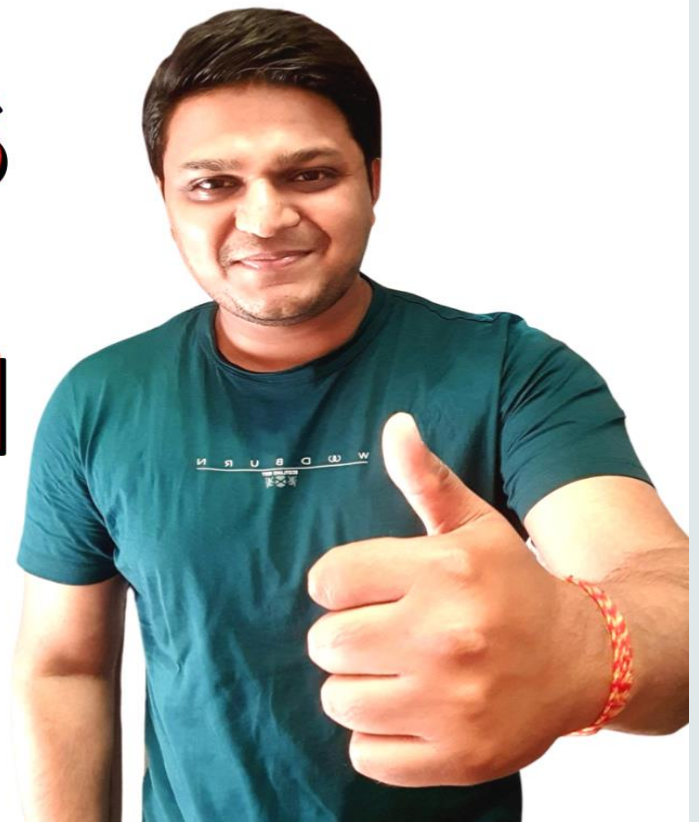


# **IIBF CERTIFIED CREDIT PROFESSIONAL**

---

**PREVIOUS  
YEAR  
QUESTION  
PAPERS  
PDF**



[iibf.info](http://iibf.info)

**Note:** Though we had taken enough care to go through the questions, we advise everyone to update oneself with the latest information through RBI website and other authenticated sources.



LEARNING  
SESSIONS

**November 2021**

---

**CERTIFIED CREDIT PROFESSIONAL PREVIOUS YEAR QUESTIONS:**

No.	Questions
1	<p>What will be the impact of the increasing proportion of aging population in the economy?</p> <p>A.) Higher demands for electronic and consumer goods B.) Higher workforce in agriculture C.) Easy availability of workforce in offices in urban areas D.) Increased demand for health care products</p>
2	<p>Which one of the following need not be scrutinized and commented upon in a periodic post-sanction inspection report?</p> <p>A.) Advantages of chosen location to the unit. B.) Unduly slow movement of part of finished goods. C.) Internal Control measures existing at the unit. D.) Frequent break down of machinery and disruption of production.</p>
3	<p>An increase in Mergers and Acquisition indicate:</p> <p>A.) Poor economic conditions B.) Good economic conditions C.) Uncertain economic conditions D.) Mergers and Acquisitions are never an indicates of economic conditions</p>
4	<p>A cash credit facility made available by a bank can typically be categorized as _____.</p> <p>A.) Revolving/ Secured credit B.) Revolving/ Unsecured credit C.) Non-Revolving/ Secured credit D.) Non-Revolving/ Unsecured credit</p>

5	<p>Which of the following facilities, bank is at a disadvantage in verifying the end use of funds?</p> <p>A.) Bill purchase B.) Cash credit C.) Letter of credit D.) None of the above</p>
6	<p>ABC Bank sanctioned loan of Rs. 25 lakhs to XYZ &amp; Co. to start trading of 'White' goods on 01/03/2016. Apart from primary security, collateral security of landed property was obtained. The unit was closed on 01.03.2018 and the position of the account was as under:</p> <p>(i) Outstanding Balance at the time of closure of unit was Rs.30 lakh. (ii) Value of primary security available in the account at the time of closure was negligible. (iii) Value of collateral security offered at the time of sanction of advance was Rs.12.50 lakh. (iv) Distress sale value of the property was Rs. 8 lakhs as per the latest assessment carried out while initiating recovery proceedings.</p> <p>When Bank initiated recovery actions, mortgaged property could not be sold because 110 KV line of the State Electricity Board was passing above the property. What will be the amount of provision Bank will be required to make as on 31/03/2016?</p> <p>A.) Rs.25.20 lakh B.) Rs.30.00 lakh C.) Rs.22.50 lakh D.) Rs.24.00 lakh</p>
7	<p>Two most popular forms of credit enhancement in securitization structures are:</p> <p>A.) Subordinates PTCs and Escrow Accounts B.) Cash Collateral and Escrow Accounts C.) Cash Collateral and Subordinate D.) Corporate Guarantees and Asset Liability Mismanagement</p>

<b>8</b>	Commercial appraisal comprises the study of whether _____.  A.) The firm is financially strong B.) Products of the firm has good demand and market acceptance C.) The capacity utilization is very high D.) None of the above
<b>9</b>	Which one of the following is not a purpose of "credit monitoring"?  A.) Ensuring that the quality of the credit is maintained at the same level as at the time of sanction and there is no slippage. B.) Ensuring compliance of terms of sanction/covenants stipulated at the time of sanction. C.) Effecting reasonable/sizeable recovery in accounts, already classified as NPA. D.) Keeping track of the borrowing company's performance throughout the period of the loan/Working Capital finance.
<b>10</b>	Three credit analysts were discussing the latest company Bill, 2012 to identify the red flags related to the auditor rotation by the companies, Analysts 1: As per company Bill 2012, all listed companies may have to compulsory rotate auditor as depending on the kind of audit service (individual or audit firm) it avails. Analyst 2: In case a company indulges in service of an individual auditor, it needs to be rotated every ten years. Analyst 3: In case a company indulges a service of an audit firm, it need not rotated auditor. Which of the above analyst are true?  A.) Analyst 1 B.) Analyst 1 & Analyst 2 C.) Analyst 2 D.) Analyst 2 & Analyst 3

<b>11</b>	Owner's equity capital shows as a liability in the Balance Sheet. This is based on the accounting concept of:  A.) Accrual concept B.) Going concern concept C.) Business entity concept D.) Dual entry concept
<b>12</b>	A company had sales of Rs 8,30,000 and cost of goods sold was Rs 5,25,000. At the beginning of the year its accounts receivable were Rs 80,000 and its inventory was Rs 1,00,000. At the end of the year its accounts receivable were Rs 86,000 and its inventory was Rs 1,10,000. The inventory turnover ratio for the year was.  A.) 4.8 B.) 5 C.) 7.9 D.) 2.7
<b>13</b>	ITraxx Europe non-financial index relates to:  A.) Equity weighted index of 100 non-financial European reference entities. B.) Equity weighted index of top 125 European reference entities, selected by traded volumes. C.) Equity weighted index of 25 senior financial European reference entities. D.) Equity weighted index of 25 subordinated financial European reference entities.
<b>14</b>	<b>Basel I guidelines did not allow risk mitigation on exposures secured by</b>  A.) Deposits under lien B.) Government Securities C.) Shares D.) NSCs

<b>15</b>	<p>Which one of the following statements is not correct in respect of partnership firm?</p> <p>A.) It is for carrying on business by all any one of the partners B.) Partnership firm carrying on banking business can have not more than 20 partners C.) There must be an agreement between the partners D.) There must be sharing of losses also</p>
<b>16</b>	<p>Other things held constant, which of the following will not affect the quick ratio? (Assume that current assets equal current liabilities)</p> <p>A.) Fixed Assets are sold for cash B.) Cash is used to purchase Inventory C.) Cash is used to pay-off accounts payable. D.) Accounts receivable that are collected.</p>
<b>17</b>	<p>The purpose of acknowledgement of debt and security is _____.</p> <p>A.) To know the whereabouts of the borrower B.) To remind him of his repayment obligations C.) To keep the security document alive D.) All of the above</p>
<b>18</b>	<p>Which of the following is a operation related mechanism which can result in taking a consolidated view instead of standalone view:</p> <p>A.) Holding Company B.) Corporate Guarantee C.) Keep-well agreement D.) Forward integration</p>

<b>19</b>	<p>The original Z-score model developed by Mr. Altman is a factor of _____ variables.</p> <p>A.) Five B.) Four C.) Six D.) None of the above</p>
<b>20</b>	<p>_____ refers to the risk involved in the payment mechanism i.e channeling the cash flows generated by the pool and the credit enhancement to investors.</p> <p>A.) Systematic Risk B.) Structural Risk C.) Prepayment Risk D.) Subordination Risk</p>

<b>Answer Key</b>							
<b>1</b>	D	<b>6</b>	A	<b>11</b>	C	<b>16</b>	D
<b>2</b>	A	<b>7</b>	C	<b>12</b>	B	<b>17</b>	C
<b>3</b>	B	<b>8</b>	B	<b>13</b>	A	<b>18</b>	D
<b>4</b>	A	<b>9</b>	C	<b>14</b>	C	<b>19</b>	A
<b>5</b>	B	<b>10</b>	A	<b>15</b>	B	<b>20</b>	B



## 20% DISCOUNT OFFER

You can also avail the Festival Offer of **20% Discount** that is running on our Combo packs of CAIIB/JAIIB/BANK PROMOTIONS/IIBF CERTIFICATION EXAMS using:

**Code: LSPRO**

CCP: [STUDY MATERIAL](#) that includes:

- **Latest chapter-wise video full course**
  - ✓ English + Hindi Language
- Offline Downloadable Videos
- **Memory Recalled Questions**
- **Tests for CCP 2022:**
  - ✓ Compete Mock Tests

The study Material will also include **the previous year's papers** of CCP in the **LATEST CCP Study Material** for 2022

The study Material of CCP 2022 is **tutored by Mr. Ashish Jain**, who is an **ex-banker with 7 years of experience in Credit department**. He has delivered **900+ hours of online classes** and has rendered services to **1,25,000+ candidates** so far.

With his **vast expertise** in the banking field and being **trusted by more than 1,25,000 of candidates**. He believes in making **his teaching- the best and quality experience** for his students and that too **at the most affordable price**.

---

**TO GET ACCESS TO MORE MATERIAL ON CCP, PLEASE HIT ON THE LINKS BELOW:**

**ARTICLE LINKS:**

CCP: [MOCK TESTS](#)

CCP: [VIDEO MATERIAL](#)

CCP: [SYLLABUS PRIORITY](#)

CCP: [Short Notes – Part 1](#)

CCP: [FULL COURSE VIDEOS](#)

CCP: [EXAM SYLLABUS & STUDY MATERIAL 2022](#)

**YOUTUBE LINKS:**

CCP: [Syllabus Priority](#)

CCP: [Memory Recalled Question](#)

CCP: [Type of companies](#)

CCP: [CCP Certifications Videos Playlist](#)

To know more about the courses or packages, you can either visit [our website](#) or download our app on the [Play Store](#).