

Foreign Exchange (Remittances)

1. What is the maximum INR a NRI can take with him while going abroad? **Rs 25000**
2. WEF 1.3.2014 as per RBI norms maximum interest rates on FCNR deposits of 1 year to less than 3 years will be LIBOR/SWAP rate +200 Basis Points and for 3 years to 5 years it is LIBOR/SWAP rate + ---- Basis points. **300 basis points**
3. Prior Permission from RBI is not required to open NR accounts in respect of which of the following. A) Individuals of Bangladesh Nationality b) Individuals of Pakistan Nationality c) Entities of Bangladesh e) Entities of Pakistan f) All of these **ans A**
4. As per RBI guidelines banks are allowed to grant loans to NRIs/ third parties against the security of NRE /FCNR/NRO deposit with margin requirements as prescribed by respective banks. What is the maximum amount of loan that can be sanctioned Rs 100 lac /Rs 20 lac / USD 1 million /**None of these**
5. RBI has permitted banks to transfer funds from NRO to NRE account with a maximum of USD 1 million in a financial year. **True** or False
6. Japanese Yen is not a permitted currency to open FCNR deposits by banks in India as per RBI guidelines. True or **False**.
7. A Correspondent foreign bank opened a current account with SBI in Mumbai. This is Vostro account for the Correspondent bank. True or **False**.
8. For the applicability of DTAA rate for TDS deduction for NRO deposit, the NRI customer has to give necessary certificate from the country abroad on Apr 1 of every financial year. **True** or False.
9. Under MTSS funds can be transferred from abroad to India as well as from India to abroad. True or **False**.
10. MTCN consists of 10 digit alpa numeral. True or **False**
11. An over due FCNR deposit has to be transferred to DEAF after 10 years of maturity in the respective foreign currency. Do you agree with this statement? **NO** AFTER 3 YRS in INR
12. Which of the following forex conversion rate is used for discounting a usance export bill. TT Selling rate / TT buying rate / Bills selling rate / **Bills buying rate** / Spot rate.
13. Whether in a resident deposit NRI can be added? **Yes EoRs basis only**
14. One of your NRI customer requests you to add his wife name as second depositor in his FCNR deposit worth of USD 10 million. His wife is resident Indian who is General Manager of your bank. **Former or Survivor**
15. A foreign resident of Indian Origin is called ----**PIO**
16. Mr Varma a Indian resident of Delhi shifted to Canada as immigrant and married a Canadian girl by name ANNA. He is having sizeable NR deposit with your branch with ANNA as nominee. She requests you to open FCNR deposit in her name with

his husband as nominee for USD 100 million.. Anna is waiting for your decision with a cheque drawn on her account abroad as she has to catch a flight by 4 PM that day.
Can be opened jointly with her husband only.

17. When a foreign Citizen marries a Indian Citizen and comes to India for settlement, a NRO account can be opened in the name of foreign citizen. True or **False**
 18. In respect of sale or purchase of foreign exchange which among the following maxim would be followed by banks in India when the rates are direct rate? Sell low buy High / Buy High Sell low / **Sell high buy low** / Sell low buy low. None of these
 19. Purchase transactions in the context of foreign exchange in banks means a) converting dollar into rupees b) **converting foreign currency into INR** c) Converting INR into foreign currency d) Converting rupees into pounds e) other than the options given.
 20. PAN is mandatory for LRS both for capital account as well as current account transactions irrespective of the amount of transaction. **True** or False.
1. What is LRS? **Liberalised Remittance scheme.**
 2. What is the maximum amount an Authorised dealer can release under LRS in a FY? **USD 2,50,000**
 3. What is the maximum forex we can release to a resident Individual to visit Nepal and Bhutan in a financial year? **No forex for Nepal and Bhutan**
 4. Resident Indians going to USA can carry Foreign Currency Notes (**FCNs**) upto a maximum of USD---- or its equivalent. **USD 3000**
 5. One of your customer wants Forex USD 200. The equivalent INR is Rs 12,000. He says he will give cash instead of account debit. a) **accept** b) Don't accept c) Only through account debit d) Any of these options given. **Upto 50000 can be accepted**
 6. Before how many days of departure from India a resident Indian can obtain forex from AD? **60 days**
 7. A resident Indian who has gone abroad for a business trip returned to India. He has unspent forex in Foreign Currency Notes (FCNs) and Foreign Currency Travelers Cheque (FCTC) for USD 6000 and foreign coins Euro 200. He approaches you seeking advice as to how much he can hold out of the amount he brought back? **FCTC upto USD 2000 and all coins**
 8. A resident Individual going Singapore to meet his sister. He wants to know how much INR he can carry with him and in what denomination? **Rs 25000 in any denomination**
 9. Mr A resident took from you Singapore dollars 5000 before going abroad to meet his son. While coming he brought with him USD 25000 of which FCN is USD 4000 and Travelers cheque USD 21000. He want to convert it into INR and credit to his SB account. What you will do? **Get CDF verify and credit**

10. A power of Attorney holder for NRE account can not repatriate money from that account to the account holder who is in abroad True / **False**
11. What is the maximum over drawings permitted in NRE SB account as per RBI guidelines? **50000**
12. What type of Bank account a foreign tourist visiting India can open? **NRO**
13. What account you will open for your son in your branch who had gone abroad for studies? **NRE, NRO and FCNR**
14. A resident Indian has gone abroad to conduct an exhibition. He opened a foreign currency account abroad . As per RBI guidelines what he has to do after the exhibition is over? **Close and bring to India within one month**
15. Any company or a Non Banking Financial Company (NBFC) can accept deposit from a NRI only on non repatriation basis. **True** or False?
16. For Resident Individuals banks may pay in cash for the forex encashed by them upto USD..... per day. **1000**
17. What is the limit for NRIs/foreign nationals in respect of question no 22 above. **USD 3000**
18. A foreign tourist visiting India approached you to convert Rs 25000 into foreign currency. He got this money while drawing from an ATM in India. Can you covert and give him foreign currency? **Yes**
19. You are visiting to Nepal and returning to India. How much Nepal currency you can bring into India? **Unlimited**
20. Within how many days returning to India, a resident Indian has to surrender the unspent forex to Authorised dealer in India? **180 days**
21. How much foreign currency a NRI can bring into India? **Unlimited**
22. What is the maximum forex an NRI can take out of India? **What has brought into India**
23. A foreign student has got admission in Anna University. He has approached you to open a SB account for him. What SB account you will open for him? **NRO SB**
24. As per RBI guideline minimum and maximum period of NRE term deposit is---- & --- **one year and discretion of bank**
25. FCNR deposit minimum and maximum period is ----- **1 year and 5 years**
26. What all the currencies in which a bank can open FCNR deposit? **All permitted currencies**
27. Bank of England is maintaining a Rupee account with Canara Bank in Fort Mumbai branch. Canara Bank will call this account as----- **Vostro**

28. A resident Individual can open and keep foreign currency in which account in India?
RFC (D)
29. A foreign national comes to India for employment with Valid ViSa. What SB account you will open for him? **Domestic SB account**
30. Against which deposit loan can be given in foreign currency? **FCNR**
31. In India exchange rates are quoted are direct or Indirect? **Direct**
32. In direct quotation when rupee appreciates whether importer will gain or lose? **Gains**
33. What additional interest you will give to senior citizens for NRO, NRE and FCNR deposit? **NIL**
34. Whether additional interest can be given to NRE.NRO and FCNR deposit of employees?**NIL**
35. What is the minimum period and amount required in Canara Bank to open NRO term deposit ? **7 days Rs 5 lac**
36. Whether a NRI can be a nominee for a NR deposit? **Yes**
37. Whether NRIs can be nominees for domestic term deposit? **Yes**
38. On promotion you are posted to Fort Mumbai branch. Std Chartered Bank has a INR account in that branch. For you this account is called--- a) Nostro b) **Vostro** c) Loro d) CA
39. As per RBI guidelines interest rate of NRE deposit should be the same as that of domestic deposit. True or **False**
40. Can a resident Individual can bring gold ornament to India when he returns from Singapore without paying customs duty? **NO**
41. Your son is NRI. You went abroad to meet. While returning he gave you FDD and FCNs to be credited to his NRE account with your branch. Your Manager says you can not credit FCNs to his account but you can credit FDDs. Is he correct. **Yes**
42. In Direct quotation unit of foreign currency is fixed. **True** / False