

Financial Services

1. In the case of factoring, when payment (80% of invoice) is made to client, which one of the following entry is passed?
 - (1) Client current a/c Dr. to Debt purchased a/c
 - (2) **Client current a/c Dr. to Bank a/c**
 - (3) Client current a/c Dr. to sales ledger control a/c
 - (4) None of the above

2. Each scheme of a Mutual Fund must be compulsorily registered with _____ before it is floated in the market.
 - (1) **SEBI**
 - (2) SBI
 - (3) RBI
 - (4) AMC

3. Which of the following statements is not correct with respect to delivery of assets?
 - (1) Delivery of assets is essential in case of Forward Contracts
 - (2) Futures Contracts are settled without delivery of underlying assets
 - (3) Futures Contracts are settled by exchanging the difference in prices
 - (4) **Futures Contracts are settled after delivery of underlying assets**

4. Mutual risks are not free from risks.
 - (1) **True**
 - (2) False

5. What are the reasons for growth of Mutual Funds?
 - (1) Return on market
 - (2) Large investor base
 - (3) Variety of investment avenues/schemes
 - (4) **All of the above**

6. Which of the following is not kind of Mutual Funds?

- (1) Closed-ended funds
- (2) Offshore Funds
- (3) **Break-even Funds**
- (4) Open-ended funds

7. In Mutual Fund, 50% of the board of AMC who are independent Directors must have professional experience of atleast _____ years in the relevant fields such as portfolio management, financial administration, etc.

- (1) 15
- (2) 5
- (3) 7
- (4) **10**

8. The concept of Securitization is associated with:-

- (1) Foreign exchange market
- (2) Capital market
- (3) **Debt market**
- (4) Money market

9. Which of the following statements are true?

- (1) Pass Through Certificates have a single maturity structure and the tenure of these certificates is matched with the life of the Securitized assets
- (2) Pasy Through Certificates have a multiple maturity structure depending on t he maturity pattern of underlying assets
- (3) In case of Pass Through Certificates, payments to investors depend on the ca sh flow from the assets backing such certificates
- (4) **All of the above**

10. In India, Securitization has been pioneered by _____ bank.

- (1) HDFC Bank
- (2) State Bank of India
- (3) ICICI Bank
- (4) **Citi Bank**

11. Which of the following ratings symbol indicate "Strong" rating for short-term instruments?
- (1) **P2**
 - (2) P4
 - (3) P3
 - (4) P1
12. Which is the symbol of CRISIL for moderate safety?
- (1) AAA (Triple A)
 - (2) A
 - (3) BBB
 - (4) **AA (Double A)**
13. The cardholders can use the cards to get credit from banks upto:-
- (1) 90 days
 - (2) **45 days**
 - (3) 1 month
 - (4) 60 days
14. Which bank has introduced a Cheque card scheme?
- (1) **State Bank of India**
 - (2) Bank of Baroda
 - (3) Andhra Bank
 - (4) Central Bank of India
15. Which of the following statement(s) is/are true?
- (1) Credit card holder gets a credit period of about 30 to 45 days
 - (2) Credit card is a "Pay later product" and Debit card is "Pay now product"
 - (3) No sophisticated telecommunication system is required for Credit card
 - (4) **All of the above**