALCO team in your bank. Your Bank has messed up in reporting to RBI . You have been summoned by your MD and CEO to clear up the mess as early as possible.

Q96. The returns submitted by your bank to RBI on liquid assets were submitted on 25th of every month for the preceding month. Was the submission correct ?

- (a) Yes. It is correct as the return has to be submitted within twenty five days from the end of the month to which it relates.
- (b) No. It is wrong as the return has to be submitted within twenty days from the end of the month to which it relates.
- (c) No. It is wrong as the return has to be submitted within fifteen days from the end of the month to which it relates.
- (d) No. It is wrong as the return has to be submitted within ten days from the end of the month to which it relates.

Q97. The returns submitted by your bank to RBI on showing its assets and liabilities in India as at the close of business on the last Friday of the previous month were submitted on 25th of every month for the preceding month. Was the submission correct ?

- (a) Yes. It is correct as the return has to be submitted by end of the next month
- (b) No. It is wrong as the return has to be submitted within twenty days from the end of the month to which it relates.
- (c) No. It is wrong as the return has to be submitted within fifteen days from the end of the month to which it relates.
- (d) No. It is wrong as the return has to be submitted within ten days from the end of the month to which it relates.

Q98. The annual accounts and balance sheets were submitted to RBI by you bank in the month of August for the preceding year. Is the date as per the RBI norms ?

- (a) Yes. The annual accounts and balance sheet have to be submitted to the Reserve Bank within six months from the end of the period to which they relate.
- (b) No . The annual accounts and balance sheet have to be submitted to the Reserve Bank within two months from the end of the period to which they relate.
- (c) No. The annual accounts and balance sheet have to be submitted to the Reserve Bank within three months from the end of the period to which they relate.
- (d) Yes. The annual accounts and balance sheet have to be submitted to the Reserve Bank within December for Banking Companies.

Q99. Your bank submit to Reserve Bank under Section 25(1) of the Banking Regulation Act, a quarterly return regarding its assets in India by 20th of the proceeding month after the close of the quarter. What can you say about it ?

- (a) It is OK. The return has to be submitted within one quarter of the end of the quarter.
- (b) It is NOT OK. The return has to be submitted within 15 days of the end of the quarter.
- (c) It is NOT OK. The return has to be submitted within 10 month of the end of the quarter.
- (d) It is OK. The return has to be submitted within one month of the end of the quarter.

Q100. Your bank filed within 60 days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI. RBI had an objection on this. What is the correct latest date ?

(a) A banking company has to file within thirty days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI.

(b) A banking company has to file within 15 days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI

(c) A banking company has to file within 60 days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI

(d) A banking company has to file within 90 days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI

Solutions

S1. Ans.(c)

Sol. RBI and Govt. of India have been given the powers to exercise control under provisions of Banking Regulation Act and Reserve Bank of India Act 1934.

S2. Ans.(c)

Sol. Banks fall in the category of statutory corporations, companies and cooperative societies situation.

S3. Ans.(d)

Sol. Banks, saving bank schemes run by the government, and private credit societies can accept deposits withdrawable by cheques. However, financial institutions such as mutual funds, insurance companies, and stockbrokers cannot accept deposits withdrawable by cheque as they are not authorized to operate demand deposits. Financial institutions usually offer investment products such as mutual funds, fixed deposits, and insurance policies, which are not withdrawable by cheques.

S4. Ans.(c)

Sol. A banking company can appeal to the Central govt within 30 days from date of order of rejection

S5. Ans.(d)

Sol. The appeal is possible to the Central govt within 30 days

S6. Ans.(c)

Sol. As per Section 10 A (2) of the Banking Regulation Act (BR Act), at least 51% of the directors of a banking company should have special knowledge or practical experience in the fields of agriculture and rural economy, banking, cooperation, economics, finance, law, small-scale industries, and any other related fields. Therefore, the majority of the directors, i.e. more than 50%, should have the prescribed qualifications.

S7. Ans.(b)

Sol. Capital and reserves are part of the equity of the bank and are not taken as demand and time liabilities for CRR purposes i.e. Section 42 of Reserve Bank of India Act

S8. Ans.(a)

Sol. The directions of RBI to banks u/s 35A of Banking Regulation Act are binding on the banks There are penalties for non-compliance of such directives.

S9. Ans.(b)

Sol. As per Supreme Court judgement in Bol Finance Ltd vs The Custodian such transaction will not be invalidated but RBI can initiate prosecution of the bank concerned

S10. Ans.(a)

Sol. RBI can publish any information it deems appropriate in public interest that it obtained from a banking company

S11. Ans.(c)

Sol. As per Sec 31 of Banking Regulation Act the banking company has to publish its balance sheet and profit and loss account within 6 months from the date to which it relate in a newspaper in circulation at the place where the principal office is located

S12. Ans.(b)

Sol. As per SEBI listing requirement the banks having their shares listed on a stock exchange have to publish their un-audited quarterly results in a news paper

S13. Ans.(c)

Sol. As per RBI mandate, any bank has to prepare the B/s and P&L as per section 29 of the BR act

S14. Ans.(d)

Sol. As per section 29 of BR Act, in the case of foreign banks, the manager or the agent of its principal office in India can sign

S15. Ans.(a)

Sol. As per sec 29 of BR Act, The balance sheet and profit and loss account have to be prepared in the forms set out in the third to the BR Act or as near thereto as circumstances permit

S16. Ans.(b)

Sol. In the case of banking companies, the profit and loss account, which has to be placed before the annual general meeting should relate to the period ending with the last working day of the year immediately preceding the year in which the annual general meeting is held as per the provisions of Section 210 of the Companies Act 1956

S17. Ans.(b)

Sol. Because Clause 41 of the SEBI Listing Agreement requires listed Companies (which includes listed Banking Companies) to furnish unaudited financial results on a quarterly basis. ABC Bank being a foreign Bank is not listed in Indian stock markets.

S18. Ans.(a)

Sol. Banking Regulation Act was made applicable to cooperative banks by enacting Banking Laws (Application to Cooperative Societies) Act 1965



S19. Ans.(c)

Sol. The scheduled cooperative banks have also to maintain CRR as per Section 42 of Reserve Bank of India Act

S20. Ans.(d)

Sol. State Bank and nationalized banks act as agents of RBI for transacting govt business and other business entrusted by RBI

S21. Ans.(b)

Sol. Section 31 of NI Act imposes duty on the bank to make payment of cheques issued by the customer, provided conditions such as sufficient balance, funds properly available for payment of the cheque etc . are satisfied by the customers

S22. Ans.(d)

Sol. All of the above conditions should be satisfied i.e. cheque should be properly drawn and also the cheque should be signed by the customer or his agent

S23. Ans.(d)

Sol. If the cheque is dishonoured wrongfully, the bank is liable to compensate the drawer (and no one else) for loss

S24. Ans.(c)

Sol. In a bank guarantee, the banks undertake to guarantee the financial commitments of their borrowers and/or performance of contracts by their borrowers

S25. Ans.(a)

Sol. It is a financial guarantee where in bank promises the beneficiary to pay if the applicant fails to pay

S26. Ans.(c)

Sol. It is a performance guarantee since bank is guaranteeing the performance of the contract between the borrower and the 3rd party

S27. Ans.(c)

Sol. It can be done by giving a 6 months' notice.

S28. Ans.(a)

Sol. A mortgager in possession of the mortgage property has the legal right to lease

S29. Ans.(c)

Sol. In the absence of a contract or local law or usage to the contrary, a lease of immovable property for agricultural or manufacturing purposes shall be deemed to be a lease from year to year, terminable, on the part of either lessor or lessee, by six months' notice

S30. Ans.(d)

Sol. Banking is defined in Section 5(b) of the Banking Regulation Act, 1949 necessarily performs two essential functions: Acceptance of deposits from the public and Lending or investment of such deposits.

S31. Ans.(c)

Sol. Under Section 22 of the Banking Regulation Act for commencing or carrying on the business of banking' every banking company has to use the word "bank" as part of its name (vide, Section 7 of the BR Act)

S32. Ans.(d)

Sol. All are the businesses of the banking company as per BR Act

S33. Ans.(a)

Sol. As per activities permitted under Section 6(1) of BR Act, Banks are allowed to managing, selling and realizing any property which may come into the possession of the banking company in satisfaction or part satisfaction of any of its claims

S34. Ans.(a)

Sol. Section 8 of the Banking Regulation Act prohibits a banking company from engaging directly or indirectly in trading activities and undertaking trading risks

S35. Ans.(a)

Sol. The two main committees of the Board, as per the mentioned scheme, are the Management Committee and Credit Approval Committee. These committees are delegated powers to consider and sanction credit proposals.

S36. Ans.(d)

Sol. Local Area Banks (LAB) in the private sector were established in 1996 with the aim of bridging the gaps in credit availability and enhancing the institutional credit framework in rural and semi-urban areas. They were expected to provide efficient and competitive financial intermediation services in their operational regions.

S37. Ans.(b)

Sol. As per the Supreme Court judgement in Bol Finance Ltd vs The Custodian, such transaction will not be invalidated but RBI can initiate prosecution of the bank concerned

S38. Ans.(c)

Sol. In case of advance against supply bills the bank shall receive the payment directly from the govt department on the basis of. power of attorney executed by the borrower and registered by the govt department with them

S39. Ans.(d)

Sol. There is no such permission required from the Income Tax Deptt But in case of sale of property of Rs 30 lac or more, information is required to provide under Annual Information Return (AIR) system by the registration authority to the Income Tax Deptt

S40. Ans.(c)

Sol. The document of title to goods represents the control over the goods Hence these documents are pledged to the bank to secure the loan

S41. Ans.(b)

Sol. If the goods are lying in a public warehouse and the warehouseman acknowledges to the bank that he holds the goods on behalf of the bank it is called constructive pledge

S42. Ans.(c)

Sol. Normally the pledge should be on the basis of written agreement but it is possible on the basis of implied agreement from the nature of transaction

S43. Ans.(d)

Sol. All the above type of persons can create a valid pledge

S44. Ans.(b)

Sol. The information at (a), (c) and (d) is internal to the company and given in the Articles of Association.

S45. Ans.(d)

Sol. The companies mentioned at (a): (b: and (c) are included in the classification

S46. Ans.(c)

Sol. A public company is a govt company, if at least 51% of its shareholding is held by the Govt

S47. Ans.(a)

Sol. The Small Finance Bank shall be registered as a public limited company under the Companies Act,2013.

S48. Ans.(b)

Sol. As per BR Act The Small Finance Banks will be given scheduled bank status once they commence their operations.

S49. Ans.(d)

Sol. As per the LICENSING OF BANKING COMPANIES (INCLUDING RBI LICENCING POLICY FOR UNIVERSAL BANKS AND SMALL FINANCE BANKS/BRANCH LICENSING) eligible Promoters should comply with 'Fit and Proper 'criteria of RBI

S50. Ans.(c)

Sol. As per RBI guidelines, a temporary branch for less than thirty days in a town, where a bank has an existing branch, does not require permission from Reserve Bank.

S51. Ans.(a)

Sol. Any banking company aggrieved by the decision of the Reserve Bank cancelling a license under Sub-sections (5) and (6) of Section 22 of the BR Act section may, within thirty days from the date on which such decision is communicated to it, appeal to the Central Government.

S52. Ans.(d)

Sol. Company and shareholders are separate entities due to which for the actions of the company or of the shareholder, they are not liable to each other For actions of the partner a firm is liable only when the actions are for the firm and in normal course of business and in a normal manner

S53. Ans.(b)

Sol. Section 25 companies can be exempted from including the word ' limited' in their name after obtaining licence from Regional Director.

S54. Ans.(c)

Sol. Section 25 companies can be exempted from including the word limited' in their name after obtaining licence from Regional Director.

S55. Ans.(d)

Sol. Companies registered under Companies Act are not QIB unless they get registration from SEBI

S56. Ans.(b)

Sol. When a reconstruction company issues security receipts to the Qualified Institutional Buyers representing undivided interest in the financial assets the transaction is known as securitization of financial asset

S57. Ans.(d)

Sol. Within the meaning of SARFAESI Act the pledge or lien are not included in the term security interest

S58. Ans.(d)

Sol. Under SARFAESI Act the Central Govt has the authority to set up Central Registry

S59. Ans.(d)

Sol. A registration with Central Registry does not mean the registration provisions in other Laws shall be waived So registration will continue with other Acts also as required.

S60. Ans.(b)

Sol. The time period is 30 days of date of such transaction or creation of security

S61. Ans.(b)

Sol. The bank is required to implement the Award passed by Ombudsman within 30 days from date of receipt of acceptance of the order from the customer If customer does not give acceptance, the award is not binding on the bank

S62. Ans.(d)

Sol. The appeal cannot be kept pending It has to be decided

S63. Ans.(a)

Sol. The Act came into operation wef 24 6 93. Applicable through out India including J & K

S64. Ans.(d)

Sol. There is no specified ceiling on a person's holding of shares except section 12 B resulting in the party owning more than 5% of the paid up capital of the Bank

S65. Ans.(b)

Sol. No person holding shares in a banking company shall, in respect of any shares held by him, exercise voting rights on poll in excess of ten per cent of the total voting rights of all the shareholders of the banking company.

S66. Ans.(d)

Sol. No suit or other proceeding shall be maintained against any person registered as the holder of a share in a banking company

S67. Ans.(c)

Sol. the payments on Commission, brokerage, discount account in any form should not exceed two-and-a-half per cent of the price at which the said shares are issued-

S68. Ans.(d)

Sol. As per the extant guidelines of Reserve Bank of India, Banking companies will be eligible to declare dividends only when The proposed dividend should be payable out of the current year's Net profit. The Bank should have: CRAR of at atleast 9% for preceding two completed years and the accounting year for which it proposes to declare dividend Net NPA is less than 7%

S69. Ans.(c)

Sol. When RDDB Act {DRT Act) and Companies Act are in contradiction to each other the RDDB Act {DRT Act) will prevail over the Companies Act

S70. Ans.(a)

Sol. The RDDB Act (DRT Act) provisions prevail over the provisions of Companies Act due to which no permission from High Court is required.

S71. Ans.(b)

Sol. Doctrine of Election is based on principles of equity. Under any instrument if two rights are conferred on a person in such a manner that one right is in lieu of the other, he is bound to elect only one of them

S72. Ans.(d)

Sol. If loss has been suffered by a no of consumers who are not identifiable conveniently the Distt Forum may order to pay such sum which shall not be less than 5% of the value of such goods

S73. Ans.(b)

Sol. If a person is aggrieved by the order of Distt Forum he can appeal to State Commission within 30 days from date of order

S74. Ans.(a)

Sol. If appeal is to be made by a person against decision of Distt. Forum, declared liable to make the payment he has to deposit 50% of the amount of the order or Rs 25000 whichever is higher

S75. Ans.(b)

Sol. It is 12 years from date of mortgage

S76. Ans.(c)

Sol. The defendant is not required to set up a plea of limitation The court itself takes care of this aspect The acknowledgement through any document extends the limitation period The definition of suit does not include the appeal and application.

S77. Ans.(b)

Sol. A suit is deemed to have been filed when the application is presented before the proper officer

S78. Ans.(c)

Sol. The compensation can be up to Rs. 100 lac

S79. Ans.(d)

Sol. Given option being correct no explanation is required

S80. Ans.(a)

Sol. Given option being correct no explanation is required

S81. Ans.(c)

Sol. Proceeds of any joint account are to be transferred to the other account holder, if one of them becomes expired, lunatic or bankrupt

S82. Ans.(d)

Sol. The proceeds of a jointly held locker are transferred to the other locker holder and the nominee jointly after an inventory is taken in the prescribed manner

S83. Ans.(d)

Sol. The proceeds of the partnership account are transferred to the remaining partners and the nominee of the expired partner and the account is closed.

S84. Ans.(c)

Sol. Company is a separate individual than the directors. Hence no closure or transfer happens

S85. Ans.(a)

Sol. Cash Credit is the loan and not the right of the customer. Hence the recovery action needs to be taken and no transfer of proceeds happens

S86. Ans.(a)

Sol. The Reserve Bank of India (Amendment) Act, 2006 (Section 45W) empowers in public interest to regulate the financial system of the country provides 100% of capital funds, on a daily average basis in a reporting fortnight and 125% of capital funds on any given day

S87. Ans.(c)

Sol. The Reserve Bank of India (Amendment) Act, 2006 (Section 45W) empowers in public interest to regulate the financial system of the country provides limit as Internal board approved limit within the prudential limits for inter-bank liabilities.

S88. Ans.(d)

Sol. All of them are true

S89. Ans.(c)

Sol. According to RBI norms, a Commercial Paper (CP) shall be issued in the form of a promissory note at a discount to face value and eligible issuers, whose total CP issuance during a calendar year is Rs. 1000 crore or more, shall obtain credit rating for issuance of CPs.

S90. Ans.(b)

Sol. Buyback of CDs at the prevailing market rates can be made only 7 days after the date of issue of the CD

S91. Ans.(a)

Sol. The years and names are wrong in remaining options

S92. Ans.(c)

Sol. RE includes all banks, NBFCs and CIC (like CIBIL)

S93. Ans.(d)

Sol. Every Bank has to have internal ombudsman and it has to solve any case satisfactorily within 30 days. If not solved, the customer can go to Integrated Ombudsman

S94. Ans.(a)

Sol. RB-IOB will consider the complaints of customers of REs without any limit on the amount but it should relate to deficiency in service. There is no cut off of amount to refer a complaint for redressal. Integrated Ombudsman can pass an Award for any direct perceived loss/consequential loss suffered by the complainant.

S95. Ans.(b)

Sol. A compensation up to Rupees 20 lakh, in addition to, up to Rupees One lakh for the loss of the complainant's time, expenses incurred and for harassment/mental anguish suffered by the complainant can be awarded by the ombudsman depending upon the proven deficiency of service.

S96. Ans.(b)

Sol. Every banking company has to submit a return of its liquid assets under Section 24(3) of the Banking Regulation Act. The return has to be submitted within twenty days from the end of the month to which it relates.

S97. Ans.(a)

Sol. Every month, a banking company has to submit to the Reserve Bank a return under Section 27 of the BR Act, showing its assets and liabilities in India as at the close of business on the last Friday of the previous month.

S98. Ans.(c)

Sol. The annual accounts and balance sheet have to be submitted to the Reserve Bank within three months from the end of the period to which they relate. The Reserve Bank may extend the time by a further period of three months.

S99. Ans.(d)

Sol. A banking company has to submit to Reserve Bank under Section 25(1) of the Banking Regulation Act, a quarterly return regarding its assets in India. The return has to be submitted within one month of the end of the quarter. The return has to be filed in the form prescribed in the Rule 14A of the Banking Regulation (Companies) Rules.

S100. Ans.(a)

Sol. Under Section 26 of the BR Act, a banking company has to file within thirty days of the close of each calendar year a return on unclaimed deposits (not operated for ten years) with the RBI.

