

K.P. B. Hinduja College of Commerce
B.Com (Financial Markets)
T.Y. Semester VI Sample questions for Regular Examination

Subject : Mutual Fund Management

1. Risk is less in
 - a. Equity fund
 - b. growth fund
 - c. index fund
 - d. debt fund**

2. ETF stands for
 - a) Exchange Traded Funds**
 - b) Even Traded Funds
 - c) Exchange Transactions Funds
 - d) Extra Traded Funds

3. The _____ can issue offer documents on behalf of the trustees.
 - a) AMC**
 - b) Custodian
 - c) Agents
 - d) AMD

4. is a myth about Mutual Fund Investment in India.
 - a. Small amount is needed to invest in Mutual Funds
 - b. Higher NAV is better
 - c. Demat account is compulsory to invest in Mutual funds**
 - d. Big amount is needed to invest in Mutual Funds

5. is a measure of the volatility of a particular fund in comparison to the market as a whole
 - a. Beta**
 - b. R-squared
 - c. Standard deviation

- d. Alpha
6. The accounting year for mutual funds ends on of each year.
- a. 31st December
 - b. 31st March**
 - c. 30th September
 - d. 1st April
7. When a security is not traded on any recognized stock exchange for a period of days prior to the valuation date, the scrip must be treated as a “non-traded “security.
- a. 30 days
 - b. 40 days
 - c. 45 days
 - d. 60 days**
8. The returns earned from mutual funds are taxed under the head
- a. Income from House Property
 - b. Salary Income
 - c. Income from Capital gains**
 - d. Income from other sources
9. NAV is declared everyday by deducting expenses
- a. Recurring**
 - b. Transaction
 - c. Exit load
 - d. Entry load
10. CAS stands for
- a. Combined Account Statement
 - b. Consolidated Account Statement
 - c. Combined Account System
 - d. Consolidated Account System**

Subject : VENTURE CAPITAL AND PRIVATE EQUITY

- 1 PE enters the company in the form of _____
- a) Partners
 - b) Limited partners**
 - c) Debtors
 - d) Creditors

- 2 Under asset based valuation approach, _____ things are considered for valuation.
- a) P&L
 - b) **Balance sheet**
 - c) cash flow
 - d) Dividend
- 3 when bonus shares are issued, _____ remains unchanged.
- a) Reserves
 - b) Share capital
 - c) **Wealth of investors**
 - d) Price
- 4 price earnings multiple method compares price with _____
- a) DPS
 - b) current rate
 - c) **EPS**
 - d) MPS
- 5 Fresh issue of shares come under _____
- a) **IPO**
 - b) secondary market
 - c) promoter stake selling
 - d) private placement
- 6 The _____ is expected to compensate investors for giving up access to their capital
- a) Returns
 - b) **illiquidity premiums**
 - c) Profits
 - d) Money
- 7 Business valuation is the act or process of assessing value or price of financial _____
- a) Assets
 - b) Liability
 - c) **Assets or liabilities**
 - d) P &L
- 8 Audited financial statements of _____ years are evaluated under due diligence
- a) 4
 - b) **3**
 - c) 2
 - d) 1
- 9 First Chicago method gives _____ to starting and ending point

- a) Premium
- b) **Discount**
- c) Benefit
- d) Loss

10 EPS is earnings on _____

- a) Reserves
- b) **per share**
- c) per debentures
- d) Loan

Subject : RISK MANAGEMENT

1 If a daily volatility of a stock is one percent _____ is the approximate volatility for 10 days?

- a) **3%**
- b) 10%
- c) 1%
- d) 4%

2. Capital charge component of pricing Account for:

- a) Internal generation of capital
- b) Cost of capital
- c) **(a) and (b) both**
- d) Loss Premium

3. _____ is **NOT an** Operational Risk.

- a) Fraud Risk
- b) **Adverse movement in Foreign Exchange Risk.**
- c) Communication Risk
- d) Documentation Risk

4. _____ is not a derivative instrument.

- a) Interest Rate Swap
- b) **T. Bill**
- c) Currency Swap
- d) Options

5. Given the following information, what would be level of operational Risk? Probability of occurrence = 4, Potential financial impact = -4, Impact of internal controls = 0%

- a) **4**
- b) 2

- c) 0
 - d) 3
6. 1 day value at risk of a portfolio is Rs. 500 with 95 percent confidence level. In a period of 6 months (125 working) _____
- a) 4days
 - b) 5days
 - c) **6 days**
 - d) 7days
7. If a depositor deposits in post office time deposit scheme, it is _____
- a) **Zero Risk Investment**
 - b) Low Risk Investment
 - c) Reasonable Risk Investment
 - d) High Risk Investment
8. Trading Book of a Bank does not consist _____.
- a) **Cash Reserve with RBI**
 - b) Derivatives held for trading
 - c) Positions in financial instruments arising from matched market making.
 - d) Hedging positions
9. Basel Committee on Banking supervision works under:
- a) ADB
 - b) **Bank for International Settlement**
 - c) World Bank
 - d) International Finance Corporation
10. How many principles of Basel II document are relevant to organization level?
- a) 10
 - b) 3
 - c) **7**
 - d) 2

Subject : Strategic Corporate Finance

1. Strategies are action _____.
- a) Control
 - b) **Oriented**
 - c) Acquisition
 - d) Competitive
2. Merger is a _____.
- a) Planning

- b) **Strategy**
- c) Acquisition
- d) Last

3 Strategy ensures _____ advantage.

- a) Direct
- b) Indirect
- c) **Competitive**
- d) Technical consideration

4 Planning is _____ in sequence.

- a) Second
- b) Last
- c) **First**
- d) Micro Analysis

5 Quality and training includes establishment of _____ .

- a) Competitors Team
- b) Individual
- c) **Quality Team**
- d) sale price

6 TQM is concerned with _____ improvement.

- a) Fast
- b) Slow
- c) **Continuous**
- d) No

7 Quality cost includes _____ cost _____ cost _____ failure cost.

- a) Prevention, Appraisal, External failure
- b) Prevention, Appraisal, Internal success
- c) **Prevention, Appraisal, Internal failure**
- d) Preventive

8 Designing is a _____ cost.

- a) Disposal
- b) Acquisition
- c) **Preventive**
- d) Loss

9 _____ is an internal failure cost.

- a) **Scrap**
- b) Budget

- c) Sale price
- d) Complaints

10 Cost of Debt = Interest(I – Taxrate)/———— .

- a) Fixed dividend
- b) Rate of return
- c) **Net proceeds**
- d) Dividend Tax

Subject : Indirect Tax –GST

1) Intra-state transaction is combination of _____.

- a) CGST
- b) SGST
- c) SGST & CGST
- d) IGST

2) M/s HCL & co of Gujarat supplies goods to M/s Harihar & Co of Mumbai, this will classify as ____.

- a) Intra State supply
- b) Export supply
- c) Inter State supply
- d) Deemed supply

3) "Input" means any goods other than_____ goods.

- a) Capital
- b) Consumables
- c) Consumer
- d) Intangible

4) Mr. Ramesh Purchased movie tickets in Chennai Cinema Hall. Determine Place of Supply ?

- a) Mumbai
- b) Delhi
- c) Karnataka
- d) Chennai

5) Sikkim is _____ category state under GST.

- a) Separate
- b) Specific
- c) Special
- d) Exempt

6) M/s Gawaskar & Company in Uttarakhand(Special Category State) furnishes you the following information. Advise them from which Day Company is liable for registration.

Date	Taxable	Tax Free
15/07/2018 -	3,50,000/-	1,75,000/-
16/07/2018 -	4,30,000/-	11,97,000/-

a) 15/07/2018

b) 16/07/2018

c) 10/07/2018

d) Not liable for registration

7) _____ code is used to classify goods and services under GST.

a) HSN Code

b) SAC Code

c) SAC & HSN Code

d) GST Code

8) _____ activities to be treated as Negative List Under GST.

a) Schedule 1

b) Schedule 2

c) Schedule 3

b) Schedule 4

9) GST was implemented in the year _____.

a) 2000

b) 2015

c) 2018

d) 2017

10) Rock & Co came to Delhi and opted for registration as non-resident person having turnover Rs 50 Lakhs. Can they opt for composition Scheme ?

a) Yes

b) No

c) Can apply to certain Limit

d) Can apply if it claims ITC.

***** *Best of Luck* *****