



MCQ on Compliance Policy

Q.1 When a Bank fails to comply with the applicable regulatory/ statutory rules and defined code of conduct, it exposes itself to significant

- A. Operational Risk
- B. Market Risk
- C. Credit Risk
- D. Compliance Risk

ANS: D

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Q.2 Who is assessing the effective management of compliance risk faced by the bank?

- A. Compliance Officer
- B. Compliance Officials at all levels
- C. Asst Branch Manager
- D. Both A & B

ANS: D

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Q.3 What are the types of Compliance?

- A. Statutory Compliance
- B. Regulatory Compliance
- C. Other Compliances
- D. All the above

ANS: D

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Q.4 Which of the following is/are Statutory Compliance?

- A. Banking Regulation Act & Reserve Bank of India Act
- B. Foreign Exchange Management Act & Prevention of Money Laundering Act
- C. Both A & B
- D. Neither A nor B

ANS: C

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Q.5 Which of the following is/are Regulatory Compliance?

- A. RBI
- B. SEBI
- C. IRDA
- D. All the above

ANS: D

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- Q.7 Expand RBS with respect to compliance
- |                           |                      |
|---------------------------|----------------------|
| A. Risk based supervision | B. Risk based system |
| C. Risk based security    | D. None              |

ANS: A

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- Q.8 The compliance area is critically important in identifying, evaluating, and addressing which risk?
- |                |                    |
|----------------|--------------------|
| A. Legal Risk  | B. Reputation Risk |
| C. Credit Risk | D. Both A & B      |

ANS: D

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- Q.9 As per Accounting Standards-----, a group is defined as a parent and its subsidiaries
- |       |       |
|-------|-------|
| A. 21 | B. 25 |
| C. 2  | D. 3  |

ANS: A

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- Q.10 Which one require that compliance culture is promoted across bank's associates and joint ventures?
- |          |             |
|----------|-------------|
| A. AS 21 | B. AS 23    |
| C. AS 27 | D. Both B&C |

ANS: D

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- Q.11 The annual review of Compliance Policy shall be approved by whom?
- |          |           |
|----------|-----------|
| A. ED    | B. MD     |
| C. Board | D. GM/KYC |

ANS: C

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- Q.13 Who will review the compliance failures?
- A. ACB
  - B. Board
  - C. Internal Audit
  - D. A or B

ANS: D

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- Q.14 Who is the Chief Compliance Officer?  
Senior Executive,preferably in the rank of a CGM/General Manager or an equivalent position( not below two levels from the CEO)
- A. GM/KYC&AML
  - B. GM/KYC&AML
  - C. GM/CDO
  - D. ED

ANS: A

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- Q.15 Who is the Compliance Officer for Gift City Branch?
- A. BM
  - B. ABM
  - C. A or B
  - D. A & B

ANS: B

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- Q.16 The Chief Compliance Officer shall also have the right of direct access to -----
- A. Audit Committee of the Board(ACB)
  - B. RBI
  - C. GOI
  - D. None

ANS: A

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- Q.17 How many Foreign branches are there?
- A. 1
  - B. 2
  - C. 3
  - D. 4

ANS: C

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- Q.19 Who is the nodal point of contact between the Bank and the Regulator?
- A. Compliance Department at CO
  - B. The Chief Compliance Officer
  - C. The functional ED
  - D. MD & CEO

ANS: B

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- Q.20 The CO : Compliance Department should submit quarterly report to whom?
- A. MD& CEO
  - B. The functional ED
  - C. ACB & Board
  - D. RBI

ANS: C

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- Q.21 As per BCBS which is/are the Compliance risk?
- A. risk of Legal or regulatory sanctions
  - B. Material financial loss
  - C. Loss of reputaion
  - D. All the above

ANS: D

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- Q.22 Who is the special invitee to Audit Committee of the Board?
- A. CFO
  - B. GM Audit
  - C. The Chief Compliance Officer
  - D. GM Credit

ANS: C

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- Q.23 All new products and processes shall be approved by which of the following Committee before launching?
- A. New Product and process approval committee(NPPAC)
  - B. Credit Risk Management Committee(CRMC)
  - C. Operational Risk Management Committee(ORMC)
  - D. All the above

ANS: D

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Q.25 Foreign branches shall submit ----- compliance certificate duly signed by CEO & Deputy CEO to CO : international Banking Division.

- A. Monthly
- B. Quarterly
- C. Half yearly
- D. Annually

ANS: A

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