

131/2015

Maximum : 100 marks

Time : 1 hour and 15 minutes

1. The fund which do not have fixed date of redemption :
(A) Close ended funds (B) Diversified funds
(C) Open ended funds (D) Both (A) and (B)
2. Credit rating of debt security is :
(A) Merely opinion (B) Guarantee repayment
(C) Positive suggestion (D) None of these
3. Which of the following is not available in India?
(A) Commodity futures (B) Index futures
(C) Commodity options (D) Index option
4. In India, derivatives interest rate are regulated by :
(A) Securities and exchange board of India
(B) Forward market commission
(C) Ministry of finance
(D) Reserve bank of India
5. Commercial paper are generally issued at a price :
(A) Equal to face value (B) More than face value
(C) Equal to redemption value (D) Less than face value
6. Based on the accounting profession, which of the following would be considered a cash flow item from an investing activity :
(A) Cash outflow to acquire fixed assets (B) Cash inflow from interest income
(C) Cash inflow from dividend income (D) All of the above
7. Use of funds include a/an :
(A) Decrease in cash (B) Increase in fixed assets
(C) Cash refund (D) Increase in any liability

8. Primary duty of a merchant banker is :
- (A) Giving loans to clients (B) Maintaining records of clients
(C) Working as a capital market (D) None of the above
9. Which of the following is not a cash outflow for the firm?
- (A) Depreciation (B) Dividend
(C) Interest payment (D) Taxes
10. The most basic requirement for a firm's marketable securities :
- (A) Marketability (B) Safety
(C) Yield (D) None of these
11. Marketable securities are primarily :
- (A) Long term debt instruments (B) Short term equity securities
(C) Short-term debt instruments (D) Long term equity securities
12. The capital investment is one that :
- (A) Applies only to investment in fixed assets
(B) Has the prospects of short term benefits
(C) Is only undertaken by large corporations
(D) Has the prospects of long term benefits
13. Assets management company is formed :
- (A) To manage bank's assets
(B) To manage mutual funds investments
(C) To construct infrastructure projects
(D) To run a stock exchange
14. Margin are imposed on options sellers to safeguard the interest of :
- (A) Exchange (B) Brokers
(C) Buyers (D) All the above
15. If strike price is more than the spot price of the assets, the call option is known :
- (A) Out of money (B) In-the money
(C) At-the money (D) None of the above