

**Sample questions for written test for promotion from Officer Scale –I to Scale –II**

1. **What do you infer if DSCR is 0.8 ...**
  - a. It is not satisfactory but acceptable
  - b. We may ignore this since there are other parameters also to judge the proposal
  - c. Chances of default by the customer are almost certain
  - d. From DSCR we cannot judge the repaying capacity of the borrower
  
2. **What is the basic difference between the charge of 'Hypothecation & Pledge'....**
  - a. Ownership of the stocks is of the bank
  - b. Possession of the stocks is with the bank
  - c. Both Ownership & Possession of the stocks is with the bank
  - d. Possession & the Valuation of the stocks is with the bank
  
3. **Limit = 700, Stocks = 1400, Creditors = 500, Insurance of Stocks = 1200, Margin = 40%, Bills Sublimit = 100, Bills Receivables = 160, Margin on Bills = 50%, Mortgage of Showroom = 2000. How much the bank should allow the customer to withdraw ...**
  - a. 700
  - b. 620
  - c. 500
  - d. 800
  - e. 780
  
4. **Exporter of goods requests his bank to finance him to execute the export order. The exporter is not in a position to offer any security to the bank. The bank advises him to get an LC from the importer which will authorize the bank to release pre-shipment finance to the exporter at the instance of the LC Issuing Bank. Which of the following type of LC the exporter should get...**
  - a. Green Clause
  - b. Confirmed
  - c. Red Clause
  - d. Irrevocable
  - e. Standby
  
5. **A Non Resident Indian living in Jamaica requests you to open an NRE FDR of Rs.20 Lac for 5 years. You are aware that the NRE FDR can be opened for 3 years only. What action you will take...**
  - a. Refer to your Regional Office with a request to authorize you as a special case
  - b. You will decline the request of the customer since RBI does not permit to open NRE FDR for more than 3 years
  - c. You will open the NRE FDR for 5 years, since FCNR can be opened for 5 years and offer the rate of interest as applicable for 5 years
  - d. You will open NRE FDR for 5 years and offer the rate of interest as applicable for 3 years only
  
6. **Provision required for an account which is NPA for a period of 48 months is .....% of Realizable Value of Security & .....% of the shortfall in security.....**
  - a. 20, 50
  - b. 20, 100
  - c. 30, 100
  - d. 100, 100
  
7. **Upto what amount housing loan given to other than a staff member will be considered as a Priority Sector Advance....**
  - a. Rs.10 Lac
  - b. Rs. 20 Lac
  - c. Rs.30 Lac
  - d. No limit

**8. Equitable mortgage was created on 2<sup>nd</sup> Mar.2011 while Registered mortgage was created on 11<sup>th</sup> Mar.2011 and registered on 14<sup>th</sup> Mar.2011. Which mortgage will have the priority.....**

- a. Registered Mortgage
- b. Equitable Mortgage
- c. Both will have *pari passu* charge
- d. Charge will be in the proportion of the amount lent

**9. Guarantor's right to receive the charged securities from the creditor upon payment of the amount due is called....**

- a. Right of Subrogation
- b. Right of Foreclosure
- c. Right of Pledge
- d. Right of Securities

**10. What is that tool called which RBI uses to absorb excess liquidity from the money market....**

- a. Repo
- b. Reverse Repo
- c. Liquidity Adjustment Facility
- d. All of these