20 True or False

Decide, then check the answer and reason below each statement.

Question 1

The CCP exam consists of 100 MCQs for a maximum of 100 marks.

TRUE

This is the standard structure of the Certified Credit Professional online exam.

Question 2

The duration of the CCP exam is 3 hours.

FALSE

The exam duration is 2 hours, not 3.

Question 3

There is negative marking in the CCP exam.

FALSE

The CCP exam has no negative marking, so candidates should attempt every question.

Question 4

The widely referenced qualifying mark for the CCP exam is 50 out of 100.

TRUE

Candidates should confirm the exact current figure on the latest official IIBF notification.

Question 5

The CCP exam excludes questions on economy and finance entirely, focusing only on credit topics.

FALSE

The exam mixes core credit topics with economy, finance and reasoning questions.

Question 6

Gross Investment equals Net Investment plus Depreciation.

TRUE

This is the standard national-income accounting formula for gross investment.

Question 7

A credit card allows the holder to make a purchase without immediate cash payment.

TRUE

This distinguishes a credit card from a debit card, which draws directly from the holder's account.

Question 8

FDI typically brings capital, technology and management expertise, while FII brings mainly capital.

TRUE

This is a standard distinction made between FDI and FII in economic literature.

Question 9

To control excess credit and investment, RBI would typically buy securities in the open market and lower the CRR.

FALSE

To control or curb credit growth, RBI would sell securities and raise the CRR, not the reverse.

Question 10

Minimum capital standards, supervisory review and market discipline are the three pillars of Basel III.

TRUE

These three pillars structure bank capital adequacy and risk oversight under Basel III.

Question 11

Consolidation of assets is one of the three pillars of the Basel III framework.

FALSE

The three Basel III pillars are minimum capital standards, supervisory review and market discipline, not asset consolidation.

Question 12

GAAR stands for General Anti-Avoidance Rules, aimed at curbing aggressive tax planning.

TRUE

GAAR is an Indian tax provision designed to prevent arrangements made primarily to avoid tax.

Question 13

Minimum Alternate Tax under Section 115JB applies only to partnership firms and LLPs.

FALSE

MAT under Section 115JB applies to companies, not partnership firms or LLPs.

Question 14

Gross National Happiness is a concept used to explain a nation's quality of life.

TRUE

GNH contrasts with GDP by including wellbeing factors in assessing national progress.

Question 15

Vertical or common-size analysis expresses balance sheet figures as a percentage of the total.

TRUE

This differs from horizontal analysis, which compares figures across several years.

Question 16

Horizontal analysis is the technique of expressing balance sheet figures as a percentage of the total.

FALSE

Expressing figures as a percentage of the total is vertical or common-size analysis, not horizontal analysis.

Question 17

Reserve Tranche Position is a term used in the context of the International Monetary Fund.

TRUE

RTP refers to a member country's reserve position with the IMF.

Question 18

Urban cooperative banks in India are regulated solely by the Reserve Bank of India with no role for state governments.

FALSE

Urban cooperative banks are jointly governed by both the Reserve Bank of India and State Governments.

Question 19

Viability Gap Funding supports public-private partnership infrastructure projects with central government funding.

TRUE

VGF helps make PPP projects financially viable by covering part of the capital cost.

Question 20

A bank's credit policy seeks to balance credit quality, earnings and volume.

TRUE

This balance is a core objective banks pursue when framing their lending policy.