

## Sample 50 Questions Marketing of Financial Services

1. Services marketing become difficult because of
  - A. Intangibility.
  - B. no demand
  - C. More complex market
  - D. Difficult to enter the market
  
2. Which of the following businesses would be characterized as a pure service
  - A. Insurance
  - B. Farming.
  - C. Mining.
  - D. There is no such thing as a pure service
  
3. Results in the practice of too narrowly defining one's business
  - A. Services marketing
  - B. Marketing management
  - C. Marketing myopia
  - D. Customer experience
  
4. Services are characterized by all of the following characteristics except for
  - A. Intangibility.
  - B. Homogeneity
  - C. Perishability.
  - D. Inseparability
  
5. Of the four unique service characteristics that distinguish goods from services, the one that is the primary source of the other three characteristics is:
  - A. Intangibility
  - B. Inseparability.
  - C. Perishability.
  - D. Heterogeneity.
  
6. Services that occur without interruption, confusion, or hassle to the customer is called
  - A. Seamless service
  - B. Service audit.
  - C. Functional service
  - D. Departmental service
  
7. The unique service characteristic that reflects the interconnection between the service firm and its customer is called
  - A. Intangibility
  - B. Inseparability

- C. Homogeneity
- D. Perishability

8. Minimizing the amount of role conflict and role ambiguity experienced by employees will help reduce the size of this gap is known as \_\_\_\_\_.

- A. Knowledge gap.
- B. Standards gap
- C. Delivery gap.
- D. Communications gap

9. Fixing the right price for services offered is difficult because of .....

- A. perishability.
- B. heterogeneity.
- C. inseparability.
- D. intangibility.

9. The world's largest industry in the private sector and highest projected generator of jobs is \_\_\_\_\_

- A. The hospitality industry
- B. Health services
- C. Professional services.
- D. Business services

10. Focusing the firms marketing efforts toward the existing customer base is called

- A. Excellent customer service
- B. Conquest retention
- C. Customer retention
- D. Courteous retention

11. Service consumers tend to be more brand loyal than goods consumers because

- A. More choices are available
- B. Brand loyalty lowers the amount of perceived risk
- C. Each service provider provides many brands
- D. Location of the provider is the major driver in the consumer selection process

12. Competitor intelligence should be gathered

- A. Once a year.
- B. Twice a year.
- C. Continuously
- D. When competition is more.

13. Which of the following is not a benefit of customer satisfaction?

- A. The firm is more insulated from price competition.
- B. The firm provides a positive work environment for its employees
- C. Positive word-of-mouth is generated from satisfied customers
- D. Satisfied customers make purchases more frequently

14. The service industry has several emerging trends that organisations need to be aware of. Which of these should organisations keep a lookout for?

- A. New competitors entering the marketplace
- B. Advances in the internet
- C. Heightened customer expectations
- D. Advances in e-commerce.

15. Customers ultimately determine the services by.....

- A. The type of competitors.
- B. The levels of marketing effectiveness and operational efficiency
- C. The cycle of fluctuations
- D. The price of the competitors.

16. During a service recovery effort, the employee promptly refunded the customers money but threw the money at the customer. As a result, the recovery effort violated the customers \_\_\_\_\_ justice need

- A. Interactional
- B. Ethical.
- C. Social.
- D. Procedural

17. A buyers perception of value is considered a trade-off between

- A. Product value and psychic cost
- B. Total customer value and total customer cost.
- C. Image value and energy cost
- D. Service value and monetary cost.

18. \_\_\_\_\_ is a firm view toward planning its operations according to market needs

- A. Marketing orientation
- B. Marketing functions.
- C. Marketing department.
- D. Marketing forecast.

19. Customer frustration resulting from receiving poor service is most similar to
- A. Image costs.
  - B. Monetary price
  - C. Energy costs.
  - D. Psychic costs.
20. Which pricing strategies encourage the customer to expand his/her dealings with the service provider?
- A. Relationship pricing
  - B. Price bundling.
  - C. Benefit-driven pricing.
  - D. Efficiency pricing.
21. Which one of the following communication approaches would be appropriate during the growth and maturity stages of the product life cycle?
- A. Informational.
  - B. Informational and persuasive
  - C. Persuasive.
  - D. Persuasive and reminder
22. Tangible clues are more important when services are
- A. Highly perishable.
  - B. Tangible dominant.
  - C. Intangible dominant
  - D. Heterogeneous
23. The advantage that the E-marketing communications carries are.....
- A. Reaching a widely dispersed audience.
  - B. Being cost-effective.
  - C. Being personalized.
  - D. More customer satisfaction.
24. A disadvantage of e-marketing is
- A. High cost.
  - B. Low reach.
  - C. Loss of personal contact
  - D. Less satisfaction.
25. Which of the following is not a component of service firms physical evidence?
- A. Parking.
  - B. Employee appearance
  - C. Billing statements.

D. In-house process equipment

26. The organization must effectively plan to \_\_\_\_\_ fear, uncertainty and doubts that might occur in the minds of customers during the course of acquisition.

- A. Minimize
- B. Maximize
- C. Study
- D. Balance

27. Internal marketing deals with

- A. Marketing the products to employees
- B. Marketing the products in the local market
- C. Marketing the products inside the country
- D. Identifying and taking care of employees need and wants

28. What is mean by interactive marketing?

- A. Marketing by interacting with employees.
- B. Marketing by interacting with dealers
- C. Marketing is done by interacting between employees and customers
- D. Marketing by interacting with top management.

29. In order to improve the process and performance of the company towards the customers, they should try to .....

- A. Modernize the building.
- B. Modernize the product.
- C. Reduce the waiting time by adopting the reservation system.
- D. Asking customers to come another time.

30. Which of the following is NOT an example of an ambient condition in a retail environment?

- A. Music.
- B. Signs.
- C. Scents
- D. Lighting.

31. Ambient conditions will have the least effect on customer behaviour in which of the following service scapes?

- A. A bakery shop

- B. An air-conditioned hotel.
- C. An open five-story parking garage
- D. Bookstore with an in-store coffee cart.

32. Doing promotional activity is difficult in the marketing of which of the following services.

- A. Leisure service industry
- B. Education industry.
- C. NGO.
- D. Public sector.

33. The Income , age & education is \_\_\_\_\_ segment

- a) Geographic
- b) Demographic
- c) Psychographic
- d) Lithographic

34. The service industry has grown many folds due to \_\_\_\_\_

- A. less growth in other sectors
- B. more growth in all sectors
- C. more affluence of customers
- D. effective marketing strategies of service marketers

35. Blueprints identify all of the following process steps except

- A. The direction in which processes flow
- B. The time it takes to move from one process to another.
- C. The costs involved with each processing site.
- D. The amount of inventory build-up at each step

36. The most common mistake made when constructing a service blueprint is

- A. Bottlenecks are not identified correctly
- B. Failure points are not identified correctly
- C. The blueprint is one-sided.
- D. Representing only the firm's perception of the process

37. The internal marketing refers to which of the following options.

- A. Marketing its products to its customers.
- B. Marketing its products to its employees.
- C. Marketing to local customers.
- D. Ensuring that the employees are satisfied in the organization.

38. Physical evidence helps
- A. To evaluate the service by customers
  - B. To deliver the services
  - C. To evaluate the services by the provider.
  - D. To assess the quality by the third party.
39. Internal marketing refers to satisfying the
- A. Employees of the organization.
  - B. Customers of the organization.
  - C. Customers as well as employees.
  - D. public
40. Customer may get dissatisfied due to
- A. Less waiting time
  - B. More waiting time
  - C. More products
  - D. Fewer products.
41. \_\_\_\_\_ act as clue for physical evidence.
- A Interior of the building
  - B. Cheque leaves
  - C. Quotation
  - D. Food
42. Gap model indicates the
- A. Possible failures in the service delivery process
  - B. The outcome of the process
  - C. Process of the service delivery
  - D. The sequence in which service delivered
43. Service quality of the company may be affected by the act of.....
- A. Receptionist.
  - B. Competitors.
  - C. Advertisers.
  - D. System administrator.

44. \_\_\_\_\_ is one of the stage of Product Life Cycle.

- a) Maturity
- b) Surety
- c) Ambiguity
- d) Popularity

45. At \_\_\_\_\_ stage of the life cycle the product will be experiencing increased competition.

- a) Growth
- b) Maturity
- c) Decline
- d) Introduction

46. \_\_\_\_\_ is one type of JAYCUSTOMERS

- a) The Speed Breaker
- b) The Rule Breaker
- c) The Public Speaker
- d) The Goal keeper

47 \_\_\_\_\_ is one of the element of Service Delivery Process

- a) Service Quality
- b) Service Dispatch
- c) Service Quantity
- d) Service Board



48. \_\_\_\_\_ is one type of Customer Loyalty programme

- a) Data Gathering and gap Analysis
- b) Education Survey
- c) Non Profit Organisation
- d) Government Revenue generation

49 \_\_\_\_\_ is one of the Three R's of Service Quality

- a) Respect
- b) Repent
- c) Regret
- d) Represent

50 \_\_\_\_\_ is the third logical step after market Segmentation and market targeting

- a) Price
- b) Product
- c) Popularity
- d) Positioning

## Sample questions of TYBFM SEM -V Regular Dec 2020 Exam

### Direct Tax

1. The Income tax act, 1961 came into force w.e.f. \_\_\_\_\_
  - a. 1st April, 1962
  - b. 31st March, 1961
  - c. 1st April, 1961
  - d. None of above
  
2. Circulars and Notifications are binding on the \_\_\_\_\_
  - a. Central Board of Direct Taxes (CBDT)
  - b. Assessee
  - c. Income Tax Appellate Tribunal (ITAT)
  - d. Income Tax Authorities
  
3. A person includes \_\_\_\_\_
  - a. Only Individual
  - b. Only Individual and HUF
  - c. Individuals, HUF, Firm, Company only
  - d. Individuals, HUF, Company, Firm, AOP or BOI, Local Authority, Every Artificial Juridical Person
  
4. Municipality of Delhi falls under \_\_\_\_\_ category of person-
  - a. Artificial juridical person
  - b. Local authority
  - c. Individual
  - d. Association of Person
  
5. Section \_\_\_\_\_ of the Income-tax Act, 1961 defines the term 'person'
  - a. 4
  - b. 2(31)
  - c. 5
  - d. 2(32)
  
6. Income-tax in India is charged at the rates prescribed by -
  - A. The Finance Act of the assessment year
  - B. The Income-tax Act, 1961

- C. The Central Board of Direct Taxes
  - D. The Finance Act of the previous year.
7. Which of the following is not included in taxable income -
- A. Income from smuggling activity
  - B. Casual income
  - C. Gifts of personal nature subject to a maximum of Rs. 50,000 received in cash
  - D. Income received in kind.
8. The tax exemption limit for a resident senior citizen is -
- A. Up to Rs. 2,00,000
  - B. Up to Rs. 5,00,000
  - C. Up to Rs. 1,80,000
  - D. Up to Rs. 3,00,000
9. Short term capital gains arising on transfer of listed equity shares through recognized stock exchange are chargeable to Tax @ \_\_\_\_\_
- A. 10%
  - B. 15%
  - C. 20%
  - D. 30%
10. Income from vacant plot is taxable under the head \_\_\_\_\_
- A. Income from House Property
  - B. Income from Other Sources
  - C. Profits & Gains of Business or Profession
  - D. Capital Gains
11. In which of the following cases the annual value of the house is taken to be NIL.
- A. Self-occupied house.
  - B. Vacancy for the whole period.
  - C. If the assessee holds two house properties.
  - D. Both (a) & (b) but not (c)
12. DS is the owner of a house property covered under the Rent Control Act. Municipal value Rs. 30,000, actual rent Rs. 25,000, fair rent Rs. 36,000 and standard rent is Rs. 28,000. The gross annual value of the house property will be —

- A. Rs. 30,000
- B. Rs. 25,000
- C. Rs. 36,000
- D. Rs. 28,000

13. Which of the following deduction are to be made from income house property?

- A. Standard deduction
- B. Interest on borrowed loan
- C. Both (a) and (b)
- D. Option (a) but not (b)

14. Which of the following amount is not allowed for deduction from income from house property?
- A. Interest on loan borrowed for construction of house property.
  - B. Interest on fresh loan taken to repay original loan.
  - C. Interest on unpaid interest.
  - D. Interest on unpaid purchase price
15. The maximum limit of deduction under section 24(b) for interest on borrowed capital before 1-4-1999 for construction of house property used for self-occupation is:
- A. Rs. 30,000
  - B. Rs. 2,00,000
  - C. Rs. 50,000
  - D. Rs. 60,000
16. The net annual value of house let-out is Rs. ` 1,00,000 and actual amount spent by the assessee on repairs and insurance premium is Rs. ` 20,000, the amount of deduction allowed under section 24(a) shall be \_\_\_\_\_
- A. Rs.20,000
  - B. Rs. 30,000
  - C. Rs. 25,000
  - D. Rs. 22,000
17. Rent received by original tenant from sub-tenant is taxable under the head \_\_\_\_\_.
- (a) Income from House Property
  - (b) Income from Other Sources
  - (c) Income from Capital Gain
  - (d) Income from Salary
18. X, a person of Indian origin visited India on 11-11-2019 and plans to stay here for 330 days. During four years prior to Previous Year 19-20, he was in India for 335 days. Earlier to that he was never in India for Assessment Year 20-21, X shall be \_\_\_\_\_
- a. Resident and ordinary Resident
  - b. Resident but Not ordinarily resident
  - c. Non-resident
  - d. A Foreigner

19. Salary received by the partner from the firm in which he is a partner is taxable under the head \_\_\_\_\_

- (a) Profits from Business            (b) Salaries  
© Other sources                        (d) Capital Gains

20. \_\_\_\_\_ has the Highest tax liability as per Income Tax Act

- (a) Resident and ordinary Resident  
(b) Resident but Not ordinarily resident  
(c) Non-resident  
(d) None of these

21. Citizen of India, leaving India for Employment is resident if he \_\_\_\_\_

- a. Stay in India exceeds 60 days in previous year.  
b. Stay in India exceeds 182 days in previous year.  
c. Stay in India exceeds 90 days in previous year.  
d. Stay in India exceeds 180 days in previous year.

22. Compensation received on voluntary retirement is exempt under Sec. 10 (10 C) to the maximum extent of \_\_\_\_\_

- (a) Rs. 2,40,000  
(b) Rs. 3,00,000  
(c) Rs. 5,00,000  
(d) Rs. 8,00,000

23. Allowances received by MPs and MLAs are exempted U/s \_\_\_\_\_

- (a) 10 (1)                                (b) 10(17A)  
© 10 (17)                                (d) 10(32)

24. The charging section of the income under the head capital gains is:

- A. Section15  
B. Section17  
C. Section10  
D. Section45

25. The following shall not be regarded as capital asset:

- A. Urban Land
- B. Securities held by a Foreign Institutional Investor as per SEBI Act, 1992
- C. Archaeological Collections
- D. Motor Car

26. A short term capital asset means a capital asset held by the assessee for not more than:

- A. 12 months immediately preceding the month of its transfer
- B. 24 months immediately preceding the date of its transfer.
- C. 36 months immediately preceding the date of its transfer.
- D. 6 months immediately preceding the date of its transfer

27. Compute the capital gains for AY 2020-21 if Mr. Raj, a property dealer, sells a Commercial plot of land on 1-3-2020 for Rs.50,00,000 which was acquired by him on 1-8-2017 for Rs.25,00,000 for selling of offices constructed therein. He had incurred land development charges of Rs.10,00,000 on 1-10-2017. He incurred Rs.1,00,000 for selling the plot of land.

- A. Rs.23,00,000
- B. Rs.15,00,000
- C. Rs.13,00,000
- D. Rs.25,00,000

28. If an asset is put to use for less than 180 days in the previous year, the depreciation is charged

at \_\_\_\_\_ rate.

- (a) 30%    (b) 50    (c) 25%    (d) Nil

29. Income chargeable under the head 'Profits and Gains from Business or Profession' is covered

under \_\_\_\_\_.

- (a) Section 23   (b) Section 28   (c) Section 25   (d) Section 24

30. If a money gift is received from \_\_\_\_\_, it is not taxable under any head.

- a. From any relatives
- b. On the occasion of the marriage of the individual
- c. Under a will or by way of inheritance
- d. From any relatives, On the occasion of the marriage of the individual and Under a will or by way of inheritance

31. In Income Tax Act, 1961, deduction under sections 80C to 80U cannot exceed \_\_\_\_\_.

- a. Gross total income
- b. Total income
- c. Income from business or profession
- d. Income from house property

32. Deduction under Section 80C can be claimed for fixed deposit made in any scheduled bank, if the minimum period of deposit is \_\_\_\_\_.

- a. 10 Years
- b. 5 Years
- c. 12 Years
- d. 8 Years

33. Clubbing of income means \_\_\_\_\_.

- a. Addition income of two partners
- b. Inclusion of income of other person in assessee income
- c. Total of income of various heads
- d. Collection of income

34. Gross Total Income is arrived after \_\_\_\_\_.

- a. Only adding Income under five heads of Income
- b. Adding Income under five heads of Income excluding losses
- c. Adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses
- d. Adding Income under five heads of Income, after applying clubbing provisions and making adjustment of set off and carry forward of losses and after allowing deduction under sections 80C to 80U

35. Deductions in respect of contribution to political party will \_\_\_\_\_.

- (a) Be allowed in respect of sum paid by way of cash
- (b) Not be allowed if payment made in cash
- (c) This type of deduction is not allowed whether payment is in cash or not
- (d) Be allowed if payment made in cash, subject to certain conditions

36. Expenditure incurred on family planning amongst the employee is allowed to: \_\_\_\_\_



- a. Any assessee
- b. A company assessee
- c. An assessee which is a company or cooperative society
- d. None of the above

37. Out of the following, which of the capital receipt is not taxable:

- A. Capital gains of Rs.10,00,000
- B. Amount of Rs.5,00,000 won by way of lottery, games, puzzles
- C. Amount of Rs.2,00,000 received by way of gift from relatives
- D. Amount of Rs.1,00,000 received by way of gift from a friend on marriage anniversary

38. Which of the following income is not chargeable as income of business or profession?

- (a) Profits and gains of business carried by an assessee during the previous year
- (b) Income derived by a trade, professional or similar association from specific services performed for its members
- (c) Income from the activity of owning and maintaining race horse
- (d) Salary received by a partner of a firm from the firm in which he is a partner

39. Mr. Amit ( A retiring Govt. Employee) received Rs. 5000000 as gratuity. Calculate taxable amount U/s 10(10).

- a. Rs. 500000
- b. Nil
- c. Rs. 2000000
- d. Rs. 250000

40. Sita, an employee of C Ltd. drawing salary of Rs. 10,000 p.m. took advance salary for April, 2020 along with salary of March, 2020 on 31-3-2020. The Gross Salary of Ms. Sita for A.Y.2020-21 should be \_\_\_\_\_

- a. 120000
- b. 130000
- c. 110000
- d. 20000

41. Mr. Ashok paid the Balmohan Vidya Mandir for his school going son's tuition fees Rs.5,000 and School Bus Fees Rs.2,000. He is entitled to a deduction u/s 80C equal to\_\_\_\_\_
- (a) 5,000
  - (b) 2,000
  - (c) 7.000
  - (d) 10,000
42. Mr. Vilas had taken housing loan for his self-occupied property from HDFC Bank on 18-11-1998 During the Previous Year 2019-20 he paid interest on housing loan Rs.1,60,000. He is entitled a deduction from Net Annual Value equal to \_\_\_\_\_
- a. 160000
  - b. 200000
  - c. 250000
  - d. 30000
43. Deduction u/s 80E shall be allowed for the higher education of
- a. Assessee siblings
  - b. Assessee himself
  - c. Assessee, spouse and children
  - d. Assessee all family members
44. In case of long term capital gain the amount to be deducted from sale consideration shall be \_\_\_\_\_
- a. Cost of acquisition
  - b. Indexed cost of acquisition
  - c. Market value as on 01-04-2001
  - d. Cost of improvement
45. V Ltd. Announced increase in DA on 21-03-2020 with retrospective from 21-03-2020 and the same was paid on 06-04-2020. The arrears of DA shall be taxable in PY \_\_\_\_\_
- a. 2019-20
  - b. 2020-21
  - c. 2018-19
  - d. 2017-18
46. Amar has earned lottery prize of Rs.50000, he received net Rs.45000 (after deducting TDS Rs.5000). how much amount will be taxable in hands of Mr. Amar?

- a. 45000
  - b. 5000
  - c. 50000
  - d. 55000
47. Profit on sale of import license is \_\_\_\_\_
- a. Exempt from tax
  - b. Taxed as profits and gains of business
  - c. Taxed as income from other sources
  - d. Taxed as capital gains
48. Any capital expenditure on scientific research related to the assessee business.
- a. Is allowed to be deducted @100%
  - b. Is allowed to be deducted @125%
  - c. Is allowed to be deducted @175%
  - d. Cannot be deducted from profits of business
49. Mr. S, aged 72 years, paid medical insurance premium of Rs.22000 by cheque and Rs.1000 by cash during the year 2019-20 under medical insurance scheme. The above sum was paid for insurance of his own health. He would be entitled to a deduction under section 80D of a sum of \_\_\_\_\_
- a. 22000
  - b. 23000
  - c. 15000
  - d. 25000
50. Kumar purchased equity shares worth Rs.80000 on 18<sup>th</sup> November 2019 and sold them for Rs.120000 on 25<sup>th</sup> November 2019. The gain is \_\_\_\_\_
- a. Short term capital gain
  - b. Long term capital gain
  - c. Midterm capital gain
  - d. Business Income





## Sample Questions TY BFM SEM -Equity Research

1. \_\_\_\_\_ is a process of Systematic Enquiry
  - a. Research
  - b. Economics
  - c. Science
  - d. Interpretation
2. \_\_\_\_\_ acts as a firm foundation for the entire research
  - a. Research problem
  - b. Data analysis
  - c. Research Design
  - d. Data collection
3. Which of the following is an External source for collecting secondary data  
Sale Record  
Marketing activity  
Customer feedback  
Internet
4. Which of the following is an External source for collecting secondary data  
Sale Record  
Marketing activity  
Customer feedback  
Journals
5. Which of the following is an Internal source of collecting secondary data  
Journal  
Sales records  
Internet  
News paper
6. Which of the following is not an importance of research  
Collect data  
Expand knowledge  
Develop new ideas  
Provide solution to a problem
7. Which of the following is not a need of research design  
Helps save cost  
Provides guidelines to researcher  
Gives suitable direction to research staff  
Helps select appropriate techniques of data collection
8. Promotional equity research reports are \_\_\_\_\_
  - a. Biased
  - b. Unbiased
  - c. Professional
  - d. Unprofessional
9. Fee based equity research reports are funded by \_\_\_\_\_
  - a. Researchers
  - b. Individuals

- c. Companies
  - d. None of the given
10. Fundamental Research is known as \_\_\_\_\_
- a. Basic Research
  - b. Pure Research
  - c. Both Basic and Pure
  - d. None of the given
11. \_\_\_\_\_ research is structured way of collecting data and analysing it to draw conclusions
- a. Qualitative
  - b. Pure
  - c. Basic
  - d. Quantitative
12. Which of the following is a tool for fundamental analysis
- Moving average
  - Trend analysis
  - Dividend yield
  - Line charts
13. Which of the following is a tool for technical analysis
- Moving averages
  - Price to book ratio
  - Dividend yield
  - Earnings per share
14. Which of the following is not an advantage / strength of technical analysis
- Focus on price
  - Pictorial price history
  - Helps discover undervalued shares
  - Assist with entry point
15. Price to earning ratio - P/E =
- Book price / EPS
  - Market price /EPS
  - EPS / Book price
  - EPS / Market price
16. Earnings Per Share =
- PAT/ number of Equity shares
  - PBT/ number of Equity shares
  - PBIT/ number of Equity shares
  - PBITD/ number of Equity shares
17. \_\_\_\_\_ is concerned about how over all economy works
- a. Micro
  - b. Molecule
  - c. Mini
  - d. Macro

18. Which of the following is not a feature of Sampling
- Small representative
  - Reduces Time & Effort
  - Increases the cost of research
  - Based on assumption
19. Which of the following is a type of probability sampling
- Convenience
  - Judgement
  - Quota
  - Cluster
20. Which of the following is a type of non-probability sampling
- Simple random
  - Snowball
  - Stratified
  - Cluster
21. Which of the following is not a goal of Equity research
- Study company's financial data
  - Analyse company's financial data
  - Find out intrinsic value of securities
  - Make uninformed investment decisions
22.  $EPS = \frac{\text{_____}}{\text{Outstanding shares}}$
- a. Gross earnings
  - b. Net Earnings
  - c. Gross Sales
  - d. Net sales
23. \_\_\_\_\_ is a measure of National Income
- a. Inflation rate
  - b. Bank rate
  - c. Gross national product
  - d. Repo rate
24. \_\_\_\_\_ proposed a model consisting of five competitive forces that determine the intensity of industry competition and profitability.
- a. Michael Porter
  - b. Michael Jordon
  - c. Michael Jackson
  - d. Michael Athurtan
25. \_\_\_\_\_ describes the direct and indirect competitors who are in similar business in the same market space
- a. Business environment
  - b. Economic environment
  - c. Competitive environment
  - d. Green environment
26. The \_\_\_\_\_ is the mechanism through which the company generates its profits



- a. Business Model
  - b. Business Plan
  - c. Business Strategy
  - d. Business environment
27. The \_\_\_\_\_ is a document presenting the company's strategy and financial performance for the years to come.
- a. Business Model
  - b. Business Plan
  - c. Business Objective
  - d. Business environment
28. The business goal of \_\_\_\_\_ is to create physical products and sell them directly to customers
- a. Manufacturer
  - b. Wholesaler
  - c. Retailer
  - d. Distributor
29. The business goal of \_\_\_\_\_ is to create an intangible good and sell it to others
- a. Inventor
  - b. Manufacturer
  - c. Wholesaler
  - d. Retailer
30. A \_\_\_\_\_ sells a service provided primarily by people to a customer.
- a. Inventor
  - b. Manufacturer
  - c. Contractor
  - d. Creator
31. The \_\_\_\_\_ business model is common for companies that offer personal or business services via the Internet.
- a. Premium
  - b. Freemium
  - c. General
  - d. Luxury
32. \_\_\_\_\_ analysis is done as part of the overall corporate planning process,
- a. Technical
  - b. Fundamental
  - c. SWOT
  - d. Mean
33. A \_\_\_\_\_ matrix is usually depicted as a square divided into four quadrants
- a. Technical
  - b. Fundamental
  - c. SWOT
  - d. Mean
34. \_\_\_\_\_ are areas capable of improvements
- a. Strengths

- b. Weakness
  - c. Opportunity
  - d. Threats
35. \_\_\_\_\_ can be external or Internal and are anything which can adversely affect the business
- a. Strengths
  - b. Weakness
  - c. Opportunity
  - d. Threats
36. Management quality is a \_\_\_\_\_ concept
- a. Industry
  - b. Organisational
  - c. Leadership
  - d. Pricing
37. The organisations \_\_\_\_\_ is able to provide direction and strategies to ensure the organisations goals are achieved
- a. Leadership
  - b. Objectives
  - c. Ownership
  - d. Hiring
38. The single most important decision in evaluating a business is \_\_\_\_\_
- a. Manufacturing capability
  - b. Pricing power
  - c. Distribution capacity
  - d. Purchasing power
39. A \_\_\_\_\_ has a great deal of pricing power as they have no direct competition
- a. Wholesaler
  - b. Monopoly
  - c. Manufacturer
  - d. Duopoly
40. Brands with high social status enjoy significant \_\_\_\_\_ power
- a. Purchasing
  - b. Selling
  - c. Buying
  - d. Pricing
41. Firms selling commodity products have no pricing power whatsoever and must accept \_\_\_\_\_ prices
- a. Wholesale
  - b. Market
  - c. High
  - d. Low
42. There is a need to be able to adapt the right \_\_\_\_\_ for a business to be successful and popular.
- a. Business Model

- b. Business Plan
  - c. Business Objective
  - d. Business environment
43. \_\_\_\_\_ ratio indicated how much the company pays out as dividends each year relative to its share price.
- a. Dividend payout ratio
  - b. Dividend yield ratio
  - c. Dividend per share
  - d. Earning per share
44. The \_\_\_\_\_ measures how much of a company's earnings are paid out as a dividend
- a. Dividend payout ratio
  - b. Dividend yield ratio
  - c. Dividend per share
  - d. Earning per share
45. \_\_\_\_\_ measures how efficiently a firm can use the money from shareholders to generate profits and grow the company.
- a. Return on Equity
  - b. Return on Capital employed
  - c. Capital returns
  - d. Return on Debt
46. \_\_\_\_\_ EPS is better as it means the company is more profitable
- a. Lower
  - b. Average
  - c. Higher
  - d. Proportionate
47. \_\_\_\_\_ is also referred to as Operating profit
- a. EBIT
  - b. EAT
  - c. EBT
  - d. Gross profit
48. \_\_\_\_\_ are agreed upon by a company's board of directors.
- a. Corporate action
  - b. Tax payment
  - c. Interest payments
  - d. Business environment
49. \_\_\_\_\_ does not affect a company's equity or its market capitalization
- a. Rights Issue
  - b. Bonus Issue
  - c. Stock split
  - d. New Issue
50. \_\_\_\_\_ refers to the consolidation of companies or assets through various types of financial transactions.
- a. Black Bull transactions

- b. Buy Back
- c. Merger & Acquisitions
- d. Right Issues



9. The corporate governance structure of a company reflects the individual companies':

- A. Cultural and economic system. B . Legal and business system.
- c. Social and regulatory system. d. All of the above.

10. Cadbury Committee was set up in the year \_\_\_\_\_.

- a.1981 b.1991 c.2001 d.2005

11. Transparency International has developed\_\_\_\_\_ Pact.

- a. Integrity b. Global Peace c. Global Ethics d. governance

12. UN Global Compact Office is supported by \_\_\_\_\_ UN Agencies

- a.Five b. Four c. Six d. Seven

13. NFCG was set up in the year \_\_\_\_\_

- a. 2015 b. 2003 c. 1988 d.1900

14. According to Companies Act 2013, Companies must have at least \_\_\_\_\_ women Director.

- a . One b two c three d. five

15. 'Clause 49' refers to clause number 49 of \_\_\_\_\_ Agreement

- a. Listing b. Shareholders c. Auditors d .Marketing

16. \_\_\_\_\_ transaction takes place between two parties who hold pre-existing connection prior to transaction.

- a. Third Party b. Debtors Party c. Related Party d. fourth party

17. Black marketing, hoarding etc are examples of ethical issues in \_\_\_\_\_

- a. marketing b. HRM, c. accounting d.IT



26. SEBI has set up a separate cell to address the grievances of investors –(SCORES) which stands for \_\_\_\_\_

- a. SEBI Complaints Redressal System
- b. SEBI Corporate Redressal System
- c. SEBI Companies Redressal System
- d. SEBI Complaints Regulation System

27. In context of Corporate Governance forums, NFCG Stands for \_\_\_\_\_

- a. National Foundation of Corporate Governance
- b. National Foundation of Common Governance
- c. National Foundation of Commercial Governance
- d. National Foundation of Core Governance

28. In context of Corporate Governance forums, GCGF Stands for \_\_\_\_\_

- a. Global corporate governance forum
- b. Global concrete governance forum
- c. Global corporate governance form
- d. Global common governance forum

29. In context of Corporate Governance forums, OECD Stands for \_\_\_\_\_

- a. Organisation for Economic Co-operation and Development
- b. Organisation for Ecological Co-operation and Development
- c. Organisation for Economic Common and Development
- d. Organisation for Economic o-operation and Development

30. The form of ethics that endeavours to help professionals decide what to do when they are confronted with the case or situation that raises an ethical question or moral problems is referred to as

- (1) Personal Ethics
- (2) Professional Ethics
- (3) Organisational Ethics
- (4) Business Ethic



31. "We wish to be good citizens of every community in which we operate." This is

- (1) Ethical Code
- (2) Political and Social Code
- (3) Legal Rule
- (4) Legal Act

32. \_\_\_\_\_ have a responsibility in insuring that corporation at according to the rules and norms of the society.

- (1) Governments
- (2) Public
- (3) Customers
- (4) Creditors

33. Most companies begin the process of establishing organisational ethics programs by developing

- (1) Code of Conduct
- (2) Law
- (3) Both A & B
- (4) None of the Above

34. The form of ethics that endeavours to help professionals decide what to do when they are confronted with the case or situation that raises an ethical question or moral problems is referred to as

- (1) Personal Ethics
- (2) Organisational Ethics
- (3) Professional Ethics
- (4) Business Ethics

35. \_\_\_\_\_ is the philosophical study of moral values and rules

- (1) Morality
- (2) Law
- (3) Ethics
- (4) All of the above

36. Codes of ethics are statements of values and principles that determines the \_\_\_\_\_ of the company.

- (1) Purpose
- (2) Profit
- (3) Growth
- (4) Regulation

37. The Global Compact office is supported by \_\_\_\_\_ UN Agencies.

- (1) Ten
- (2) Eight

(3) Six

(4) Four

38. \_\_\_\_\_ enables employees understand 'how business ethics relates to all operational issues in the organisation.

(1) Ethics Committee

(2) Integrity Pact

(3) Ethics Training

(4) Board of Directors

39. The Pivotal role in any system of Corporate governance is performed by \_\_\_\_\_

(1) Board of Directors

(2) Shareholders

(3) Government

(4) Stakeholders

40. The Framework for establishing for good corporate Governance and accountability was originally set up by the

(1) Nestle Committee

(2) Thornton Committee

(3) Rowntree Committee

(4) Cadbury Committee

41. The document prepared to guide organisation members when encountering ethical dilemmas is \_\_\_\_\_

(1) Code of Ethics

(2) Code of Conduct

(3) Both A&B

(4) None of the above

42. The document prepared to guide organisation members when encountering ethical dilemmas is \_\_\_\_\_

(1) Code of Ethics

(2) Code of Conduct

(3) Both A&B

(4) None of the above

43. Which ethical principle specifies to do what is good

(1) Beneficence

(2) Least harm

(3) Both A & B

(4) None of the above

44. Which type of ethical issue does a green company resolves

(1) Environmental

(2) Financial

(3) Social

(4) Political

45. \_\_\_\_\_ is the code of conduct that an individual or a group has about right and wrong

(1) Morality

(2) Ethics

(3) Law

(4) All of the above

46. \_\_\_\_\_ is an important tool to help to create a level playing field for business and reduce the costs associated with procurement.

(1) Ethics Committee

(2) Integrity Pact

(3) Ethics Training

(4) Board of Directors

47. To be fruitful business, \_\_\_\_\_ programme ought to teach about formal ethics systems.

(1) Ethics Committee

(2) Integrity Pact

(3) Ethics Training

(4) Board of Directors

48. Which of the Following is not considered as key player in Corporate Governance?

(1) Shareholder

(2) Director

(3) CEO

(4) Supplier

49. The word 'Governance' comes from \_\_\_\_\_ root 'Gubernare' to steer.

(1) Latin

(2) Italian

(3) Indian

(4) American

50. Which of the following is not the underlying principles of the corporate governance combined code of practice

(1) Acceptability

(2) Accountability

(3) Openness

(4) Integrity

TYBFM – Sem V

Technical Analysis, Dec. 2020

**Sample MCQs**

| S. No. | MCQ  |
|--------|--|
| 1      | Technical analysis can help investors anticipate what is “likely” to happen to _____ over time.<br>prices<br>volumes<br>economy<br>fair value of stock                     |
| 2      | Which one is the assumption of Technical analysis?<br>No risk in stock market<br>Everyone makes money<br>History Repeat itself<br>All transactions are speculative         |
| 3      | ----- are also referred as OHCL Charts.<br>Bar Chart<br>Point and Figure Chart<br>Candlestick Charts<br>Line Charts  |
| 4      | Technical studies help to understand that crux by analyzing price behavior of _____.<br>Consumer<br>Company<br>Securities<br>Economic                                      |
| 5      | Technical analysis provides 2 price level of _____ and _____.<br>High and Low<br>Support and Resistance<br>Increase and Decrease<br>High & Resistance                      |
| 6      | The study of technical analysis is based on which of the following elements:<br>price<br>volume<br>open interest (in case of derivatives)<br>price, volume & open interest |
| 7      | _____ movements are typically referred to as bull and bear markets.<br>Secondary<br>Daily<br>Major<br>Primary  |

|    |   |
|----|---|
| 8  | <p>Which of the following is not true about chart?</p> <p>It plot the price movements of a stock over specific time frames<br/> X-axis represents price and y-axis represents time<br/> It gives pictorial representation of any stock's trading history<br/> It can give a complete picture of a stock's price history over a period of an hour, day, week, month or many years.</p> |
| 9  | <p>In pennant formation price consolidate in a _____</p> <p>a. Curve<br/> b. Double top<br/> c. Triangle<br/> d. Channel</p>  |
| 10 | <p>Which type of chart includes daily high price, low price, opening price and closing price?</p> <p>Point-and-Figure Chart<br/> Moving Average Cost<br/> Bar Chart<br/> Candlestick Chart</p>  |
| 11 | <p>Which type of chart is formed using only closing price data?</p> <p>Candlestick Chart<br/> Line Chart<br/> Advance-decline Chart<br/> Point-and-Figure Chart</p>   |
| 12 | <p>_____ are composed of a single line from left to right that links the closing prices.</p> <p>Line Chart<br/> Bar Chart<br/> Candlestick Chart<br/> Point-and-figure Chart</p>  |
| 13 | <p>One of the most popular tools used by technical analysis is:</p> <p>P/E Ratio<br/> Book-to-market-value Ratio<br/> Growth Rate of Dividends<br/> Moving Averages</p>   |
| 14 | <p>The Xs represent upward price trends and the Os represent downward price trends in which charts?</p> <p>Line Chart<br/> Bar Chart<br/> Candlestick Chart<br/> Point-and-Figure Char</p>  |
| 15 | <p>In Three Soldiers pattern the bodies of which candlestick should be approximately the same size:</p> <p>Fourth and Third</p>   |

|    |  |
|----|--|
|    | <p>Second and Third<br/>First and Second<br/>Fourth and First</p>  |
| 16 | <p>By the time, the prices reach the support level, what prevents the prices from falling further?</p> <p>Demand will overcome Supply<br/>Supply will overcome Demand<br/>No change in Demand and Supply<br/>No trade</p>  |
| 17 | <p>In the Three Black Soldiers pattern formation, every subsequent candle must open within the previous candle body leaving no gap, giving clear decisive signals of:</p> <p>Selling<br/>Buying<br/>Both<br/>No decision</p>   |
| 18 | <p>According to Dow theory the primary trend represents a cycle lasting approximately.</p> <ol style="list-style-type: none"> <li>1. 3 to 6 months</li> <li>2. 6 to 12 months</li> <li>3. 4 to 4 ½ years</li> </ol>  |
| 19 | <p>The Three Black soldiers pattern formation has to occur where in the upward trend for trend reversal:</p> <p>Bottom<br/>Top<br/>Middle<br/>None</p>   |
| 20 | <p>In top reversal head and shoulders pattern, the decline from peak of _____ should break the neckline.</p> <ol style="list-style-type: none"> <li>a) left shoulder</li> <li>b) right shoulder</li> <li>c) head</li> <li>d) neckline</li> </ol>                         |
| 21 | <p>In Head &amp; Shoulders pattern, which level is achieved by the second rally?</p> <ol style="list-style-type: none"> <li>a) Highest point</li> <li>b) Lowest point</li> <li>c) Either highest or lowest point</li> <li>d) Neither highest nor lowest point</li> </ol> |
| 22 | <p>Triple tops are found in ____ trend.</p> <p>Left<br/>Right</p>  |

|    |  |
|----|--|
|    | <p>Up<br/>Down</p>   |
| 23 | <p>Upper line of channel acts as ongoing _____</p> <p>Resistance<br/>Line<br/>Support<br/>Trend</p>  |
| 24 | <p>Gap is a area on price chart where there is _____</p> <p>Uptrend<br/>Downtrend<br/>Movement<br/>No trade</p>  |
| 25 | <p>Common gap is also referred to as a _____ gap.</p> <p>Runaway<br/>Exhaustion<br/>Trading<br/>Breakaway</p>  |
| 26 | <p>A congestion area is just a _____ range.</p> <p>Price<br/>Volume<br/>Trend<br/>Activity</p>   |
| 27 | <p>A simple moving average is formed by computing the _____ price of a security over a specified number of periods.</p> <p>a) Mode<br/>b) Median<br/>c) Mean<br/>d) Variance</p> |
| 28 | <p>Which one is more responsive to recent price change?</p> <p>Simple moving average<br/>Moving average<br/>Exponential moving average<br/>SMA &amp; EMA</p>                     |
| 29 | <p>Relative Strength Index is a momentum indicator.</p> <p>Agree<br/>Not Agree<br/>Some what agree<br/>Some what not agree</p>   |
| 30 | <p>In RSI, which zone is over bought zone?</p> <p>Between 0% to 100%<br/>Between 70 % to 100%</p>  |

|    |  |
|----|--|
|    | <p>Between 0% to (-)100%</p> <p>Between 10 % to 70%</p>  |
| 31 | <p>Which of the following is not a momentum oscillator?</p> <p>a) RSI</p> <p>b) Stochastic</p> <p>c) Rate of change</p> <p>d) Moving average crossovers</p>                                |
| 32 | <p>Who developed Stochastic indicator?</p> <p>George Kane</p> <p>George Lane</p> <p>Gerald Lane</p> <p>Gerald Kane</p>   |
| 33 | <p>William % R indicator always moves _____ .</p> <p>Between 0% to 100%</p> <p>Between 20 % to 100%</p> <p>Between 0% to (-)100%</p> <p>Between 80 % to 100%</p>                           |
| 34 | <p>In Bollinger Bands, _____ act as area of support.</p> <p>Upper band</p> <p>Lower band</p> <p>Middle band</p> <p>Range</p>   |
| 35 | <p>Which of the following is not a Dow theory principles?</p> <p>Market have 5 trends</p> <p>Trends have 3 phases</p> <p>Market discount all news</p> <p>Volume must conform the trend</p> |
| 36 | <p>In Dow theory, primary trend has _____ Phases.</p> <p>One</p> <p>Two</p> <p>Three</p> <p>Four</p>   |
| 37 | <p>Secondary Trend is found within .....</p> <p>A. Corrective Trend</p> <p>B. Minor Trend</p> <p>C. Primary Trend</p> <p>D. Tertiary Trend</p>   |
| 38 | <p>Volume must conform the _____.</p>  |



|    |  |
|----|--|
|    | <p>Trend<br/>Volatility<br/>Price<br/>Pattern</p>  |
| 39 | <p>Day traders must have proper knowledge of:</p> <ul style="list-style-type: none"> <li>a) technical analysis</li> <li>b) SWOT analysis</li> <li>c) technical &amp; SWOT analysis</li> <li>d) Fundamental analysis</li> </ul>   |
| 40 | <p>Efficient risk management system involves:</p> <ul style="list-style-type: none"> <li>a) putting stop loss</li> <li>b) controlling position size</li> <li>c) controlling losses, putting stop loss</li> <li>d) controlling losses, putting stop loss , controlling position size</li> </ul> |
| 41 | <p>Which type of mistakes the trader do?</p> <ul style="list-style-type: none"> <li>Forget to follow discipline</li> <li>Chasing the crowd</li> <li>Forget to follow discipline &amp; Chasing the crowd</li> <li>Considering warning signs</li> </ul>  |
| 42 | <p>_____ is speculation in securities.</p> <ul style="list-style-type: none"> <li>ST investment</li> <li>Medium term investment</li> <li>Day trading</li> <li>Long term investment</li> </ul>  |
| 43 | <p>What type of risk is associated with day trading?</p> <ul style="list-style-type: none"> <li>Business risk</li> <li>Improperly tested strategy</li> <li>Systematic risk</li> <li>Interest rate risk</li> </ul>  |
| 44 | <p>What type of risk is associated with day trading?</p> <ul style="list-style-type: none"> <li>Business risk</li> <li>Lack of risk management</li> <li>Systematic risk</li> <li>Interest rate risk</li> </ul>   |
| 45 | <p>Who can make money in both rising and falling market?</p> <ul style="list-style-type: none"> <li>Long term investors</li> <li>Day traders</li> <li>Short term investors</li> <li>Hedger</li> </ul>  |
| 46 | <p>The first 5-3 wave pattern is called the.....</p> <p>a. Motive wave</p>   |

|    |  |
|----|--|
|    | <ul style="list-style-type: none"> <li>b. Impulse wave</li> <li>c. Corrective wave</li> <li>d. Fundamental wave</li> </ul>   |
| 47 | <p>Who is the founder of the Elliot wave theory?</p> <ul style="list-style-type: none"> <li>a. Missy Elliot</li> <li>b. Ralph nelson Elliot</li> <li>c. Elliot spritzer</li> <li>d. Elliot Nehi</li> </ul>   |
| 48 | <p>Which type of Chart has no time horizon?</p> <ul style="list-style-type: none"> <li>a) Bar Chart</li> <li>b) Point-and-Figure Charts</li> <li>c) Moving Average Chart</li> <li>d) Candlestick Chart</li> </ul>  |
| 49 | <p>For the Three Black Soldiers pattern formation there has to be persistent trend, in which direction: -</p> <ul style="list-style-type: none"> <li><input type="radio"/> Up</li> <li><input type="radio"/> No Trend</li> <li><input type="radio"/> Down</li> </ul> <p style="text-align: center;">Normal</p> |
| 50 | <p>In flag formation price consolidate in a _____</p> <ul style="list-style-type: none"> <li>a. Symmetrical triangle</li> <li>b. Channel</li> <li>c. Triangle</li> <li>d. Descending triangle</li> </ul>   |

**TYBFM – Sem 5**  
**Financial Derivative**  
**Sample Questions**

- 1 The value of derivatives depends on the movement in the prices of their \_\_\_\_\_.  
a. Investment  
b. Underlying  
c. Products  
d. Land
- 2 Derivatives are instruments related to settlement of obligations at a \_\_\_\_\_.  
a. Present Date  
b. Uncertain Date  
c. Immediate Date  
d. Future Date
- 3 Futures and Options contract are usually transacted on \_\_\_\_\_.  
a. Forward Market  
b. Spot Market  
c. Derivative Exchange  
d. Cash Market
- 4 \_\_\_\_\_ gives definition of derivatives in India.  
a. Foreign Exchange Act  
b. Reserve Bank Act  
c. Securities Contract (Regulation) Act  
d. Profit Act
- 5 Forward contracts are traded only in \_\_\_\_\_ market and not in stock exchanges.  
a. NSE  
b. BSE  
c. Over the Counter  
d. NASDAQ
- 6 A drawback of forward contracts is that they are subject to \_\_\_\_\_ risk.  
a. Commodity  
b. Interest Rate  
c. Default  
d. Commercial
- 7 Option Pricing Model wherein spot prices moves up or down more than twice is referred to as \_\_\_\_\_.  
a. Single Period Binomial Model  
b. Two Period Binomial Model  
c. Multi Period Binomial Model  
d. None of these
- 8 The portfolio of investments held by financial institutions are exposed to the risk of erosion in the value of portfolio due to fluctuation in the prices of the \_\_\_\_\_.  
a. Bank Deposit  
b. Brokerage  
c. Securities  
d. Statutory Fees
- 9 Which of the following is not true with respect to interest rate in case of BSM \_\_\_\_\_.  
a. Interest Rate is risk free  
b. It remains constant  
c. It is same for all maturities  
d. None of these
- 10 \_\_\_\_\_ is the cost of holding the underlying asset over a period of time.  
a. Cost of Buying  
b. Cost of Selling



- 21 Trading in derivatives provide following two important functions \_\_\_\_\_.
- |  |  |
|--|--|
| a. Value and Wealth Discovery                | b. Price & Wealth Discovery              |
| c. Price Discovery and Price Risk Management | d. Wealth Assessment and Price Discovery |
- 22 A \_\_\_\_\_ is an agreement wherein two parties agree to exchange two different streams of cash flows over a definite period of time on pre-determined terms.
- |            |            |
|------------|------------|
| a. Swap    | b. Options |
| c. Futures | d. CFD     |
- 23 Price Discovery is mechanism by which a \_\_\_\_\_ is determined by the large number of participants in the derivative markets.
- |                       |                         |
|-----------------------|-------------------------|
| a. True Value Price   | b. Fair Value Price     |
| c. Market Value Price | d. Expected Value Price |
- 24 Hedging is a tool for \_\_\_\_\_ risk
- |             |                |
|-------------|----------------|
| a. Managing | b. Taking      |
| c. Ignoring | d. Eliminating |
- 25 A person holding underlying asset is said to be \_\_\_\_\_ in spot market
- |           |         |
|-----------|---------|
| a. Short  | b. Weak |
| c. Strong | d. Long |
- 26 \_\_\_\_\_ provides perfect hedge
- |            |             |
|------------|-------------|
| a. Options | b. Forwards |
| c. Swaps   | d. Futures  |
- 27 In diagonal spread an investor simultaneously buys and writes an option of \_\_\_\_\_.
- |                          |                        |
|--------------------------|------------------------|
| a. Same Expiration Dates | b. Same Exercise Price |
| c. Same Option Price     | d. None of Above       |
- 28 In Horizontal spread an investor simultaneously buys and writes an option of same type i.e. either calls or puts with same exercise price but \_\_\_\_\_.
- |                               |                              |
|-------------------------------|------------------------------|
| a. Different Expiration Dates | b. Different Exercise Prices |
| c. Different Option Price     | d. Same Exercise Price       |
- 29 In vertical spread an investor simultaneously buys and sells an option with same expiration date but \_\_\_\_\_.
- |                               |                              |
|-------------------------------|------------------------------|
| a. Different Expiration Dates | b. Different Exercise Prices |
| c. Different Option Price     | d. Same Exercise Price       |
30. \_\_\_\_\_ options instead of having a single exercise date has set of predetermined discrete exercise dates and the option can be exercised on those dates only.
- |             |             |
|-------------|-------------|
| a. American | b. European |
| c. Asian    | d. Bermudan |

- 31 \_\_\_\_\_ options can be exercised on any day between option purchase date and the expiration date.
- American
  - European
  - Asian
  - Bermudan
- 32 \_\_\_\_\_ options can be exercised on the expiration date only.
- American
  - European
  - Asian
  - Bermudan
- 33 An option is an agreement between two parties, which gives the buyer of the option \_\_\_\_\_, to buy or sell pre-decided quantity and quality of an underlying asset.
- The right & Obligation
  - The Right & Not Obligation
  - The obligation and not right
  - Neither right nor obligation
- 34 On the due date, the buyer of the option \_\_\_\_\_.
- Transfer Rights
  - Exercise Rights or lapse it
  - Cancels the right
  - Carries forward the right
- 35 \_\_\_\_\_ is a contract in which option buyer has right to sell the underlying asset at the exercise price
- American Option
  - Call Option
  - Bermuda Option
  - Put Option
- 36 \_\_\_\_\_ is the rate of change of option price with respect to the price of the underlying asset.
- Delta
  - Gamma
  - Rho
  - Theta
- 37 \_\_\_\_\_ is the rate of change of the option's Delta ( $\Delta$ ) with respect to the price of the underlying asset.
- Gamma
  - Vega
  - Rho
  - Theta
- 38 Mr Damani sells a Call Option on Stock ABC Ltd by paying option premium of Rs 4 having exercise price of Rs. 60. Calculate Net Profit/Loss when Spot Price is Rs 70
- Loss of Rs 6
  - Profit of Rs 20
  - Loss of Rs 100
  - Loss of Rs 60
- 39 Mr Tima buys a Put Option on Stock ABC Ltd by paying option premium of Rs 3 having exercise price of Rs. 50. Calculate Net Profit/Loss when Spot Price is Rs 40
- Loss of Rs. 7
  - Profit of Rs 10
  - Loss of Rs 10
  - Profit of Rs 7
- 40 Suppose Mr Y sell Futures Contract on shares of Wipro Ltd at a strike price of Rs 750/- per share. Suppose the spot price is Rs. 1050. What is the profit/loss to Mr. Y
- Loss of Rs 250
  - Profit of Rs 300



- 50 Exchanges in India provides a trading frontend \_\_\_\_\_ for trading to members of the exchange.
- a. AWS
  - b. MWS
  - c. NWS
  - d. TWS