Test 1: Updation of Credit Matters Since Oct 2023

1. As per HO Cir 520/24 which is **not** correct with regard to ECAI Rating of borrowal accounts? a) Exposures of Rs 25 cro and above to be ECAI rated b) For exposures of above Rs 100 cor if not rated additional interest of 1.00% to be collected. c) Waiver is valid till next renewal / review d) ED CAC is the authority to waive ECAI Rating

2. Tick the odd man out: a) CARE b)CRISIL c) ICRA d)INFOMERICS d) FITCH

3. As per HO Cir 477 /24 & 520/24 if a ECAI Rated account becomes unrated what additional interest to be charged? A) 0.50% b) 1% c) 1.50% d) None of these

4. Concession in interest rate to be given if there is an upgradation in rating only if the exposure is -----.

5. Which is correct with regard to valuation as per HO Cir 801/23? A)Bank to obtain 2 valuation reports from different valuers in loan account where the value of immovable property taken as collateral is Rs 5 cro and above b)If the basis of valuation is the same and if the value differs to the extent of more than 15% then average of the two to be taken into account c)Maximum number of stock audit to be entrusted to a stock auditor in a FY is six d)a&c are correct e) a to c all correct

6. Which is not correct with regard to periodical valuation of immovable property (other than Retail Lending and Agri) a) Valuation to be once in three years b)Circle Head CAC can permit the periodicity for lesser frequency c) If valuation is carried out at a frequency of less than 36 months then 85% of the value of the latest valuation report to be taken d) None of these

7. Whose permission is required for transfer of loan accounts between branches in different Circles? a) Circle Head CAC b)CGM/GM HO CAC and above authorities c)Branch head of the transferor branch if the branch is headed by Scale 4 and above d) Branch head of the transferee branch .

8. Which is **NOT** the odd man out with regard to loans against domestic term deposit to the depositors. A) 2% above the deposit rate irrespective of loan amount.b) Margin 10% c)1% above the deposit rate for loans upto and inclusive of Rs 2 cro and 2% above the deposit rate for loans above Rs 2 cro d)None of these

9. The value of domestic Fixed deposit is Rs 1 cro. It is VLB and the branch in charge is scale 4. What is the maximum amount of loan Senior Manager of the VLB can sanction to the depositor against this FD with margin of 10%? A) Rs 90 lac b) Rs 95 lac c) Rs 50 lac d) Only branch in charge can sanctione e) None of these

10. Pass port details of borrowers to be updated in which Fast Path in CBS? A)BA 188 b) BA 189 c)CIM 22 d) CIM 61

11. Identify the ODD Man out with regard to Legal Entity Identifier? A) not to be obtained for individual borrowers and Department / Agencies of central and State Govts b) It is 20 digit numeric number c)exposure of Rs 5 cro and above upto Rs 10 cro to be obtained by 30.4.2025 d) Exposure to include all credit and investment exposures from all banks and Financial Institutions

12. Which is the revised guidelines with regard to Project appraisal as per HO Cir 787/23? 1)For new customers to be done for project cost of Rs 10 cro and above for medium & Long Term Proposals 2)For existing borrowers who are dealing with us for less than 3 years if internal rating is CNR VII & CNR VIII or external rating is BB to be done if project cost is Rs 10 cro and above 3) for existing customers who are dealing with us for more than 3 years if the project cos is Rs 20 cro and above and if they are rated externally BBB and better to be done 4) For existing borrowers who are dealing with us for more than 3 years if internal rating is CNR VII & CNR VIII or external rating is BB to be done if project cost is Rs 10 cro and above 5) For new customers agricultural terms loans for to be appraised by Agricultural Innovation Centre if the

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project cost is above Rs 750 lac as against Rs 500 lac earlier. a) 1 & 2 are correct b) 1, 2 &3 are correct c) Except 5 all are correct d) 1 to 5 all are correct

13. The validity period of Solvency and Capability certificates is 1 year as per HO Cir 787/23. Which is not correct with regard to this statement? A) reduced from 5 years to 1 year b) Increased from 6 months to 1 year c) Reduced from 2 years to 1 year d) None of these

14. Which is **NOT** correct with regard to Jewel appraiser as per HO Cir 71/2024? A) Maximum age 65 years b) A Jewel appraiser can be continuously engaged in a branch for 6 years. c) He can be re engaged in the same branch after 6 years. d) The security deposit of jewel appraiser in RO Panel is Rs 25000.

15. Which is **NOT** the present guidelines with regard to obtention of encumbrance certificate where immovable properties are mortgaged to the bank as per HO Cir 516/24? a) To be obtained within 36 months from the date of mortgage and subsequently every 36 months b) Charges to be borne by the borrower. c) Maximum charge payable to any agent or advocate is Rs 500 per mortgaged property besides the actual charges payable to Govt departments. D) Applicable to all accounts other than NPA accounts e) None of these

16. Which is **NOT** correct with regard to release of loan documents as per HO Cir 99/24 reproduced in HO Cir 516/24? A) to be released within 30 days of closure of loan account by clearing all charges registered with the registries b)If documents are not traceable bank to make arrangement to get duplicate documents within 60 days of closure of loan account c) If borrower fails to collect within 30 days safe keeping charges of Rs 500 (for Gold Loan Rs 200) per month to be collected d)Immediately on closure of loan if borrower does not collect the document within 15 days of closure of loan first reminder to be sent and if not collected within 25 days second reminder to be sent e) None of these

17. Which one does not match with regard to revised risk weight for credit exposures as per HO Cir 852/2023 wef 16.11.2023? a) Credit Card Receivables increased from 125% to 150% b)Consumer credit (personal loans) other than HL, Vehicle, EL and Gold Loan) 125% as against 100% earlier c) Bank credit to NBFCs (other than Core Investment Companies) if risk weight to be assigned based on the Risk rating of ECAI is less than 100% then 25% additional risk weight to be assigned. d)Loans to NBCss which are eligible to be classified as Priority the additional risk weight of 25% not applicable e) All match correctly

18. Bank has kept a Risk weight of 50% for a HL sanctioned on 10.5.2023 for a loan amount of Rs 25 lac. What should be the LTV ratio of this loan based on the options given below? a)75% b)70% c)95% d)85%

19. What is the risk weight to be assigned for ECGC Guaranteed accounts ? a) Nil b) 50% c) 75% d) 20%

20. Which is NOT correct with regard to CGTMSE cover for Informal Micro Enterprises (IME) which are exempted from GST regime as per HO Cir 101 and 597/24? a) registered with Udyam Assist Platform (UAP) b)For credit facilities upto Rs 20 lac c) Maximum guarantee cover is 85% d)For invoking guarantee initiation of legal action is waived upto Rs 10 lac e) All are correct

21. Which is correct with regard to updation of credit information by Credit Information Companies (CICs) received from Credit Institutions (Cis) as per HO Cir 318/24? 1)CICs to send SMS / email to customers when their CIRs are accessed 2)CICs to provide free access to customers in their web sites Free Full Credit Report once in a calendar year Jan to Dec every year 3)When Cis are informed about the inaccuracy of the data either by customers or by CICs to send corrected data or reply within 21 calendar days 4)CICs to update corrected information within 9 calendar days 5)If complaints received from the customer if not resolved within 30 calendar days a compensation of Rs 100 to be paid within 5 days of resolution of the complaint a) 2 to 5 all are correct b)5 only correct c)Except 2 all are correct d) 1 to 5 all are correct

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22. Which is not correct with regard to fresh loan to OTS settled borrowers as per HO Cir 257 and 539/24? a)If sacrifice amount as percentage of book liability in our bank or percentage of outstanding in other banks is more than 25% the cooling period for fresh loan in our bank is 60 months from the date OTS. B)ED CAC can waive additional cooling period beyond 24 months and no authority is empowered to waive cooling period upto 24 months c)Write off amount upto Rs 10,000 in other banks may be ignored beyond 24 months by RSAs d)Agricultural gold loans upto Rs 1 lac can be sanctioned after 3 months of paying the OTS amount by RSAs and after 6 months of paying the OTS amount RSAs can sanction agricultural gold loan upto their delegated powers e)All are correct

23. What is the maximum delegated power for sanctioning gold loan to branches headed by Scale I per borrower ? a) Agri Rs 35 lac, MSME 35 lac and Swarna Rs 35 lac but maximum per borrower all put together is Rs 25 lac b) Agri 35, MSME 35 and Swarna 35 maximum Rs 70 lac per borrower c) Agri 35, Swarna 35 maximum per borrower Rs 70 lac d) None of these

24. Which is **NOT** correct with regard to introduction of Risk Tier for retail loans as per HO Cir 198/24 and 516/24? a) Under Retail loan CRG 3 is classified as Near Prime and CRG 4 is Sub prime customers b) where GRC score is not applicable Credit Score of 730-681 is Near prime and 300-680 is sub prime c)For sub prime customers accounts falling upto the delated power of RO head CAC to be sanctioned by Next Hihger Authority (NHA) d) additional interest of 0.30% to be charged for sub prime customers

25. Which is the ODD man out in respect of penal charges for prepayment of credit facilities to other banks / FIs? A) For Working capital Fund based 2% on sanctioned limits and for Non Fund based 0.50% on sanctioned limits b)No prepayment penalty for borrowers under MSME both for TL as well as Working Capital c)Not to be collected for all floating rate term loans to individual borrowers for purpose other than business d) None of these

26. Who is empowered to permit release of third party properties mortgaged to the bank during the pendency of the loan as per HO Cir 257 and 539/24? a) Respective Sanctioning authority b) RO head CAC and above authorities c) during the pendency of loan mortgaged properties can not be released d) Next Higher authority e) Circle Head CAC and above authorities e) I am not answering this question

27. As per HO Cir 409/24 Agri GL OD for Crop purpose and allied activities (Product Codes 269 & 890) – Loan amount not to exceed ----% of the appraised value or the scale of finance (in respect of crop cultivation) and for allied activities assessed working capital which ever is less. A) 90% b) 80% c) 75% d) 85%

28. Which one does **NOT** find a place in HO Cir 394/24 EHL? a) Substaff Rs 50 lac b) Scale 4 Rs 150 lac c) Scale 8 Rs 190 lac as against Rs 130 lac earlier d) None of these

29. Which one is **NOT** an ODD man for take over as per HO Cir 516/24? A)If a borrower closed his retail loan in other bank out of his own source and approaches our bank for fresh finance after 10 days it need not be considered as take over.b) Takeover of credit proposals by our bank from any Bank where any of our Whole Time Directors (WTDs) have worked earlier CGM/GM HO CAC can permit upto their delegated power c) The minimum 1 year of existence with other bank (for exposure upto Rs 100 cro and 2 years for more than Rs 100 cro) prior to take over is necessary in respect of good borrowers who left our bank for better pricing though they had good relationship with our bank**.** d) the account should not have appeared in SMA 2 in other bank in the last 18 months e) Options a to d all are correct

30. Which is the correct guideline in respect of obtention of documents for adhoc credit facilities? A) If Adhoc credit facility is permitted for a period of more than 30 days as secured or more than 15 days as clean, documents as applicable shall necessarily be obtained b) If adhoc credit facility permitted for a period not more than 30 days as secured and not more than 15 days as clean, loan papers as applicable shall be obtained if such overdrawing are not regularised within the specified time of 30 or 15 days. c) Irrespective of period of the facility documentation to be obtained before the release of adhoc credit facility d) None of these

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31. What is the cut off date for submission of availability of loan documents including closed loans which are yet to be delivered to customers by branches to controlling office as per HO Cir 600/24 a) 20th Feb and 20th Aug every year b)10th March and 10th Sep c)28th Feb and 31st Aug d)20th March and 20th Sep

32. As per HO Cir 13/24 Canara Bank Proposal Rating (CBPR) is applicable for new as well as renewals with enhancement proposal of Rs---- Cro and above under MSME, Agri (Infrastructure & Food Processing) and Corporte accounts.

33. For all new loans sanctioned (wherever applicable) on or after 16.1.2024 the liquidity premium for loans repayable after 1 year revised as per HO Cir 30/24. Which one does NOT find a place in that Circular? a) Repayable more than 1 year upto 2 years 0.10% b) More than 5 year upto 7 years 0.30% c) more than10 years 0.80% d) more than 3 years upto 5 years 0.25%

34. As per HO Cir 39/24 who is the authority to permit valuation of assets of certain complex projects by valuers having domain expertise upto Circle Head CAC Power accounts?

35. As per 39/24 the individuals / Firm should have minimum industry/domain experience of 5 years with technical back ground or should have handled minimum 10 High value projects with project cost of Rs --- cro and above.

36. In the case of individuals who are going to be empanelled as valuers as domain experts the age should not be more than --- years

37. The duration of the empanelment is 2 years and can be extended for another 3 years. There after it will be renewed every --- years

38. What is the incentive to Bank Sakhis for opening SHG SB account ? Rs 300 per account. For Credit Linkage Rs 500 per account

39. Free Credit Score is available to mobile banking customers once in 90 days from which CIC as per HO Cir 145 / 24

40. As per HO Cir 192/24 branch head / officer of the base branch should visit the BCA outlet once in a ---

41. BCAs services should not be utilised inside the branch premises and within how many meters of the branch premises?

42. RO officials to visit 50% of the BC outlets once in a --- and 100% once in a ---

43. BCA meet to be held in RO before --- of Every month

44. As per HO Cir 210/24 what is the threshold limit of exposure for classifying an account as Red Flagged Account (RFA) based on EWS (early warning Signals)?

45. What is the periodicity of meeting of Risk Management Group Committee (RMG Committee) at Circle?

46. Which committee will decide to classify an account as RFA?

47. What is the time line to classify an account as fraud or remove the Red Flag?

48. How many EWS are given by RBI and DFS?

49. What is the product codes of Gold Loans is discontinued as per HO Cir 239/24 wef 1.4.24?

50. As per HO Cir 218/24 a new sanction memorandum format has been introduced for what loans?

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51. How many area specific schemes are there under MSME for the year 2024-25 against 16 in the previous year as per HO Cir 252/24

52. As pre HO Cir 276/24 for oral or telephonic permission for adhoc, extension of limits etc has to be routed through SAS based portal. Hence submission which format is dispensed with?

53. As per HO Cir 283/24 who is the Chairman of District Level Consultative Committee?

54. As per HO Cir 315/24 what is the processing Charges along with Documentation and Inspection charges to be collected from SHG at the time of Credit linkage for loan amount beyond Rs 25000 and upto Rs 5 lac?

55. As per HO Cir 327/24 under DAY-NRLM how much percentage of beneficiaries to belong to SC/ST category?

56. ---% of DRI advances should be for SC/ST beneficiaries

57. What is the maximum amount of HL that can be provided to SC/ST beneficiaries under DRI scheme?

58. For financing under DRI Scheme besides income criteria the size of land holding should not exceed --- acres of irrigated land and --- acres of unirrigated land (not applicable for SC/ST beneficiaries)

59. As per HO Cir 329/24 for central sector interest subsidy scheme (CSIS) 2022 for ELs sanctioned on after 1.4.2022 if the loan amount is beyond Rs --- lac and upto Rs --- lac subsidy available irrespective of third party guarante or collateral.

60. Interest subsidy for EL for students belonging to minority communities perusing masters degree abroad (Padho Pardesh Interest subsidy scheme) is available for loans sanctioned on or after 1.4.2013 and upto 311.3.2022. To avail the subsidy the annual income should not exceed Rs --- 355/24

61. Dr Ambedkar Central Sector Interest Subsidy Scheme on EL for overseas studies for OBCs and EBCs is available for ELs sanctioned between ---. as per HO Cir 356/24

62. The income criteria to avail the subsidy is not to exceed Rs --- for OBCs and not to exceed Rs --- EBCs.

63. Employees, Doctors and Professors of Manipal Education and Medical group (MEMG) is eligible for certain concessions in HL and Canara Vehicle (4 wheeler) under special package as per HO Cir 337/24. As per the Circular the additional interest for acquiring 3rd Housing Unit under HL-CRE is ---.

64. What is the guideline as per HO Cir 8/23 and 361/24 in respect of LSR given by Panel advocates?

65. AS Per HO Cir 158/24 what is the purpose of BI report 371047 C?

66. As per HO Cir469/24 branches to collect how much service charges wef 1.8.24 for handling discrepant documents received under LC?

67. Who is the authority to permit renewal / extension of bank guarantees in NPA accounts as per HO cir 431/24?

68. In respect of limits of above Rs --- cro Passport details of promoters, director guarantor to be obtained and updated in CBS.

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69. For exposure above Rs --- cro in respect of all prospective borrowers and if a borrowal account with an amount exceeding Rs 50 cro slip to NPA report about the borrowers from Central Economic Intelligence Bureau to be obtained

70. Which of the following is NOT a guideline with regard to CTGMSE coverage as per HO Cir 175/24? A) CGTMSE cover can be waived in respect of a new borrower if he provides Primary Security or Primary & Collateral Security put together in the form of land and building, vacant land, approved securities to the minimum extent of 125% of sanctioned limit b) Vacant land can be accepted to the maximum extent of 25% of the stipulated security comfort (in terms of value) and is SARFAESI compliant, c) In case of existing borrower ,the borrower provides primary security or primary and collateral security put together in the form of land and building to the extent of 75% of the sanctioned limit or (75% of the exposure if more than one limit is sanctioned) in addition to the security of assets created out of our finance. D) The borrower should have been rated as low & Normal risk e) None of these

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