

FYBAF SEM II

INNOVATIVE FINANCIAL SERVICES

SAMPLE TEST PAPER

A. Select the appropriate options

1. The bills should have maximum of days.

- (a) 90
- (b) 180
- (c) 150
- (d) 120

2. Bill Discounting is governed by the

- (a) Negotiable Instruments Act
- (b) The Contract Act
- (C) Sale of Goods Act
- (d) None of the above

3 \_\_\_\_ is defined as, "any person who is engaged in the business of issue management".

- (a) factor
- (b) manager
- (c) merchant banker
- (d) insurer

4. market facilitates the trading of foreign exchange.

- (a) Capital Market
- (b) Money Market
- (c) Commodity Market
- d) forex market

5..A banker to an issue is required to maintain books of accounts for a minimum period of years.

- (a) two
- (b) four
- (c) one
- (d) three

6. Where in an order, the client places a limit on the price of the security; it is a case of

- (a) 'Limit Order'**
- (b) "Best Rate Order"
- (c) 'Immediate or Cancel Order'
- (d) 'Stop Loss Order'

7. Securitisation is the process of pooling and repackaging of homogenous financial assets into marketable securities.

- (a) liquid
- (b) illiquid
- (c) fixed
- (d) current

8. According to the Accounting Standard on Leases

the classification of lease is based on the extent to which risks and rewards incidental to ownership of a leased asset lie with the lessor or the lessee.

- (a) 9
- (b) 10
- (c) 19
- (d) 1

9. The NHB, which is a wholly-owned subsidiary of the

- (a) State Bank of India
- (b) Bank of India

(c) HDFC

(d) Reserve Bank of India

10..Pradhan Mantri Awaas Yojana was launched in  
with an aim to provide affordable housing to urban poor.

(a) July 2011

(b) June 2017

(c) June 2015

(d) June 2018

11.Credit Card facility is an excellent example of revolving credit.

(a) Cash credit

(b) revolving credit

(c) secured credit

(d) term loan

12.The borrowers getting a score more than 3.5, is ranked as, Specific Fixed Formula of Credit Score method.

(a) excellent borrower

(b) marginal borrower

(c) ordinary borrower

(d) extra-ordinary borrower

13. credit is granted only to customers with good credibility.

(a) unsecured

(b) Secured

(c) Fixed

d) short term

14.The Securities and Exchange Board of India (SEBI ) was constituted in

(a) 1988

(b) 1990

(c) 1992

(d) 1987

.15. Securitisation is the process of pooling and repackaging of homogenous----- financial assets into marketable securities.

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(b) illiquid

(c) fixed

(d) current

16. 2. It is important to note that in the leasing contract, ownership of the asset is with the

(a) lessor

(b) lessee

(c) no one

(d) both (a) & (b)

17. In a lease, the lessor does not transfer all the risks and rewards incidental to the ownership of the asset.

(a) finance

(b) operating

(c) both (a) & (b)

18. The setting up of the National Housing Bank (NHB), a fully owned subsidiary of the Reserve Bank of India in-----, as the apex institution marked the beginning of emergence of housing finance as a fund based financial services in India.

(a) 1987

(b) 1988

(c) 1989

(d) 1990

19. The NHB, which is a wholly-owned subsidiary of the-----

State Bank of India

- (b) Bank of India
- (c) HDFC
- (d) Reserve Bank of India

20.. The Early Stage Financing of a venture capital includes

- (a) Seed Capital & Research and Development Projects/Pre-start ups
- (b) Start ups
- (c) Second Round Finance
- (d) All the above

21. . Features of venture capital includes

- (a) High risk
- (b) Illiquid investment
- (c) High Technology
- (d) All the above

22.

Methods of consumer credit scoring are

- (a) Dunham Greenberg Formula
- (b) Specific Fixed Formula
- (c) Machinery Risk Formula
- (d) All of the above

23. . The effective rate of interest on consumer finance is generally than the rate applicable to business finance.

- (a) lower
- (b) higher
- (c) same

24. . An applicant scoring more than points is considered as one with good credit standing

- (a) 30
- (b) 50
- (c) 70

(d) 100

25. 5. 100% finance is provided in

(a) Factoring

(b) Forfaiting

(c) Both (a) & (b)

(d) None of (a) & (b)