1. __________ includes all activities involved in the transformation of savings into investment.
   a. Financial system  
   b. Financial service 
   c. Economic system  
   d. Saving system

2. Underwriting of shares by a financial intermediary is a kind of __________ activity.
   a. Fee based  
   b. Fund based  
   c. Both of these  
   d. None of these

3. __________ services are mainly provided to foreign investors.
   a. Custodial services  
   b. Financial services  
   c. Factoring services  
   d. None of these
   e. 

4. Term lending institutions are __________ market intermediaries.
   a. Money market 
   b. Bill market  
   c. Capital market  
   d. None of these

5. The minimum net worth for the first category of merchant banker is Rs. __________
   a. 2 crore  
   b. 5 crore  
   c. 1 crore  
   d. 10 crore
6. A merchant banker can claim a charge ————% as the commission for the whole issue.
   a. 5  b. 10  c. 2.5  d. 0.5

7. ———— fund invests in highly liquid securities like commercial paper.
   a. Equity fund  c. Income fund
   b. Balanced fund d. Money market mutual fund

8. The company which sets up a mutual fund is called ————
   a. Fund company  c. Originator
   b. Sponsor d. Obligor

9. The small investors’ gateway to enter into big companies is ————
   a. Equity shares  c. Preference shares
   b. Debentures d. Mutual fund

10. The process of selling trade debts of a client to a financial intermediary is called ————
    a. Bill discounting  c. Securitisation
    b. Factoring d. Materialisation

11. The idea of providing factoring services was first thought of in India by ————
    a. Tandem Committee  c. Vaghul committee
    b. Malhotra committee d. None of these

12. The central theme of forfaiting is the purchasing of ———— by a financial service company.
    a. Trade bills  c. Import bills
    b. Export bills d. All of these

13. In India, forfaiting is done by ———— bank
    a. Foreign bank  c. Commercial bank
    b. RBI  d. EXIM bank

14. The minimum size of venture capital fund is Rs. ————
    a. 1 crore  b. 5 crore  c. 10 crore  d. 2 crore

15. Venture capital is originated in ————
    a. India  c. Britain
    b. France  d. USA

16. ———— is considered to be the father of venture capital.
    a. Dariot  c. Modigliani
    b. Vaghul  d. Jimmy carter

17. In the implementation stage of a project, venture capital firms provide ———— finance
    a. Mezzanine finance  c. Start up
    b. Seed finance d. All of these
18. Which of the following is a fee based service
   a. hire purchase   c. capital issue management
   b. leasing         d. Underwriting.

19. Find the odd one out
   a. Commercial paper,   c. Certificate of deposit,
   b. Share certificate,   d. Treasury bill.

20. The process of managing the sales ledger of a client by a financial service company is called factoring
   a. Factoring         c. Bill discounting
   b. Forfaiting        d. None of these

21. The best suited fund to the business people is
   a. income fund,      c. growth fund,
   b. balanced fund,   d. None of these.

22. Mutual funds are very popular in
   a. USA,           b. UK,         c. Japan,       d. India

23. In India, the company which actually deals with the corpus of the mutual fund is called
   a. sponsor company,  c. asset management company
   b. trustee company,  d. Mutual fund company.

24. Trade debts have to be assigned in favour of the financing company under
   a. discounting,         c. factoring,
   b. forfaiting,         d. All of these.

25. Under factoring the factor acts in the capacity of
   a. an agent of his client,   c. a holder for value,
   b. a trustee,              d. An administrator.

26. The first bank in India to start factoring business is
   a. Canara bank,   c. Punjab National Bank,
   b. SBI,          d. Allahabad Bank.

27. The inflation free instrument is _____________.
   a. Option bond  c. Index-linked guilt bond
   b. Variable rate bond  d. Deep discount bond

28. Financial derivatives are mainly used for _____________.
   a. Speculative activities  c. Hedging risks.
   b. Creating more risks     d. Earning income

29. In an option contract, if the option can be exercised only at the time of maturity, it is called_____
   b. American option  d. European option
30. The predetermined price at which an underlying asset has to be bought or sold in an option contract is called ________.
   a. Option price.  
   b. Exercise price 
   c. Spot price 
   d. Future price 

31. Combination of forwards by two counterparties with opposite but matching need is called
   a. Swap  
   b. Option 
   c. Forward. 
   d. Future. 

32. The first Indian Bank to set up Merchant Banking division in India is ___________.
   a. UCO Bank  
   b. State Bank of India 
   c. ICICI. 
   d. Punjab National Bank 

33. The first foreign bank which started Merchant Banking services in India is ___________.
   a. b. City Bank  
   c. Bank of America 
   d. The Federal Bank 
   e. The National Grindlays Bank 

34. A very long tenure lease applicable to immovable properties is ____________.
   a. Leverage lease 
   b. Conveyance lease 
   c. Consumer leasing 
   d. Balloon lease. 

35. When the lessee is allowed to exchange equipment leased out whenever the original asset has to be sent to the lessor for some repair or maintenance, such type of lease is called _____.
   a. Wrap lease 
   b. Import lease 
   c. Swap lease. 
   d. Leveraged lease 

36. Refactoring charges have to be paid in the case of ___________.
   a. Maturity factoring 
   b. With recourse factoring 
   c. Invoice factoring 
   d. Full service factoring 

37. Under forfaiting the client is able to get credit facility to the extent of ____________.
   a. 100 % of the value of the export bill  
   b. 80% of the value of the export bill. 
   c. 75% of the value of the export bill 
   d. 90% of the value of the export bill 

38. The concept of securitisation is associated with ___________.
   a. Capital market 
   b. Money market. 
   c. Debt market. 
   d. Foreign exchange market. 

39. In the case of securitisation, the trade debts and receivables are mostly in the nature of _____.
   a. Short-term. 
   b. Medium – term 
   c. Long-term 
   d. Both medium term and long term 

40. Under securitisation, selected pool of assets are ‘passed through’, for converting them into securities, to another institution called:
   a. Originator. 
   b. Special purpose vehicle 
   c. Credit rating company 
   d. Servicing agent.
41. Which one of the following is a short term debt instrument?.
   a. Preferred stock certificate
   b. Pass through certificate
   c. Asset based commercial certificate
   d. Principal only certificate

42. The asset generally not suitable for securitisation is ______________.
   a. Receivables from government department
   b. Trade receivables
   c. Hire purchase finance receivables
   d. Mortgage loans

43. __________ variety of mutual fund is known as “Nest Eggs”
   a. Balanced Funds
   b. Fund of funds
   c. Money Market Mutual fund
   d. Growth oriented funds

44. Generally mutual funds are of
   a. High risk
   b. Risk free
   c. Low risk
   d. Any of the above

45. The corpus of funds and its duration is fixed in case of ________ fund
   a. Open ended
   b. Balanced
   c. Close ended
   d. Income fund

46. The market performance of mutual fund can be judged on the basis of
   a. Net asset value or intrinsic value
   b. Capital appreciation
   c. Regular / stable income
   d. Any of these

47. __________ is the regulator of mutual funds in India
   a. RBI
   b. IRDA
   c. SEBI
   d. Both SEBI and GOI

48. ________ is the venture capital assistance at the stage where the project started to fetch profit but not reached in its full efficiency
   a. Start up capital
   b. Mezzanine capital
   c. Bridge capital
   d. Seed capital

49. In _________-leasing, the risk of obsolescence is assumed by the lessee
   a. Financial lease
   b. Operating lease
   c. Both the above
   d. None the above

50. __________ is a tripartite lease arrangement
   a. Financial lease
   b. Operating lease
   c. Leverage lease
   d. Sale and lease back

51. In hire purchase depreciation can be claimed by the
   a. Hirer
   b. Vendor
   c. Financiers
   d. All of these
52. Equipment leasing is ............... financial service.
   a. fund based  
   b. fee based  
   c. non-fund based  
   d. any of the above

53. Managing the capital issue is............ financial services.
   a. fund based  
   b. fee based  
   c. non-fund based  
   d. both b and c above

54. Fee based financial services are also known as...........
   a. fund based  
   b. capital based  
   c. non-fund based  
   d. cash based

55. ............. is the design, the development and the implementation of innovative financial
   instruments and processes and the formulation of creative solutions to problem of finance.
   a. financial services  
   b. financial inclusion  
   c. financial engineering  
   d. financial innovation

56. ................ is more or less similar to “Consortium financing”.
   a. Merchant banking  
   b. Retail banking  
   c. Whole sale banking  
   d. Loan syndication

57. Yankee bonds are raised in...........
   a. USA  
   b. UK  
   c. Japan  
   d. India

58. Samurai bonds are raised in...........
   a. USA  
   b. UK  
   c. Japan  
   d. India

59. Type of debt instrument which permit investors to switch between two types of securities.
   a. Swap  
   b. Option  
   c. Flip-Flop notes  
   d. ECU bonds

60. The inflation free instrument is.......  
   a. Option bond  
   b. Index-linked guilt bond  
   c. Variable rate bond  
   d. Deep discount bond

61. ------ bonds are issued at a large discount to their nominal value.
   a. Option bond  
   b. Index-linked guilt bond  
   c. Variable rate bond  
   d. Deep discount bond

62. ------ is referred as both fund based and fee based financial service.
   a. Hire purchase  
   b. Leasing  
   c. Factoring  
   d. Underwriting

63. Direct sale of securities to investors is called.........
   a. Public offer  
   b. Private placement  
   c. FPO  
   d. IPO
64. Hire Purchase Act passed in the year  
   a. 1969  
   b. 1982  
   c. 1972  
   d. 1976  

65. ........... supplies machinery to small scale industries under hire purchase system.  
   a. IDBI  
   b. SIDMI  
   c. NSIC  
   d. DIC  

66. In India, Banks are permitted to carry on Hire purchase business  
   a. Directly  
   b. Through its Departments  
   c. Through subsidiary  
   d. Any of the above  

67. In hire purchase, till the payment of last instalment, amount paid by hirer is treated as  
   a. Rent  
   b. interest  
   c. cash price  
   d. all of these  

68. With -------- we rent and with ........ we buy the goods.  
   a. Hire purchase, leasing  
   b. Leasing, hire purchase  
   c. Hire purchase, instalment  
   d. Hire purchase, Credit sale  

69. In..........., lessor fulfils financing function  
   a. Operating lease  
   b. Swap lease  
   c. Financial lease  
   d. Balloon lease  

70. In................., Lessor fulfils servicing function  
   a. Operating lease  
   b. Swap lease  
   c. Financial lease  
   d. Balloon lease  

71. Credit card facility is a better example of  
   a. Revolving credit  
   b. Cash loan  
   c. Secured credit  
   d. Fixed credit  

72. .............. card provides communication security  
   a. Charge card  
   b. Smart card  
   c. Debit card  
   d. Credit card  

73. --------- is pay later product  
   a. Debit card  
   b. Credit card  
   c. Both a & b  
   d. None of these  

74. --------- is pay now product  
   a. Debit card  
   b. Credit card  
   c. Both a & b  
   d. None of these  

75. ATM stands for  
   a. Automatic Teller Machine  
   b. Any Time Money  
   c. Automated Teller machine  
   d. All Time Machine
76. Andhra bank and Central bank of India introduced credit card in India in
   a. 1991  c. 1984
   b. 1981  d. 1990

77. “India Card” was introduced by
   a. Central Bank of India  c. Indian Overseas bank
   b. Bank of India  d. SBI

78. Full service factoring is often
   a. Recourse factoring  c. Agency factoring
   b. Non-recourse factoring  d. None of these

79. Disclosed factoring is also known as
   a. Recourse factoring  c. Agency factoring
   b. Non-recourse factoring  d. Notified factoring

80. Maturity factoring is also known as
   a. Maturity factoring  c. Agency factoring
   b. Disclosed factoring  d. Notified factoring

81. “Confidential invoice discounting” is another name of
   a. Maturity factoring  c. Undisclosed factoring
   b. Disclosed factoring  d. Notified factoring

82. Re-Factoring fee is applicable in case of
   a. With recourse factoring  c. Agency factoring
   b. Disclosed factoring  d. Notified factoring

83. ............... Is an “invoice based export finance” technique.
   a. International factoring  c. Agency factoring
   b. Disclosed factoring  d. Notified factoring

84. “EDI” in EDIFACTORING stands for
   a. Economic Deposit insurance  c. Export Division insurance
   b. Electronic Data interchange  d. None of these

85. In ............... lease, leasing company assumes risk of obsolescence.
   a. Financial lease  c. Leverage lease
   b. Operating lease  d. Cross boarder lease

86. ............... lease contracts are usually non cancellable.
   a. Financial lease  c. Leverage lease
   b. Operating lease  d. Cross boarder lease

87. Financial lease introduced in India by.................
   a. Tata group  c. Chidambaram group
   b. Reliance group  d. Murugappa group
88. Rental loans are given to
   a. Tenant   c. Hирer of the cars
   b. Owner of the building d. Any of the above

89. Loans for pensioners are given up to ------- months of pension amount.
   a. 12   b. 36   c. 24   d. 6

90. Consumer loans are granted for
   a. Long period   c. Short period
   b. Medium period d. Any of the above

91. Retail banking is confined to ............ customers
   a. Corporate   c. Individual
   b. Firm d. Individual and corporate

92. Housing advances are ............ in nature
   a. Short term   c. Long term
   b. Medium term d. Any of the above

93. In the private sector, ............ plays a dominant role in housing finance.
   a. ICICI   b. HDFC   c. DHFL   d. LICHFL

94. Canara bank’s housing finance subsidiary is........
   a. Can HFL c. Can Fin Homes Ltd
   b. CHFL d. CBHFL

95. Housing loan up To Rs............. is considered as priority sector advance.
   a. 5 lakh   b. 25 lakh   c. 10 lakh   d. 15 lakh

96. Apex institution set up to deal in housing finance is
   a. HDFC   c. HUDCO
   b. NHB d. None of these

97. Institution which gives thrust to urban infrastructure development is
   a. HDFC   c. HUDCO
   b. NHB d. DHFL

98. Education loan is maximum Rs......... for study in India
   a. 5 lakh   b. 7.5 lakh   c. 10 lakh   d. 15 lakh

99. No security is insisted upon .............loan
   a. Housing   c. Vehicle
   b. Education d. Personal

100. Which of the following is/are types of consumer credit?
   a. Revolving credit   c. Secured credit
   b. Unsecured credit d. All the above
101. The difference between open-end and closed-end mutual funds is:
   a. The total number of shares under management grows and shrinks for open-end funds, but is fixed for closed-end funds
   b. Open-end funds can be purchased in a variety of international markets while closed-end funds can only be purchased in their home market
   c. The total number of shares under management grows and shrinks for closed-end funds, but is fixed for open-end funds
   d. Open-end funds contain securities from various countries while closed-end funds contain securities from just one country

102. The material wealth of a society is equal to the sum of __________.
   a. All financial assets
   b. All real assets
   c. All financial and real assets
   d. All physical assets

103. ______ are financial assets
   a. Bonds.
   b. Machines
   c. Stocks.
   d. A and C.

104. ______ are examples of financial intermediaries
   a. Commercial banks
   b. Insurance companies
   c. Investment companies
   d. All of the above.

105. Financial intermediaries exist because small investors cannot efficiently ________.
   a. Diversify their portfolios
   b. Gather all relevant information
   c. Assess credit risk of borrowers
   d. All of the above

106. Firms that specialize in helping companies raise capital by selling securities are called---
   a. Commercial banks
   b. Merchant banks
   c. Savings banks
   d. Credit unions

107. Financial assets ______.
   a. Directly contribute to the country's productive capacity
   b. Indirectly contribute to the country's productive capacity
   c. Contribute to the country's productive capacity both directly and indirectly.
   d. Do not contribute to the country's productive capacity either directly or indirectly.

108. The sale of a mortgage portfolio by setting up mortgage pass-through securities is an example of ________.
   a. Credit enhancement
   b. Securitization.
   c. Unbundling
   d. Derivatives.

109. Merchant bankers perform the following role(s) ________.
   b. Provide advice to the firms as to market conditions, price, etc.
   c. Provide consultancy services for expansion etc
   d. All of the above

110. The means by which individuals hold their claims on real assets in a well-developed economy are __________.
111. Commercial banks differ from other businesses in that both their assets and their liabilities are mostly ________.
   a. Illiquid
   b. Financial.

112. Although derivatives can be used as speculative instruments, businesses most often use them to ________.
   a. Attract customers
   b. Appease stockholders.
   c. Offset debt.
   d. Hedge.

113. A fixed-income security pays ____________.
   a. A fixed level of income for the life of the owner.
   b. A fixed level of income for the life of the security.
   c. A variable level of income for owners on a fixed income
   d. A fixed or variable income stream at the option of the owner.

114. Money market securities ____________.
   a. Are short term.
   b. Are highly marketable
   c. Generally very low risk.
   d. All of the above

115. A mutual fund in which shares are issued only when the fund is organized is called a ________ fund.
   a. Closed-end.
   b. Load.
   c. No-load
   d. Open-end

116. The value of the mutual fund's portfolio minus the mutual fund's liabilities divided by the number of shares outstanding is called the:.
   a. Book value
   b. Outstanding balance
   c. Per share value
   d. Net asset value.

117. When one investment company manages a group of mutual funds, it is called a(n):.
   a. Family funds
   b. Exchange fund
   c. Diversification fund
   d. Versatility fund

118. Mr. Manoj is buying shares in a mutual fund that invests in companies that are all within the same industry. What type of mutual fund has he purchased?
   a. A sector fund
   b. A small cap fund.
   c. An index fund.
   d. A growth fund

119. A market for existing financial securities that are currently traded between investors is called the__________ market
   a. Fundamental.
   b. Efficient.
   c. Secondary.
   d. Primary.
120. Mr. Praveen is thinking about buying an investment. The investment option that he is thinking about buying is an investment where investors pool their money. One of the key features is that it is managed by professional managers. What investment is Mr. Praveen thinking about purchasing?
   a. Common Stock  
   b. Corporate Bond  
   c. Real Estate.  
   d. Mutual Fund.

121. Financial intermediaries’ ________.
   a. Solve some of the problems associated with asymmetric information.
   b. Decrease transaction costs for borrowers and lenders
   c. Allow borrowers and lenders to engage in risk sharing
   d. All of the above

122. Which of the following assets is most liquid?.
   a. 2 year Treasury bonds  
   b. Shares of common stock  
   c. Passbook savings accounts.
   d. Gold bars

123. Under “securitisation process”, the bank or financial institution which gives loan is known as;
   a. SPV  
   b. Obligor  
   c. Originator  
   d. Credit enhancer

124. Under “securitisation process”, original borrower is known as;
   a. SPV  
   b. Obligor  
   c. Originator  
   d. Credit enhancer

125. Under “securitisation process”, organisation which gives insurance and guarantee is known as;
   a. SPV  
   b. Obligor  
   c. Originator  
   d. Credit enhancer

126. Under “securitisation process”, ________ are instruments which issued subsidiary company in respect of receivables of holding or parent company
   a. Pass through certificate  
   b. Pay through certificate  
   c. Preferred stock certificate  
   d. None of these

127. ________ certificate under securitisation have multiple maturity structure.
   a. Pass through certificate  
   b. Pay through certificate  
   c. Preferred stock certificate  
   d. Interest only certificate

128. ________ certificate under securitisation have single maturity structure.
   a. Pass through certificate  
   b. Pay through certificate  
   c. Preferred stock certificate  
   d. Principle only certificate

129. Which of the following is / are securitisable asset/debt?
   a. Credit card receivable  
   b. Lease finance  
   c. Mortgage loan  
   d. All the above
130. Which of the following is / are securitisable asset/debt?
   a. Hire purchase receivable
   b. Receivable from Govt.
   c. Term loan to financial reputed company
   d. All the above

131. Which of the following is / are not securitisable asset/debt?
   a. Credit card receivable
   b. Bills receivable
   c. Mortgage loan
   d. All the above

132. Which of the following is not related to securitisation process?
   a. Special purpose vehicle
   b. Credit rating agency
   c. Credit enhancer
   d. None of these.

133. Which of the following is tripartite system?
   a. Financial lease
   b. Operating lease
   c. Leverage lease
   d. Swap lease

134. Equipment lease transaction is treated as contract of............
   a. Bailment
   b. Pledge
   c. Guarantee
   d. Agency

135. ............ lease is for a limited period
   a. Financial lease
   b. Operating lease
   c. Leverage lease
   d. Swap lease

136. The entire lease rental is treated as....... in the books of lessor
   a. Expense
   b. Income
   c. Receivable
   d. Capital

137. Leased asset is shown in the balance sheet of............... 
   a. Lessee
   b. Lessor
   c. Lender
   d. Both lessor and lessee in 50:50 ratio

138. Who can claim investment allowance in relation to leased asset?
   a. Lessee
   b. Lessor
   c. Lender
   d. Both lessor and lessee in 50:50 ratio

139. An average lease agreement involves............
   a. Two parties
   b. Three parties
   c. Four parties
   d. None of these

140. ............ Leasing companies are formrd to promote the sale of its parent company
   a. Leverage
   b. Financial
   c. Vendor
   d. Swap

141. .......... fund generates regular income to the investors on periodical basis.
   a. Balanced fund
   b. Income fund
   c. Growth fund
   d. All of these
142. Income-cum-growth fund is also known as............
   a. Balanced fund c. Open ended fund
   b. Nest eggs d. Long haul

143.  .......... fund concentrate mainly on capital appreciation.
   a. Balanced fund c. Growth fund
   b. Income fund d. All of these

144. Pure growth fund is also known as
   a. Nest eggs c. Leverage fund
   b. Balanced fund d. Stop gap arrangement

145. Investors generally use.............. as a ‘parking place’ or ‘stop gap arrangement”
   a. Balanced fund c. Growth fund
   b. Income fund d. MMMF

146................. mutual fund otherwise known as “intrinsic value”
   a. Income c. Portfolio
   b. Capital d. Net asset value

147. Best suited fund for a business people is............
   a. Balanced fund c. Growth fund
   b. Income fund d. Taxation fund

148. The facility offered to the investors to shift from one scheme to another under same fund
    is known as
   a. Roll over facility c. Re issue facility
   b. Re purchase facility d. Lateral shifting facility

149. Which of the following is a type of international factoring?
   a. Two factor system c. Direct export factor system
   b. Single factor system d. All of these

150. ................. literally means “relinquish rights to something”.
   a. Securitisation c. Forfaiting
   b. Factoring d. Credit rating

151. Investment Information and Credit Rating Agency of India (IICRA) is a
   a. Private company c. Govt. Company
   b. Public company d. Statutory company

152. .......... variety of mutual fund offers tax benefits to the investors
   a. Balanced Funds c. Money Market Mutual fund
   b. Fund of funds d. Taxation fund

153. Generally mutual funds are of
   a. High risk c. Low risk
   b. Risk free d. Any of the above
154. Which of the following fund is entirely opposite to bond fund?
   a. Balanced
   b. Close ended
   c. Income fund
   d. Aggressive growth fund

155. The market performance of mutual fund can be judged on the basis of
   a. Net asset value or intrinsic value
   b. Capital appreciation
   c. Regular / stable income
   d. Any of these

156. ---------- is the regulator of mutual funds in India
   a. RBI
   b. IRDA
   c. SEBI
   d. Both SEBI and GOI

157. -------- is the venture capital assistance at the stage of development of business idea
   a. Start up capital
   b. Mezzanine capital
   c. Bridge capital
   d. Seed capital

158. In -------- leasing, maintenance expenses and taxes are born by the lessee
   a. Financial lease
   b. Operating lease
   c. Both the above
   d. None the above

159. -------- is suitable lease arrangement for retail shop, mall etc
   a. Financial lease
   b. Operating lease
   c. Leverage lease
   d. Sale and lease back

160. In hire purchase, who can be enjoying salvage value of asset?
   a. Hirer
   b. Vendor
   c. Financiers
   d. All of these

161. in the case of -------- bonds, the value is inversely related to short term interest rates.
   a. Fixed rate bonds
   b. Inverse float bonds
   c. Perpetual bonds
   d. Option bonds

162. “D vs. P” system for government securities market means
   a. Delivery and payment settlement
   b. Dividend and principal settlement
   c. Dollar and Pound settlement
   d. Delaying and postponement

163. Non banking financial institutions (NBFIs) are registered under
   a. RBI Act
   b. Banking Regulation Act
   c. Companies Act
   d. SEBI Act

164. According to IFRS, the term financial asset includes
   a. Cash or Cash equivalent
   b. Equity shares
   c. Contractual right to receive cash
   d. All the above

165. Which of the following is /are example of primary or direct financial instrument
   a. Fixed deposit receipt
   b. Insurance policies
   c. Mutual fund Unit
   d. Debentures
166. Which of the following is /are example of Secondary or indirect financial instrument
   a. Equity shares
   b. Preference shares
   c. Post office saving deposit
   d. Bonds

167. A Non Banking Financial Institution
   a. Can accept demand deposit
   b. Can issue cheques to customers
   c. Cannot accept fixed deposit
   d. Cannot accept demand deposit and cannot issue cheques

168. Kerala State Financial Enterprises ltd (KSFE) is an example of
   a. Banking institution
   b. Investment institution
   c. NBFI
   d. State level development banks

169. UTI, LIC etc are examples of
   a. Banking institution
   b. Investment institution
   c. NBFI
   d. Development banks

170. SFC is an example of
   a. Banking institution
   b. Investment institution
   c. NBFI
   d. Development Institution

171. Which of the following is /are not regulatory institutions
   a. RBI
   b. SEBI
   c. IRDA
   d. IFCI

172. Which of the following is not a negotiable instrument?
   a. ADR
   b. GDR
   c. FDR
   d. IDR

173. _______ is a financial service which pooling risks of people
   a. Mutual fund
   b. Venture capital
   c. insurance
   d. all of these

174. In India Insurance business are regulated by
   a. IRBI
   b. RBI
   c. IRDA
   d. IRDP

175. “Native Stock and Share Brokers Association” is the old name of............
   a. SEBI
   b. NSE
   c. BSE
   d. NASDAQ

176. General insurance business nationalised in the year--------
   a. 1956
   b. 1972
   c. 1969
   d. 1982

177. .......... is a product whose value is derived from the value of underlying asset
   a. Repo
   b. T-bills
   c. G.sec
   d. Derivatives

178. BOLT stands for
   a. Borrowing or Lending Trade
   b. Bombay Online Trading
   c. Bond or Loan Transaction
   d. None of these
179. ------------is also known as “G.Secs”
a. Gold Traded Fund (GTF) c. Govt. Securities
b. General Securities d. Growth oriented fund

180. ................ are negotiable instrument issued by an overseas depository
a. ADR c. IDR
b. GDR d. All of these

181. Perpetual bond is also known as
b. Irredeemable bond d. Registered bond

182. Zero Coupon Bond is also known as
b. Irredeemable bond d. Zero Interest bond

183. Secured Premium Notes (SPN) always issued with...........
a. Premium c. Detachable Warrant
b. Discount d. Coupon

184. ................ bonds permit the bond holder to invest the interest income again in host bonds
b. Junk bonds d. Bunny bonds

185. ...............bonds are high risk and high yield bonds developed in USA
b. Junk bonds d. Bunny bonds

186. Dunham Greenberg Formula is used for................
a. Individual credit rating c. Both of these
b. Institutional credit rating d. None of these

187. CIBIL stands for............
a. Credit Information Bureau of India ltd
b. Central investment Board of India Ltd
c. Credit and Investment Bureau of India ltd
d. None of these

188. UTI established in the year
a. 1968 c. 1988
b. 1964 d. 1969

189. In mutual fund, ELSS stands for
a. Entry to Limited Subscribers Scheme
b. Equity Linked Saving Scheme
c. Entry Load for Saving Scheme
d. None of these
190. .......... fund is also known as sectoral fund.
   a. Theme fund
   b. Contra fund
   c. Fund of fund
   d. Bond fund

191. .......... fund is invested in those companies whose share prices are far below their real worth.
   a. Theme fund
   b. Contra fund
   c. Fund of fund
   d. Bond fund

192 .......... fund are used to purchase units of other Mutual funds.
   a. Theme fund
   b. Contra fund
   c. Fund of fund
   d. Bond fund

193. In Mutual fund arena, SIP stands for
   a. Structural investment plan
   b. Systematic investment plan
   c. Stable Income plan
   d. None of these

194. .............. is pooling of risks
   a. Mutual fund
   b. Insurance
   c. Credit rating
   d. Guarantee

195. ............... is pooling of small savings
   a. Mutual fund
   b. Insurance
   c. Credit rating
   d. Guarantee

196. Which Institution was first SPV for securitisation in India?
   a. City bank
   b. Grindlays Bank
   c. SBI
   d. PNB

197. Whose long term receivables were securitised first in India?
   a. SBI
   b. ICICI
   c. PNB
   d. Telco

198. ............... card is a convenient means of payment rather than credit facility.
   a. Smart card
   b. Charge card
   c. Credit card
   d. None of these

199. Central bank issued central card in the year .......... 
   a. 1981
   b. 1985
   c. 1991
   d. 1982

200. ............... cards are issued by retailers or companies.
   a. Smart card
   b. Debit card
   c. Charge card
   d. In-store card

201. Fourth-Round of venture capital financing is also called .............
   a. Seed capital
   b. Mezzanine finance
   c. Bridge finance
   d. None of these
202. Which of the following is / are the methods of venture financing?
   a. Equity
   b. Conditional loan
   c. Income note
   d. All of these

203. In an option contract, if the option can be exercised only at the time of maturity, it is called__________.
   a. Double option
   b. American option
   c. Put option.
   d. European option

204. The predetermined price at which an underlying asset has to be bought or sold in an option contract is called ________.
   a. Option price.
   b. Exercise price
   c. Spot price
   d. Future price

205. A combination of forwards by two counterparties with opposite but matching need is called:.
   a. Swap
   b. Option
   c. Forward.
   d. Future

206. The minimum size of venture capital fund is _______________.
   a. Rs. 10 crores
   b. Rs. 20 crores
   c. Rs. 25 crores
   d. Rs. 50 crores.

207. Indian Banks Association (IBA) has a common net working system for sharing the ATM facilities in Mumbai, which is known as ________.
   a. ATM Network
   b. Shared Payment Network System.
   c. Cash Network
   d. None of these.

208. Arbitrage is ________.
   a. Buying and selling in two markets simultaneously
   b. A rate of interest
   c. A Fee.
   d. A dispute.

209. Exchange risk in case of foreign currency Non Resident (Banks) scheme (FCNR) Is borne by__________.
   a. RBI.
   b. Depositor.
   c. Govt. Of India
   d. Concerned Bank.

210. Which of these is not a credit rating agency?
   a. Moody.
   b. Standard & Poors
   c. Price water house
   d. CRISIL

211. Investment banks facilitate the sale of securities in the ________.
   a. Primary market.
   b. Secondary market
   c. Retail market.
   d. Wholesale market.
212. There are........ associated companies of GIC
   a. 3  
   b. 4  
   c. 6  
   d. 5

213. In India, banks cannot do hire purchase business without the permission of
   a.  SEBI  
   b.  Central Govt.  
   c.  State govt.  
   d.  RBI

214. LIC was nationalised in the year
   a.  1956  
   b.  1954  
   c.  1969  
   d.  1972

215. Banking Regulation Act was passed in the year
   a.  1969  
   b.  1935  
   c.  1948  
   d.  1949

216. Loans for pensioners are given up to---------months of pension amount.
   a.  12  
   b.  6  
   c.  24  
   d.  36

217. Consumer loans are granted for---------period.
   a.  Medium  
   b.  Short  
   c.  Long  
   d.  Both long and medium

218. The maximum amount of education loan is Rs.............lakh for study in India.
   a.  10  
   b.  15  
   c.  7.5  
   d.  20

219. Housing advances are.......................in nature.
   a.  Medium  
   b.  Short  
   c.  Long  
   d.  Both long and medium

220. Housing loan sanctioned to redeem prior debts obtained from friends for the
    purchase of a house is called.............loan.
    a.  Conversion  
    b.  Flexible installment  
    c.  Refinance  
    d.  Renovation

221. HDFC was established in the year
    a.  1982  
    b.  1977  
    c.  1972  
    d.  1964

222. Education loan maximum is..............lakh for study abroad.
    a.  10  
    b.  15  
    c.  7.5  
    d.  20

223. Housing loan sanctioned to pay off an old housing loan at a higher rate of
    interest and enjoy a new one at a lower rate is called:
    a.  Conversion loan  
    b.  Flexible installment loan  
    c.  Transfer plan loan  
    d.  Refinance loan

224. LIC Housing Finance Ltd was established in the year
    a.  1982  
    b.  1989  
    c.  1972  
    d.  1964

225. RBI Act passed in the year
    a.  1934  
    b.  1935  
    c.  1936  
    d.  1949
### ANSWER KEY

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