

Bachelor of Management Studies(BMS)Programme

Third Year Semester Vand VI Under Choice Based Credit, Grading and Semester System (REV 18-19)

Class : TYBMS SEM : VI

Group A: Finance Electives

Paper : Innovative financial services

SAMPLE QUESTIONS

Sr. No	Question	A	B	C	D	Correct option	Correct option
1	Credit Protection is available in	Without Recourse factoring	With recourse factoring	Bill discounting	securitization	A	Without Recourse factoring
2	Which bill is properly stamped ?	Demand	Usance	Expired	Un-expired	B	Usance
3	NBFC performs great role for finance in	Wholesale sector	Big Scale industries	Small scale and Retail sector	big business houses	C	Small scale and Retail sector
4	The following is not a type of bill of exchange	Demand bill	Usance bill	Documentary bills	underwriting bill	D	underwriting bill
5	CCI stands for	controller of capital issue	capital and credit issue	controller of credit issue	credit of capital issue	A	controller of capital issue
6	Fee based financial services does not include	Merchant banking	credit rating	stock broking	insurance services.	D	insurance services.
7	The Idea of providing factoring services was by	Tandon committee	Malhotra committee	Vaghul committee	Jawahar committee	C	Vaghul committee
8	Credit Protection is not available in	Without Recourse factoring	With recourse factoring	bill discounting	venture capital	B	With recourse factoring
9	Broker's registration number begins with th	INR	INS	BKS	ABC	A	INR
10	Bill market scheme .	1951	1952	1953	1970	B	1952
11	No stamp duties are levied on LC backed bills up to	120 days	100 days	90 days	70 days	C	90 days
12	Trade bill are also called as	Discounted	commercial	Agency	prepaid	B	commercial
13	It is regarded as the fourth element of the financial system.	Financial services	Financial markets	Financial instruments	Financial institutions	A	Financial services
14	The management of issues for raising funds through various types of instruments by companies is known as	Lead management	Merchant banking	Issue management	Public issue management	C	Issue management
15	It covers the entire range of services provided by a merchant banker.	Project counseling	Corporate counseling	Credit syndication	Market makers.	B	Corporate counseling
16	The primary role is to purchase securities from the issuer and resell them to investor.	Underwriter	Shareholder	Banker	Broker	A	Underwriter

17	The first bank to set up a separate merchant banking division in India.	Punjab national bank	Standard chartered bank	National & Grindlays bank	National city bank.	C	National & Grindlays bank
18	The merchant banker leading a public offer is popular known as	lead manager	trustee	manager	head	A	lead manager
19	It is the process of updating the accounts of the trading parties.	Underwriting	Clearing	Banking	securitizing	B	Clearing
20	Equity funding is preferable especially when the project is	Fund intensive	Finance intensive	Capital intensive	Application intensive	C	Capital intensive
21	cash trading is also called as	delivery	purchase	accrual transaction	payment	A	delivery
22	security and exchange board of India was constituted in	1988	1990	1992	1987	A	1988
23	which of the party is not involved in securitization process	originator	special purpose vehicle	investor	agent	D	agent
24	Buying low in one market and selling high in the other market it called _____	Arbitrage trading	Hedging	Clearing	shareholding	A	Arbitrage trading
25	securitization is a process of pooling and repackaging of homogenous _____ financial assets into marketable securities.	liquid	illiquid	fixed	current	B	illiquid
26	SPV stands for	Special purpose vehicle	scope principle value	special principle vehicle	scope purpose vehicle	A	Special purpose vehicle
27	Owner of the asset in a lease agreement	Lessee	Tenant	Lessent	Lessor	D	Lessor
28	In Hire Purchase System the amount which has to be paid on entering into the agreement is known as	Down Payment	First Installment	First Payment	Last Payment	A	Down Payment
29	The main difference between hire purchase and installment system is	Transfer of ownership	Number of Installments	Amount of first installment	Last Payment Method	A	Transfer of ownership
30	Nature of hire purchase agreement is	Agreement of sale	Option to transfer	Option to buy	Option to sell.	C	Option to buy
31	National Housing Finance issued directions in the year 2001 with emphasize on	Asset liability management	Portfolio management	Housing for rural citizens	Financial management	A	Asset liability management
32	N B H stands for	National house banker	National house bank	National house building	New housing bank.	D	New housing bank.
33	It is known as bridge finance.	Development financing	Expansion financing	Replacement finance	Modern Financing	B	Expansion financing

34	Venture capital is invested in	Early stage firms with long-term growth potential	Late stage and bigger firms	Early stage firms with short-term growth potential	Early stage firms which do not plan for growth	A	Early stage firms with long-term growth potential
35	Means buying the control of sick company	Turn around	Buyout	Bridge	Sale	A	Turn around
36	It is used to estimate the value of venture capital investment.	Revenue multiplier	Dual structuring	First chieago method	Chieago method	A	Revenue multiplier
37	The final intention of the Lessor is to transfer and sell of the asset to the Lessee	Financial Lease	Operating leases.	Off-balance sheet methods of financing.	Full-service leases.	A	Financial Lease
38	It is known as Mezzanine capital	Development financing	Expansion financing	Replacement finance	Modern Financing	A	Development financing
39	When there is an inflation the price of the goods _____ every year	Fall	Raise	Remain same	Changes	B	Rise
40	The division of retail banking deals with leading money to consumer is called as	Consumer Finance	Housing Finance	Short term Finance	Banking Finance	A	Consumer Finance
41	An application scoring more than _____ points is considered as one with good credit standing	30	50	70	100	C	70
42	Dunham Greenberg formula is not based on the customer's	Employment record	Income level	Financial position	Marital status	D	Marital status
43	When the card is swiped the money is immediately deducted from your bank account.	Debit Card	Credit Card	Rectified card	Business Card	A	Debit Card
44	Security features of Smart Card includes	Card never received fraud	Phishing	Multiple imprints	Secure data storage	D	Secure data storage
45	PIN stands for	Portable identification number	Permanent identification number	Personal identification number	Portable Identity Number	C	Personal identification number
46	The effective rate of interest on consumer finance is	Lower	Higher	Same	Different	B	Higher
47	Full form of CARE	Credit analysis and research	Credit analysis and rating agency	Credit under association and research	Credit rating association and research	D	Credit analysis and research
48	India's first credit Rating Agency	CARE	ICRA	CRISIL	ONICRA	C	CRISIL
49	Promoter of ICRA	IDBI	IFCI	SIDBI	IDFC	B	IFCI
50	How many credit rating agencies are there in India?	4	5	6	8	A	4

