



Recollected Questions in Legal & Regulatory Aspects of Banking (LRB) For JAIIB Jan 2022 Examination

KEY HIGHLIGHTS

- **Most likely to be Asked Questions**
- **Recollected from the Previous 5 Years**
- **Thoroughly Curated by Industry Experts**
- **100+ Questions with Solutions**
- **Based on the Latest Pattern for Jan 2022 Exam**

Legal and regulatory aspects of banking (LRAB)

1. For appealing to State commission, a statutory deposit of . % of the award is to be made by the appellant/opposite parties
- (a) 10 %
 - (b) 25 %
 - (c) 50 %
 - (d) 75 %

Ans: (c)

2. As per **Section 9 of BR Act**, bank can hold immovable property up to . years
- (a) 5
 - (b) 7
 - (c) 10
 - (d) 15

Ans: (b)

3. How many persons are involved in **contract of indemnity**?
- (a) 1
 - (b) 2
 - (c) 3
 - (d) 4

Ans: (b)

4. Mr. A had lost a FD and requested the bank to reissue duplicate FD. Bank issues it. What is the role of Mr. A here?
- (a) Creditor
 - (b) Debtor
 - (c) indemnified
 - (d) indemnifier

Ans: (d)

5. Which of the following section in the Companies Act,2013 mentions about Red **Herring Prospectus**?
- (a) Section 30
 - (b) Section 31
 - (c) Section 32
 - (d) Section 33

Ans: (c)



6. In case of a unlisted startup company, the **sweat equity** share should not increase more than . of paid up capital up to 5 years from the date of incorporation?
(a) 30%
(b) 35%
(c) 40%
(d) 50%
Ans: (d)
7. If the cash balance with **RBI** is less than that of required **CRR** balance, bank is required to pay penalty on the amount of shortfall for that day at the rate of and if default continues next day also then at the rate of .
(a) Bank Rate, Bank Rate plus 1%
(b) Bank Rate plus 1% and Bank Rate plus 3%
(c) Bank rate plus 2% and Bank rate plus 4%
(d) Bank Rate plus 3% and Bank Rate plus 5%
Ans: (d)
8. The term **Currency** defined under **FEMA** does not include .
(a) Letter of credit
(b) Travelers cheque
(c) Promissory Notes
(d) Bonds and debentures
Ans: (d)
9. Master A has been admitted to the benefit of **partnership firm** on 02.01.2021. Master A become Major on 02.05.2021 and he gave a public notice on 05.08.2021 about his interest to continue as a partner. Mr. A is personally liable to third parties for all the act of the firm w.e.f .
(a) 02.05.2017 (date of becoming Major)
(b) 05.08.2017 (date of public notice)
(c) 02.01.2017 (date of admission)
(d) 05.02.2017 (date of completion of six months)
Ans: (b)
10. Minimum **paid-up share capital** requirement for a private company is . and for a public company is .
(a) 1 lakh, 2 Lakhs
(b) 1 Lakh, 5 Lakhs
(c) 2 Lakhs, 5 Lakhs
(d) No minimum paid-up capital required
Ans: (d)
11. In respect of third party information, which one of the following statement is correct in the context of **Right of Information Act**?
(a) Chief Public Information officer can disclose the information in the normal course
(b) Chief Public Information officer is not allowed to disclose the information
(c) Chief Public Information officer shall give a notice to the third party about the intention to disclose
(d) The third party has no recourse against the decision of the Chief Public Information officer to disclose the information
Ans: (c)

12. In which of the following instances a banker may refuse to honor the customer's **cheques**?
- (i) Where a post dated cheque is presented for payment prior to the date it bears
 - (ii) Where after debiting the cheque the balance will fall below the minimum balance required
 - (iii) Where the banker receives notice of customer death
 - (iv) Where signature on the cheque differ from the specimen signature
- (a) (i) and (ii) Only
(b) (i) and (iii) Only
(c) (ii),(iii) and (vi) Only
(d) (i), (iii) and (iv) Only
Ans: (d)
13. A **letter of credit** that partially pay the beneficiary before the goods are shipped or the services are performed is called
- (a) Green clause letter of credit
 - (b) Red clause letter of credit
 - (c) Deferred payment letter of credit
 - (d) Revolving letter of credit
- Ans: (b)**
14. Which one of the following statements is correct in respect of the transfer of an **actionable claim**?
- (a) It can be done for valid consideration only by the execution of an instrument in writing signed by the transferor
 - (b) It can be done with or without consideration in case of insurance polices
 - (c) It can be done with or without consideration only by the execution of an instrument in writing signed by the transferor
 - (d) It can be done with or without consideration only in case f immovable properties
- Ans: (c)**
15. What is the **pecuniary jurisdiction** (maximum value of the goods or services and the compensation claimed) of the district Forum under **Consumer Protection Act, 1986**?
- (a) Rs. 10 lac
 - (b) Rs. 20 lac
 - (c) Rs. 05 lac
 - (d) Rs. 08 lac
- Ans: (b)**
16. When a **bill is transferred** for consideration to any person so as to entitle the person to claim the amount represented by the bill, such a transfer is called .
- (a) Notification
 - (b) Negotiation
 - (c) Endorsement
 - (d) followed by delivery
- Ans: (b)**

17. Which of the following statement is appropriate of a **consumer Redressal Mechanism**?
- (a) The limitation period for filing complaint before a consumer Forum is three year from the date of cause of action
 - (b) The limitation period for filing a complaint before a Consumer Forum is Two years from the date of action
 - (c) If an interim order passed by the a Consumer Forum is not complied with, the property of the person who is not complying can be attached but attached property cannot sold
 - (d) All offences under the consumer Disputes Redressal Act are not tried on summary basis
- Ans: (a)**
18. If a bank account opened on 27.05.2021 and a **cheque** dated 26.05.2021 was presented 28.05.2021, can we pass the cheque or not?
- (a) Yes, you can pass the cheque
 - (b) No, you can't pass the cheque
 - (c) Branch manager can decide
 - (d) Should be confirmed from the account holder
- Ans: (a)**
19. How many times **Income tax** can be filed on advance basis in a financial year?
- (a) One
 - (b) Two
 - (c) Three
 - (d) Four
- Ans: (d)**
20. Who is the chairman of Financial Stability and Development Council (**FSDC**)?
- (a) Finance Minister
 - (b) Governor, RBI
 - (c) Any Deputy Governor, RBI
 - (d) None of the above
- Ans: (a)**
21. **DRAT** is headed by .
- (a) Secretary
 - (b) Registrar
 - (c) Principal Officer
 - (d) Chairperson
- Ans: (d)**
22. ABC Co-operative Union maintains a current account with X branch. The account is to be operated jointly by the Joint secretary and the treasurer. On 26.03.2021, your branch had paid a cheque for Rs. 25000, Which was a loose leaf and not from the cheque book issued to the Union. Though two signatures appeared on the cheque, The signature of the Joint Secretary on it was forged. The Union has claimed from your branch, refund of the amount paid. What would be the legal position of the branch in this case?
- (a) Branch can refuse the union's claim on the ground of negligence on the part of the Union
 - (b) Since the signature of the treasurer of the joint authorised signatory, on the cheque was genuine, the union 's claim can't be declined
 - (c) Since the signature of one of the joint authorised signature was forged, there was no valid mandate in favour of the bank and the bank is liable to pay the amount to the union
 - (d) bank can decline the claim as the payment was made against a loose leaf cheque
- Ans: (c)**

23. Which of the following alterations of share capital requires the approval of NCLT (**National Company Law Tribunal**)?
- (a) Increase of authorized share capital
 - (b) Consolidation and division all or any share capital which results in increase in voting percentage of shareholders
 - (c) Conversion of all or any of the fully paid-up shares into stock
 - (d) Cancellation of shares

Ans: (b)

24. Places where the **mortgage by Deposit of title deeds** can be created are generally notified by the
- (a) Registrar of companies
 - (b) State Government
 - (c) Registrar of Assurances
 - (d) Competent Legal Authority

Ans: (b)

25. Absolute possession of property is not given to the **mortgage** in case of .
- (i) Simple Mortgage
 - (ii) Mortgage by Deposit of title Deeds
 - (iii) English Mortgage
- (a) (i) and (ii)Only
 - (b) (ii) and (iii)Only
 - (c) (i) and (iii)Only
 - (d) (i), (ii) and (iii)Only

Ans: (a)

26. A banking company, not being a scheduled bank, is also required to furnish a return to Reserve Bank of India relating to cash reserve. This based on the provision of Sec 18(1) of the .
- (a) Indian companies Act, 1956
 - (b) Banking Regulation Act,1949
 - (c) Reserve Bank of India Act, 1934
 - (d) Banking companies (Acquisition & transfer of under takings) Act

Ans: (b)

27. For which of the following reasons, pledge is advantageous over **Hypothecation**?
- (i) The good are in the custody of the pledgee and therefore it can be easily enforced
 - (ii) The good are in the custody of the pledged and therefore it can be easily enforced
 - (iii) The pledged cannot manipulate the goods
 - (iv) If the goods are lost due to flood or fire, insurance cover can be availed

- (a) (i) and (ii) Only
- (b) (i),(ii) and (iii) Only
- (c) (i),(ii) and (vi)Only
- (d) (i), (iii) and (iv)Only

Ans: (a)



28. The right to receive copies of annual accounts of the company by the member is called .
(a) Statutory right
(b) Documentary right
(c) Proprietary right
(d) Absolute right
Ans: (a)
29. Which one of the following statements is correct with reference to **FEMA** in India?
(a) Enforcement Directorate have the power to arrest persons for violation of foreign exchange rules
(b) Under FEMA, violation of foreign exchange rules has ceased to be a criminal offence
(c) FERA was replaced by FEMA on 01.06.2010
(d) None of the above
Ans: (b)
30. **SARFAESI Act**, 2002 is not applicable in the cases? (i) Any security interest not exceeding 1 lac rupees, (ii) Any security interest in agriculture land, (iii) Pledge of movable as per Section 172 of Contract Act
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (d)
31. In civil suit to which bank is not a party, one of the parties has produced the **certified copy of the books** of account. One party to the suit wants to call the bank officer as a witness, to prove the contents of copy. Can it be done in the normal Course?
(a) Yes, as if it is right of the party to get it re-affirmed in evidence
(b) No, As the certified copy as prima facie document that is admissible as evidence
(c) No, Unless the bank voluntary to do so
(d) Yes, if the party obtain consent of the bank
Ans: (b)
32. The minimum number of **directors** required in a public & Private companies are .
(a) 3 & 1
(b) 7 & 2
(c) 3 & 2
(d) 5 & 2
Ans: (c)
33. Bonus shares shall be issued from which of the following reserves? (i) Capitalizing reserves created by revaluation of assets, (ii) Capital Redemption Reserve Account, (iii) Free Reserves
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (c)

34. The practical procedure followed for mortgage of lease hold right include .
(a) Xerox copy of the lease agreement can constitute the title deeds
(b) The unexpired lease period may be shorter than the period of the banks advance
(c) A tripartite agreement may be entered into among the lender bank, the lessor and the lessee(borrower)
(d) The consent of lessor would not be necessary, if original lease deed is available
Ans: (c)
35. The rate at Which Reserve Bank of India is prepared to buy or rediscount bills of exchange other commercial paper eligible for purchase under the RBI Act is known as .
(a) Yield to Maturity
(b) Prime Lending Rate (PLR)
(c) Base Rate
(d) Bank Rate
Ans: (d)
36. In regard to the **Bills of Exchange**, which of the following statement is correct
(a) Ownership of goods can be transferred by endorsement and delivery of goods
(b) Bill of Exchange means a conditional direction to the drawer to pay the money
(c) In case of Bills co-acceptance facility, the banker undertakes a joint liability along with the borrower and enters into an agreement with borrower for reimbursement
(d) Bills purchase facility is granted in case of Usance bills only
Ans: (c)
37. In case of . letter of credit, the beneficiary cannot be sued for payment
(a) Revocable
(b) Irrevocable
(c) With recourse
(d) Without recourse
Ans: (d)
38. Every Chairman of the Board of Directors and Managing Director of a banking company shall be in the whole-time employment and shall hold office for maximum period of not exceeding .
(a) 3 years
(b) 5 years
(c) 7 years
(d) 9 years
Ans: (b)
39. The right of a transferee of a partner's interest in a firm include .
(i) To receive the share of profit of the transferring partner
(ii) To interfere in the conduct of the business
(iii) Entitled to a share in the Assets of the firm on dissolution of firm or cessation of the partner
(iv) Right to verify the annual accounts of the partnership firm
(a) (i) and (iv) Only
(b) (i) and (ii) Only
(c) (ii) and (iii) Only
(d) (i) and (iii) Only
Ans: (b)

40. Which of the following statements correct regarding the **Jurisdiction and power of Debt Recovery Tribunal**?
- (i) A decree passed by the civil court can be executed by the tribunal
 - (ii) A person heading of the office of the Appellate Tribunal can transfer any case from one Tribunal to other Tribunal within his Jurisdiction
 - (iii) For the matter for which Tribunals are empowered, the civil Courts have no jurisdiction
 - (iv) There is remedy available against the order passed by the Appellate Tribunal
- (a) (i) and (ii) only
(b) (i), (iii) and (iv) only
(c) (ii) and (iii) only
(d) (i), (ii) and (iii) only
- Ans: (a)**
41. Which of the following statements are appropriate?
- (i) Capital clause of the MOA mentions about the amount of capital a company will be authorized to raise
 - (ii) Main objective clause and other objective clause of MOA are not interchangeable
 - (iii) Article of Association must be filed by unlimited companies also
 - (iv) The AOA cannot be altered by a special resolution with approval from the NCLT
- (a) (i) and (ii) only
(b) (ii) and (iii) only
(c) (i), (ii) and (iii) only
(d) (i), (ii), (iii) and (iv) only
- Ans: (d)**
42. **Indirect rate** in foreign exchange means .
- (a) Units of foreign currency rates quoted kept fixed
 - (b) Units of Home currency rates quoted kept fixed
 - (c) The rate quoted in terms of a third currency
 - (d) None of the above
- Ans: (b)**
43. Which of the following legislations regulate the public issue in India? (i) Companies Act 2013, (ii) Securities (Contract) Regulation Act, 1952, (iii) Securities and Exchange Board of India, 1992
- (a) Only (i) and (ii)
 - (b) Only (i) and (iii)
 - (c) Only (ii) and (iii)
 - (d) (i), (ii) and (iii)
- Ans: (d)**
44. Which of the following **mortgage** with the value of Rs. 100 or above is not compulsory registered under Transfer of Property Act?
- (a) English mortgage
 - (b) Usufructuary mortgage
 - (c) Simple mortgage
 - (d) Mortgage by deposit of the title deeds
- Ans: (d)**

45. Buyback means repurchase by a company of its own shares. Which of the following is/are not correct with respect to buy back shares? (i) A company cannot buy back its equity shares, (ii) It is exercised to increase the number of shares of a company, (iii) It eliminates the threats from shareholders who may be looking for a controlling stake
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (a)
46. Who normally rectify the clerical or arithmetical errors in order passed by **DRT**? (i) Recovery Officer, (ii) Presiding officer
(a) Only (i)
(b) Only (ii)
(c) Either (i) or (ii)
(d) Both (i) and (ii)
Ans: (b)
47. **Sweat Equity Shares** can be issued to which of the following employees?
(a) A permanent employee of the company who is working in India.
(b) A permanent employee of the company who is working outside India.
(c) A director of the company working in the subsidiary of the holding company.
(d) All of the above
Ans: (d)
48. Interest on CRR balances kept by banks with RBI is paid by RBI at the rate of .
(a) Bank Rate
(b) Repo Rate
(c) 3%
(d) Nil
Ans: (d)
49. Which of the following banks is called the **negotiating bank**?
(a) the bank that verifies the apparent authenticity of LC
(b) the bank that makes the payment to the beneficiary on receipt of documents as mentioned in LC
(c) the bank that guarantees the payment to the beneficiary in case the opening bank does not pay
(d) the bank that purchases the documents at a discount, if these are not drawn as per terms of LC
Ans: (b)
50. **Income Tax deductions** on donations comes under section . of Income Tax Act
(a) 80C
(b) 80CCD
(c) 80G
(d) 80J
Ans: (c)

51. The minimum and maximum **number of members** in a private company can be .
(a) 2 & 50
(b) 2 & 200
(c) 5 & 50
(d) 5 & 200

Ans: (b)

52. In case of indemnity, which type of liability exists?
(a) subsisting
(b) continuous
(c) contingent
(d) all the above

Ans: (c)

53. Under RTI Act 2005, the period for providing **information** is .
(a) 5 days
(b) one week
(c) 21 days
(d) 30 days

Ans: (d)

54. Relationship between bank and customer in case of pledge _____
(a) Beneficiary & Trustee
(b) Trustee & beneficiary
(c) Creditor & Debtor
(d) Pawnor & Pawnee

Ans: (d)

55. How many **types of LCs** are there?
(a) 5
(b) 6
(c) 8
(d) 10

Ans: (c)

56. The **limitation period** for filing a suit for foreclosure form the date money secured becomes due is .
(a) 12 Years
(b) 20 Years
(c) 25 Years
(d) 30 Years

Ans: (d)

BILINGUAL
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Target JAN 2022 Exam
PPB+AFB+LRB
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57. The power to look into issues of capital reduction of a company vests with which of the following organization?
(a) High courts and appeal with Supreme court
(b) Supreme Court
(c) NCLT
(d) SEBI
Ans: (c)
58. Within how many days can a consumer file complaint if he is not satisfied with the service?
(a) 15 Days
(b) 30 Days
(c) 60 Days
(d) 90 Days
Ans: (b)
59. Tax deducted from salary has to be paid on . basis
(a) Monthly
(b) Quarterly
(c) Half Yearly
(d) Yearly
Ans: (a)
60. Which is not consider as Negotiable Instrument?
(a) Bill of exchange
(b) Share Certificate
(c) Cheques
(d) Bill of exchange
Ans: (b)
61. Amount of **TDS** collected should be submitted before how many days?
(a) 7th of the next month
(b) 10th of the next month
(c) 15th of the next month
(d) 30th of the next month
Ans: (a)
62. Which type of LC is not available under UCP 600?
(a) Transferable LC
(b) Confirmed LC
(c) Revocable LC
(d) Stand-by LC
Ans: (c)
63. The mortgage, in which the mortgagor binds himself personally to pay the mortgage money without delivering possession of mortgaged property is known as .
(a) English mortgage
(b) Usufructuary mortgage
(c) Simple mortgage
(d) Mortgage by deposit of the title deeds
Ans: (c)

64. Maintaining a **foreign currency** account is helpful to . (i) Avoid transaction cost, (ii) Avoid exchange risk, (iii) Avoid exchange risk and domestic currency depreciation
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (a)
65. **UCP 600** is a set of rules agreed by the International Chamber of Commerce, which apply to finance institutions which issue .
(a) Bill of exchange
(b) Letters of Credit
(c) Bank Guarantee
(d) All the above
Ans: (b)
66. **SARFAESI Act 2002** is applicable to .
(a) whole of India
(b) whole of India except J&K
(c) major cities of India
(d) only in notified towns under Transfer of property act
Ans: (a)
67. Under **SARFAESI Act 2002**, a minimum time of . days is to be given to the borrower / guarantor after issuing demand notice under Section 13(2)
(a) 30 days
(b) 60 days
(c) 90 days
(d) 180 days
Ans: (b)
68. After the **Mardia chemicals case**, the government brought about an amendment stipulating the deposit amount for making an appeal under SARFAESI Act, 2002. Accordingly the amount to be deposited generally is .
(a) 10%
(b) 25%
(c) 50%
(d) 75%
Ans: (c)
69. Securitisation or SARFAESI Act is not applicable to assets
(a) in possession of the creditor
(b) charge on which is in favour of the creditor
(c) both
(d) none
Ans: (b)

70. Out of the total number of Directors of a banking company, not less than 2 shall be persons having special knowledge or practical experience in respect of . (i) agriculture and rural economy, (ii) co-operation, (iii) small-scale industry
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (d)
71. For realization of the acquired financial assets by an asset reconstruction company (ARC), under SARFAESI Act, which of the following option is/are available? (i) to take over the management of the business of the borrower, (ii) to sell or lease the business or enforce security interest as per SARFAESI Act, (iii) rescheduling the payment of debts
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (d)
72. The maximum **number of directors** in a private company can be .
(a) 3
(b) 5
(c) 12
(d) 15
Ans: (d)
73. Monetary limit for filing cases in DRT is .
(a) 10 Lakhs
(b) 15 Lakhs
(c) 20 Lakhs
(d) 25 Lakhs
Ans: (c)
74. All the offences under the FEMA are considered as which of the following type? (i) Civil Offence, (ii) Criminal Offence
(a) Only (i)
(b) Only (ii)
(c) Either (i) or (ii)
(d) Both (i) and (ii)
Ans: (a)
75. If there is delay in getting the registration with Central Registry, Central Registrar can condone the delay up to . after initial period of 30 days and allow the registration, under SARFAESI Act.
(a) 7 days
(b) 15 days
(c) 30 days
(d) 60 days
Ans: (c)

76. A contract of indemnity differs from a contract of guarantee in the following ways . (i) there are 2 parties in indemnity and 3 in case of guarantee, (ii) the liability in case of indemnity is contingent and in case of guarantee it is subsisting, (iii) in case of indemnity there is only one contract but in case of guarantee there are three contracts
- (a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
- Ans: (d)**

77. Which of the following is not correct in case of contract of indemnity and guarantee?
- (a) Contract of Indemnity is a contingent contract
(b) In the case of guarantee, the liability of the guarantor is co-extensive with that of the debtor
(c) An indemnity is for the reimbursement of loss
(d) A guarantee is for bearing the loss that is caused to the principal debtor
- Ans: (d)**

78. Which of the following is incorrect with respect to shares with differential rights? (i) They are a issued as a part of preferential shares, (ii) It cannot exceed 26% of the total post issue paid up capital, (iii) Companies (share capital and debenture) rules 2014, mention the condition for issue of shares with differential voting rights
- (a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
- Ans: (a)**

79. Which among the following is not correct regarding the penal provisions under FEMA, to an authorised dealer, for the contravention of any condition to which an authorisation is issued by the Reserve Bank?
- (a) Penalty up to thrice the sum involved if the amount of the contravention is quantifiable
(b) If the sum is not quantifiable, the penalty will be up to Rs. 2 lakhs
(c) If the contravention is a continuing one, further penalty may extend to Rs.10,000/- for every day after the first day during the period the contravention continues
(d) None of the above
- Ans: (c)**

80. In case of bill finance the legal effect is that the banker who lends money, becomes a .
- (a) Holder
(b) Holder in due course
(c) Maker
(d) Guarantor
- Ans: (c)**



81. In case of differences between pledge and bailment, which of the following is/are correct? (i) In Bailment, delivery of goods for a special purpose, (ii) In Pledge, delivery of goods as a security to debt
(a) Only (i)
(b) Only (ii)
(c) Either (i) or (ii)
(d) Both (i) and (ii)
Ans: (d)
82. Which Section of NI Act deals with "Protection against conversion of cheque"?
(a) Section 129
(b) Section 130
(c) Section 131
(d) Section 132
Ans: (c)
83. What is the holding period for sweat shares?
(a) 1 year
(b) 2 years
(c) 3 years
(d) 4 years
Ans: (c)
84. Preference shareholders have the right to vote in which of the following cases? (i) On every resolution of the company, (ii) Resolutions which affect their rights, (iii) Resolution for winding up of the company
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (c)
85. Central Consumer Protection Authority (CCPA) is empowered to . (i) conduct investigations into violation of consumer rights, (ii) order recall of unsafe goods and services, (iii) order discontinuation of unfair trade practices and misleading advertisements
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (d)
86. What is the qualification for DRT presiding officer?
(a) Any Advocate with minimum 10 years of experience
(b) A District Judge
(c) A High Court Judge
(d) Any one of the above
Ans: (b)

87. As per the Companies Act, 2013, dividends can be declared on which of the following conditions (Choose the wrong one)? (i) The amount of declared dividend can't be more than that of an average rate of dividends which was declared in past 2 years, (ii) The amount drawn from the reserves shall not exceed the amount which is equal to 1/10th of the sum paid up capital and free reserves, (iii) The remaining balance of the reserve shall not fall below 20% of the paid up capital
- (a) Only (i) and (ii)
 - (b) Only (i) and (iii)
 - (c) Only (ii) and (iii)
 - (d) (i), (ii) and (iii)

Ans: (b)

88. Adjudicating Authority, in relation to insolvency resolution and liquidation for corporate persons is . having territorial jurisdiction over the place where the registered office of the corporate person is located.

- (a) DRT
- (b) DRAT
- (c) NCLT
- (d) NCLAT

Ans: (c)

89. According to **Section 23 of Companies Act, 2013**, in how many ways can a public company raise funding? (i) Through Public Offering, (ii) Through Private placement, (iii) Through existing shareholders

- (a) Only (i) and (ii)
- (b) Only (i) and (iii)
- (c) Only (ii) and (iii)
- (d) (i), (ii) and (iii)

Ans: (d)

90. In which of the following mortgages the mortgagor is required to deliver possession of the mortgaged property to the mortgagee?

- (a) English mortgage
- (b) Usufructuary mortgage
- (c) Simple mortgage
- (d) Mortgage by deposit of the title deeds

Ans: (b)

91. Right to Information includes the right to . (i) inspect works, documents, records, (ii) take notes, extracts or certified copies of documents or records, (iii) obtain information in form of printouts, diskettes, floppies, tapes, video cassettes or in any other electronic mode or through printouts

- (a) Only (i) and (ii)
- (b) Only (i) and (iii)
- (c) Only (ii) and (iii)
- (d) (i), (ii) and (iii)

Ans: (d)

92. **Mortgage** is defined under .
(a) contract act
(b) sale of goods act
(c) transfer of property act
(d) none of the above
Ans: (c)
93. **Transfer of Property Act** basically contains provisions relating to transfer of .
(a) Moveable property and goods
(b) Immovable property
(c) Either a or b
(d) None of the above
Ans: (b)
94. Which among the following is type of share issued to existing shareholders to increase its subscribed share capital?
(a) Bonus Shares
(b) ESOP
(c) Right Issue
(d) Preference Shares
Ans: (c)
95. Which of the following is/are correct regarding to Right to Information Act 2005? (i) RTI Act came into force wef Oct 12, 2005, (ii) RTI Act replaced Freedom of Information Act 2002, (iii) Objective of RTI Act is to enable Indian citizens to access information under control of public authority
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (d)
96. **Hypothecation** is defined in which act?
(a) SARFAESI Act
(b) Transfer of Property Act
(c) The Sale of Goods Act
(d) Indian Contract Act
Ans: (a)
97. **Section 35 A of BR Act** deals with .
(a) Liabilities of the Issue Department
(b) Reserve Bank to give Direction
(c) Inspection
(d) Submission of returns
Ans: (b)

98. The **limitation period** for filing a suit for sale of mortgaged property from the date mortgage debt becomes due is .
(a) 12 Years
(b) 20 Years
(c) 25 Years
(d) 30 Years
Ans: (a)
99. **Section 35 of Banking Regulation Act, 1949** deals with .
(a) Liabilities of the Issue Department
(b) Initial assets and liabilities
(c) Inspection
(d) Submission of returns
Ans: (c)
100. As per **Section 161(2) of Companies Act, 2013**, Board of Directors can appoint Alternate Director to act for the original director during his absence from India for a period of not less than .
(a) 1 Month
(b) 2 Months
(c) 3 Months
(d) 6 Months
Ans: (c)
101. Generally, Casual Vacancy in the Office of Director happens under the following situations. (i) Resignation by the Director, (ii) Disqualification of the Director, (iii) Insolvency of the Director
(a) Only (i) and (ii)
(b) Only (i) and (iii)
(c) Only (ii) and (iii)
(d) (i), (ii) and (iii)
Ans: (b)
102. As per Section . of Banking Regulation Act, 1949, no banking company shall directly or indirectly deal in the buying or selling or bartering of goods, except in connection with the realisation of security given to or held by it, or engage in any **trade**, or buy, sell or barter goods for others otherwise than in connection with bills of exchange received for collection or negotiation.
(a) 6
(b) 7
(c) 8
(d) 9
Ans: (c)

