



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

KEY HIGHLIGHTS

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

**PART
III**

Legal and regulatory aspects of banking (LRAB) – Part III

- Q1.** 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)

- Q2.** **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)

- Q3.** 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)

- Q4.** 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)



BILINGUAL

**JAIB COMPLETE
SELECTION BATCH**

PPB+AFB+LRB

June-July 2022

Starts May 16, 2022 **6 AM to 9 PM**

- Q5.** 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)

- Q6.** 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)

- Q7. 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)

- Q8.** 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)

- Q9.** 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)

Q10. Income Tax deductions on donations comes under section of Income Tax Act

- (a) 80C
- (b) 80CCD
- (c) 80G
- (d) 80J

Ans: (c)

Q11. 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)

Q12. In case of indemnity, which type of liability exists?

- (a) subsisting
- (b) continuous
- (c) contingent
- (d) all the above

Ans: (c)

Q13. Under RTI Act 2005, the period for providing information is

- (a) 5 days
- (b) one week
- (c) 21 days
- (d) 30 days

Ans: (d)

Q14. Relationship between bank and customer in case of pledge _____

- (a) Beneficiary & Trustee
- (b) Trustee & beneficiary
- (c) Creditor & Debtor
- (d) Pawnor & Pawnee

Ans: (d)

Q15. How many types of LCs are there?

- (a) 5
- (b) 6
- (c) 8
- (d) 10

Ans: (c)

Q16. 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)

Q17. 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)

Q18. 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)

Q19. Tax deducted from salary has to be paid on basis

- (a) Monthly
- (b) Quarterly
- (c) Half Yearly
- (d) Yearly

Ans: (a)

Q20. Which is not consider as Negotiable Instrument?

- (a) Bill of exchange
- (b) Share Certificate
- (c) Cheques
- (d) Bill of exchange

Ans: (b)

