

IRAC&P Norms and Recovery

1. When the overdue in a Term Loan account is more than 30 days and upto 60 days it is classified as a) SMA 0, b) SMA 1, c) SMA 2 d) SWL Account
2. The due date of a Term loan is March 31st 2022 .Before the day end process of 31st March 2022 the full dues are not recovered. From which date this account will be classified as SMA 0? A) 31st March 2022 b) 1.4.2022. c) 2.4.2022 d) None of these
3. When the above account will be classified as NPA if the overdues are not recovered? A) 30.6.2022 b) 1.7.2022 c) 29.6.2022 d) 2.7.2022
4. A OCC account will be classified as SMA 0 if outstanding balance remains continuously in excess of sanctioned limits or drawing power which ever less between a) 1 day to 30 days. B)31 days to 60 days c) 61 days to 90 days d) None of these
5. What is an Out of Order Advance as per RBI notification dated 17th Nov 2021
1) the outstanding balance in the CC/OD account remains continuously in excess of the sanctioned limit/drawing power for 90 days 2) the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but there are no credits continuously for 90 days. 3)the outstanding balance in the CC/OD account is less than the sanctioned limit/drawing power but credits are not enough to cover the interest debited during the previous 90 days period.
a) 1 b) 2 c) 3 d) 1 to 3 all e) Either 1 or 2 or 3
6. As on 13.7.22 a OCC account with limit of Rs 10 lac had liability of Rs 5 lac. Interest debited on 30th Apr 22 was Rs 4200, on 31st May was Rs 4,400 and on 30th June was Rs 4,500. Credits in the account on 15h Apr Rs 4,000 and on 15th May Rs 8000. This account will become out of order on which date for insufficient credit in the previous 90 days?
7. Which is ODD Man out? A) All Out of Order advances are NPAs b) If stock statement is not submitted for more than 3 months from the due date the account is called irregular Account. c) A term loan will become NPA if interest and or instalment is over due for more than 90 days c) A OD/OCC account will become NPA if outstanding balance continuously is in excess of Drawing Power or Limit for more than 90 days.e) None of these
8. All SMA accounts are a) Standard Asset b) NPA c) Sub Standard Asset d) Doubtful Assets
9. The cut off limit of borrowal accounts to be reported to Central Repository of Information on Large Credits (CRILC) is a) Rs 5 cro and above b) Rs 3 cro and above c) Above Rs 5 cro d) Above Rs 3 cro

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10. What is the periodicity of submission of data to CRILC? a) Monthly b) Weekly c) BI monthly d) a&b
11. For the purpose of internal follow up SMA E includes accounts with exposure of Rs -- lac and above a) 100 b) 25 c) 500 d) 1 cro
12. If an account with exposure of Rs 25 cro and above appears in SMA 2 continuously in a quarter a note to be placed to whom at the end of the quarter? A)ED overseeing Stressed Asset Management Wing b) ED overseeing Credit Administration and Monitoring Wing c) GM HO CAC d) Concerned Circle Head with a copy to HO
13. Sub Standard assets are classified into how many categories? a) 3 b) 4 c) 1 d) None of these
14. A Substandard account will remain in this category for how many years? a) 12 months b) 24 months c) 36 months d) None of these
15. Doubtful assets are classified into how many categories? a) 3 b) 4 c) 5 d) 1
16. A doubtful account more than 3 years (DA>3) will remain in this category for how many years? a) 12 months b) 24 months c) 36 months d) Uncertain period
17. Which is NOT relevant with regard to provision for SSA? a) Secured sub standard 15% b) Unsecured sub standard infrastructure 20% c) Un secured sub standard (others) 25% d) Provision for sub standard will be calculated on Book Liability less realizable value of security. e) All options are relevant.
18. Which is the ODD man with regard to provision for Standard Advance? a) Farm Credit and MSME 0.25%. b)CRE exposure 1% c) Restructured under RF 2 10% d) Individual HL Sanctioned after 7.6.17 0.25% e) None of these
19. An Term account has started showing overdue on 22nd Feb 22, 2022 . The liability is Rs 10 lac and security value is Rs 7 lac. If the overdues are not recovered what is the asset classification of this account as on March 31st 2023 and what will be the provision on March 31 2023 ? a) Unsecured SSA Rs 2.50 lac b)Secured SSA Rs 4 lac c) Secured SSA Rs 1.50 lac d) None of these
20. If an account become SSA on 30th March 2013 and the book liability is Rs 10 lac and security value is Rs 6 lac . What is the asset classification for this account on 31st March 2018 and the provision required for this account on 31st March 2018 a) DA1 Rs10 lac b) DA>1-3 Rs 5 lac c)DA>3 Rs 10 lac d) None of these
21. The book liability of NPA account is Rs 6 lac. The collateral value is 3 lac and prime security value is Rs 2 lac. Guarantors net worth is Rs 10 lac. What provision you will keep for this doubtful account of more than 1 year and upto 3 years (DA>1-3) as on 31st March 2021? A) Rs 1 lac b) Rs 3 lac c) Rs 2 lac d) Rs 6 lac

22. A Canara budget loan became NPA on 30th Nov 2020. What is the asset classification for this loan on 30th Nov 2021? A) DA 1 b) DA>1-3 c) Loss d) Unsecured SSA
23. An NPA account with balance of Rs 10 lac. Value of Security is Rs 1.50 lac. The account is more than 3 years DA (DA>3). Provision for this account is a) Rs 8.50 lac b) Rs 10 lac c) Rs 1.50 lac d) Rs 9.40 lac
24. An NPA account with balance of Rs 10 lac secured by CGF guarantee cover of 75%. Value of security is 1.50 lac. Account is more than 3 years DA. (DA>3). Provision for this account is a) Rs 10 lac b) Rs 2.50 lac c) Rs 9.40 lac d) Rs 3.625 lac
25. A pre shipment export credit DA>1-3 has debit balance of Rs 4 lac. The security value is Rs 1.50 lac and ECGC cover available is 50%. What provision required for this account? a) Rs 4 lac b) Rs 2.50 lac c) Rs 2 lac d) Rs 1.85 lac
26. Account DA1. Liability is Rs 10 lac. Prime security is Rs 2 lac. Collateral is Rs 3 lac. Guarantors net worth is Rs 20 lac. CGTMSE cover is 50%. What is the provision required for this account? a) Rs 3.75 lac b) Rs 10 lac c) Rs 5 lac d) None of these
27. In a OCC account if stock statement is not submitted for more than 3 months from the due date and hence the drawing power calculated from stock statement is older than 3 months it is called as ----- OD/OCC account. **a) Irregular** b) Out of Order c) NPA d) None of these
28. In a CC account the DP was arrived based on the stock statement dt 31st March 2019. If further Stock statements are not submitted for how many months the account will become NPA. a) 3 b) 6 c) 9 d) 12
29. In a OCC account limit expired on 1st Nov 2020. If the limit is not renewed for how many days the account will Slip to NPA?
30. Sub Standard, Doubtful and Loss Assets are called –a) SMA b) SWL c) Red Flagged accounts d) None of these
31. What is the accelerated provision for DA1?
32. Under OTS the compromise amount is calculated after taking into --- cost. A) Follow up cost b) Variable cost c) Maintenance cost d) Opportunity cost
33. In the case of advances given for short duration crops and if interest/instalments remains over due for two crop seasons, the account will be classified as NPA. Short duration crop for IRAC purpose is a) Harvest is within 12 months b) Harvest is within 18 months c) Harvest is within 24 months d) None of these
34. Though the liability continues to be more than the limit sanctioned even beyond so long as there is no erosion in margin loans sanctioned against which of the

- following security need not be classified as NPA in the normal course? A) NSC b)LIC Policy c)KVP d)Bank deposits e) Govt securities f) all of these.
35. In a Central Govt guaranteed account Principal and Interest become over due for more than 90 days. But the central Govt not yet repudiates the guarantee. This account has to be classified as a) NPA and all IRAC norms are applicable b) Need not be classified as NPA but income from this account should not be recognised c) It should be treated as performing asset d) None of these .
36. What is correct with regard to lodging criminal complaint with regard to wilful defaulters? A)Liability of Rs 25 lac and above upto Rs 3 cro State CID /Economic Offence Wing of the State b)Rs 3 cro and above upto Rs 25 cro CBI Economic Offences Wing c)Liability more than Rs 25 cro with CBI Banking Security and Fraud Cell d) All of these
37. Banks can publish only the photographs of a) all defaulting borrowers b) all defaulting borrowers with the permission of Board c) all borrowers d) All wilful defaulters
38. To publish the photograph of a wilful defaulter in our bank the liability should be Rs --- lac and above.
39. How much time to be given to wilful defaulters to clear the dues as otherwise bank will indicate its intention of publishing their Photos? a) 15 days b) 30 days c) 60 days d) 90 days
40. In connection with Sale of NPA between banks which of the following statement is **NOT** correct: a)Selling bank can sell only 12 months old account b)Purchasing bank can sell this account after keeping it for 12 months c) In the books of purchasing bank it will be treated as Standard asset for first 90 days and then asset classification will be based on record of recovery d) Buying bank shall assign risk weight of 100% for capital adequacy purpose for this account e)The banks which sold their NPAs should not buy back the same NPA.
41. The recovery agents (other than retired employees) have to deposit Rs --- as EMD.
42. For recovery of DA, Loss and written off assets for more than Rs 50 lac our bank appoints ----- agents.
43. The EMD for Resolution agents is ----
44. Recovery agents other than retired PSB employees have to undergo how many hours of training in IIBF? A) 50 b) 100 c) 200 d) No need for training
45. NPA accounts under SSA can be entrusted to Recovery /Seizure agents if it continues to be NPA for a minimum period of a) 3 months b) 6 months c) 9 months d) None of these

46. Which is **NOT** correct with regard to fees payable to Recovery Agents with a maximum of Rs 5 lac? A) SSA 3% of amount recovered b) DA 5% of amount recovered c) Loss & Written Off Accounts 10% of amount recovered d) None of these
47. If accounts are settled under OTS through Recovery Agents the fees payable to them is ---% of normal fees a) 25% b) 50% c) 75% d) None of these
48. Which is correct with regard to payment of fees to Resolution Agents? A) 5% of recovery amount or book liability whichever is less with a maximum of Rs 12 lac for DA accounts upto 5 years old b) For doubtful assets of more than 5 years old 5% as per point a with a maximum of Rs 15 lac c) For loss or Written Off accounts 7% with a maximum of Rs 20 lac d) All are correct
49. What is the fees payable to Seizure Agents for recovering Heavy Vehicles? A) Rs 2000 b) Rs 3000 c) Rs 8000 d) Rs 10000
50. The recovery agents should not resort to intimidation of any kind either verbal or physical against any person or call the borrower before --- AM and after – PM in their debt collection efforts as per HO Cir 574/22. a) 7 AM and 6PM b) 8 AM & 8 PM c) 8 AM & 7 PM d) 6 AM & 6 PM
51. The investigating /detective agencies are empanelled by the bank for recovery of high value NPA accounts the book liability of which is more than Rs -----
52. If the bank got reliable information that a borrower who is in default is going to flee out of India then it can request the deputy Director Bureau of Immigration to open ---- against the borrower
53. Lok adalats are constituted under the provisions of ----
54. Orders passed by Lok Adalats are consent decrees. Appeal to be made against the order in which court. A) civil court b) High court c) Supreme court d) Other than the options given above.
55. DRTs are established under which Act?
56. To make the Debt Recovery Tribunals more effective and to facilitate fast disposal of debt recovery cases, the Govt has doubled the monetary limit to Rs --- las and above for filing loan recovery application in DRT by banks. A) Rs 20 lac and above b) Above Rs 20 lac c) Rs 10 lac and above d) None of these
57. What is the provision coverage ratio prescribed by RBI?
58. All loan accounts of borrowers where the aggregate liability is Rs 15 lac and above becoming NPA within 12 months from the date of ---- in respect of loans sanctioned to the concerned borrowers for the first time are defined as Quick Mortality Accounts. a) sanction b) first disbursement c) commencement of repayment of either interest or instalment d) Any of the above

59. The threshold limit for Early Warning Signal and Red Flagged Account is Rs --- million and above. A) 50 b) 500 c) 5 d) None of these
60. The cut off limit for reporting a borrower as Non Cooperative borrower to RBI, the exposure should be Rs ---- a) 50 million and above b) 5 million and above c) 300 million and above d) None of these
61. The details of wilful borrowers whose liability is Rs --- lac and above to be reported Credit Information Companies. on a monthly or lesser frequency a) Rs 10 lac and above b)Rs 25 lac and above c) Rs 50 lac and above d) None of these
62. Recovery call centre of the bank is situated in ----.
63. Calls are made from the call centre to certain customers. Which is the odd man out. A) NPA borrowers with book liability upto Rs 1 cro b)OTS settled accounts to remind the borrowers for timely payment of OTS amount c) Follow up calls To successful bidders through e-auction under SARFAESI d) SMA 2 borrowers informing them to pay the critical overdue amount to avoid slippage e) None of these
64. Recovery Committee at Circle Office shall review individually the accounts with liability above Rs--- slipped to NPA subsequent to last review. a) 2 lac b) 10 lac c) 1 cro d) 5 cro
65. Recovery Committee at Regional Office shall review individually the accounts with liability above Rs--- slipped to NPA subsequent to last review. a) 2 lac b) 10 lac c) 1 cro d) 5 cro
66. What is the periodicity of the meeting of the Recovery committee at RO / CO Minimum a) Once in a month b) once in fortnight c) once in 7 days d) None of these
67. The proceedings of the recovery committee at RO to be submitted to Circle Office and that of the CO to HO within how many days of conducting the meeting? A)7 days b) on the same day of meeting c) 15 days d) 30 days
68. Wherever, Securities (immovable properties) are insufficient to cover contractual dues ,branches shall at the time of filing DRT Case, engage detective agency in all the cases where Book Liability is Rs. lacs and above to identify other assets of the borrowers/guarantors and note to file ABJ before DRT. A) Rs 10 b) 20 c) 50 d) 100
69. Crown debts do not have priority over the dues of the secured creditor provided CERSAI registration is made prior to that of Secured Creditor. What is Crown debts?

70. As per Recovery Policy given in HO Cir 147/2022 branches shall arrange to issue demand notice under Section 13(2) within --- days of account becoming NPA and seek permission from Higher Authorities before issuing Possession Notice under Section 13(4) a) 3 days b) 5 days c) 30 days d) 90 days
71. Which of the following accounts are **not** eligible under SARFAESI? a) Security interest created in agriculture land b) Time barred accounts c) Liability is Rs 1 lac and below d) CERSAI not registered accounts e) a to d all
72. The security interest created by a borrower under provisions of SARFAESI Act enable the Bank to (a) Ensuring repayment of the loan (b) For enforcing the security with court intervention (c) For enforcing the security without court intervention (d) For enforcing the security if the documents get time barred
73. For initiating an action against the borrower as per SARFAESI Provisions the Credit Facility should have been a) over due b) Irregular c) regular d) NPA
74. As per SARFAESI Act 2002. A Bank or Financial institution that lends money against a security is called a) Lender b) Security holder c) Secured debtor d) Secured Creditor
75. Demand notice is issued by Secured Creditor as per Sec---of of SARFEASI Act 2002.
76. Who is the authority to sign Demand Notice in the bank? a) Circle Head b) Branch head c) Authorised Officers d) None of these
77. In our Bank the authorised Officers are a) Scale V and above b) Scale 4 and above c) Scale VI and above d) Scale III and above
78. What is the mode of issuing Demand Notice? 1) Hand delivery against acknowledgement 2) Registered Post Ack due 3) Speed Post 4) Courier 5) Fax or email a) 1 to 3 any b) 1 to 4 any c) 1 to 5 any d) None of these
79. Under Consortium, banks to classify the advance as per IRAC norms based on a) Lead Banks classification b) Classification of the bank which has highest share c) Record of recovery in respective banks d) None of these
80. A large company is sanctioned credit facilities under consortium and few member banks want to issue Demand Notice under SARFAESI Act: a) Leader bank should agree b) 60% of banks by number should agree c) 60% of the banks by amount should agree d) Individual banks can issue if there is delay on the part of the Lead Bank
81. If the borrower raises certain objection/or send a letter to the bank seeking time for payment for the demand notice bank has to reply to him within how many days from the date of receipt of the letter? A) 7 days b) 21 days c) 30 days d) None of these 15 DAYS

82. If there is no response from the borrowers even after 60 days of issue of demand notice bank to take possession of the securities is mentioned in which Section of SARFAESI Act ?
83. If the borrower/mortgagor is not cooperative and/or resists in taking actual possession, the Branch shall make an application to Chief Metropolitan Magistrate (CMM) or District Magistrate (DM) as the case may be for taking possession as per Section ----- of SARFAESI Act a) 13 (6) b) 13(3) c) 14 d) 15
84. Under Section 14 of SARFAESI Act, CMM or DM is bound to take possession of secured assets and any documents relating to such assets and hand over such assets and documents to the Bank within a period of --- DAYS from the date of application. A) 30 b) 90 c) 180 d) None of these
85. As per the newly introduced Section ----of the SARFAESI Act (As per 2016 amendment), DRTs are empowered to decide on the issues related to tenancy/lease and no other Courts/Judicial Forums has the jurisdiction to entertain any such litigations.
86. In respect of doubtful and loss assets with book liability exceeding Rs 50 lac for taking possession of the securities (both movable as well as immovable) Bank can utilise the services of a) Recovery Agents b) SARFAESI Agents c) Resolution agents d) None of these
87. After taking Possession bank has to publish the possession notice in two leading newspapers within --- days of taking possession, out of which one should be in vernacular language, having sufficient circulation in the locality. A) 2 b) 7 c) 15 d) 30
88. Within how many days the borrower has to approach DRT court for the possession notice under SARFAESI and how much amount he has to deposit as per Section 17 of the Act? a) 30 days 100% b) 45 days, no deposit c) 45 days 50% d) 30 days 50%
89. If the borrower is not satisfied with the order of the DRT court he can approach DRAT within how many days and how much he has to deposit as per Section 18 of the Act? A) 30 days 100% b) 45 days, no deposit c) 45 days 50% d) 30 days 50%
90. As per the amendment to SARFAESI act in 2016, borrower has the right to redeem the property till publication of a) possession notice b) sale notice c) demand notice d) till sale is completed.
91. If the original value of the property is Rs ---- cro and above two valuations to be taken for proceeding under SARFEASI. A) Rs 10 cro b) Rs 25 cro c) Rs 5 cro d) None of these

92. Wherever the valuation, which is obtained after the account becoming NPA is more than ---- year old, branches/offices shall obtain fresh valuation through SARFAESI empaneled valuer before fixing reserve Price. A) 3 b) 2 c)1 d) 6 months
93. Authorised officer has to serve sale notice and wait for how many days before effecting the sale?
94. If the Authorized Officer fails to conduct the sale of the immovable property by any of the methods, sale can be conducted again by the Authorized Officer by serving, affixing and publishing notice of sale of not less than ---- days to the borrower in case there is no change. However, if there is any material change effected in the Sale Notice like change in Reserve Price, 30 (thirty) days time to be given to the borrower a) 10 b)7 c)15 d) 30
95. Sale of assets under SARFAESI can be confirmed when the buyer pays 25% of the amount (including EMD of 10%) on the date of auction and balance 75% within --- days.
96. Sale will be confirmed only when a) Offered price is equal or more than the reserve price b) offered price is more than the reserve price c) either a or b d) None of these
97. The maximum fees payable to SARFAESI agent is a) Rs 5 lac or 2% of the RP fixed whichever is less b) Rs 2 lac or 2% of the RP fixed which ever is less c) Rs 10 lac or 2% of amount realised which ever is less d) None of these
98. As per HO Cir 433/2020 read along with Circular dated 284/2021 who has powers for full write off without OTS in the Bank? a) RO b) DGM CO CAC c) Circle Head CAC d) HO
99. For recommending accounts for writing off without OTS which one of the following is **not** a relevant guideline in HO Cir 433/2020? A)Account should have completed 5 years or more from the date of advance b) Continuing in NPA for a minimum period of 3 years c) The account should have been classified as loss Assets as on 31st March previous year d) None of these
100. The following agencies are empanelled by the Bank for what purpose? 1) Procurement Technologies Pvt Ltd, 2) M/s Antares System Ltd, 3) M/s C1 India Pvt Ltd, 4) M/s Canbank Computer Services Ltd, 5) M/S Metal Scrap Trade Corporation Ltd a) Resolution Agents b) Sarfaesi Agents c) Recovery Agents d) Agencies for E Auction
101. Passport details of Promoters, Promoter Directors and guarantors are to be obtained for limits above Rs -----
102. In all loans of Rs--- cro and above Aadhar details of applicant, Co applicant guarantors to be updated in CBS.