MCQ on FEMA

1. The Foreign Exchange Management Act, 1999 (FEMA), has been made effective from
2. 1st January, 2000
3. 1st June, 2000
4. 1st July 2000
5. 1st April 2000
6. Responsibility to Enforce of FEMA on
7. RBI
8. Directorate of Enforcement
9. Either RBI or Directorate of Enforcement
10. Both RBI & Directorate of Enforcement
11. FEMA is applicable to:
12. Foreign exchange & Foreign security.
13. Exportation of any commodity and/or service from India to a country outside India.
14. Importation of any commodity and/or services from outside India.
15. All of the above
16. Prohibition on withdrawal of Foreign Exchange
17. Any kind of remittance out of winning the lottery & income on racing/riding etc.
18. A travel to Bhutan and/or Nepal & A transaction with a resident of Bhutan or Nepal.
19. Remittance of interest income on funds held in NRSR Account i.e. Non-resident Special Rupees Scheme account.
20. All of the above
21. Transactions for which Central Government prior approval is required for Drawl of foreign exchange –
22. Cultural tours.
23. Advertisement in print media of a foreign country for any purpose other than promoting tourism, international bidding and foreign investments (exceeding 10000 US Dollar) by a State Government and its Public Sector Units.
24. Payment of importation by a Public Sector Unit or a government department on c.i.f. basis only for importation through ocean transport.
25. All of the above
26. Penalties Under FEMA
27. penalty up to 2 times the sum involved in such contravention or up to Rs.2 lakh.
28. penalty up to 3 times the sum involved in such contravention or up to Rs.5 lakh.
29. penalty up to 2 times the sum involved in such contravention or up to Rs.3 lakh.
30. penalty up to 3 times the sum involved in such contravention or up to Rs.2 lakh.
31. As per Section 2(c) of the Foreign Exchange Management Act or FEMA states that 'authorized person' means -
32. Money Changer,
33. an Authorised Dealer (AD),
34. off-shore (SEZ) Banking unit or
35. All of the above
36. How much foreign exchange can be brought in while visiting India?
37. Up to USD 5,000 or its equivalent
38. Up to USD 10,000 or its equivalent
39. Up to USD 20,000 or its equivalent
40. A person coming into India from abroad can bring with him foreign exchange without any limit.
41. Is there any time-frame for a traveler who has returned to India to surrender foreign exchange?
42. within 90 days of return.
43. within 180 days of return.
44. within 365 days of return.
45. There is no time limit
46. The Liberalised Remittance Scheme (LRS) is part of the Foreign Exchange Management Act (FEMA) 1999 which lays down the guidelines for outward remittance from India. Under LRS, all resident individuals, including minors, are allowed to freely remit …………………….per financial year (April – March).
47. up to USD 100,000
48. up to USD 150,000
49. up to USD 250,000
50. up to USD 500,000
51. To whom do the restrictions of transferring property outside India not apply?
52. The resident is a foreign national; or
53. The property was acquired before July 8, 1947 and continued to be held after obtaining permission; or
54. If it is acquired on a lease not exceeding five years
55. All of the above