T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Accounting V	1	The relationship between persons who have agreed to share profit of a business carried on by all or any of them acting for all is known as	Partnership	Joint Venture	Association of Persons	Body of Individuals	A
Financial Accounting V	2	In the absence of an agreement, partners are entitled to	Salary	Commission	Interest on Loan and Advances	Profit share in capital ratio	C
Financial Accounting V	3	When there are four partners, excess capital is to be computed	once	twice	thrice	four times	C
Financial Accounting V	4	On dissolution, a secured creditor could only partly recover his dues out of the amounts realised from the concerned assets. The remaining amount is treated	as preferential creditors	as secured creditors	as unsecured creditors	as non-recoverable	C
Financial Accounting V	5	On amalgamation of a firm,_____Account is opened.	Deficiency	Realisation	P & L Adjustment	P & L Suspenses	B
Financial Accounting V	6	On amalgamation, fictitious assets of the vendor firm are transferred to	Patners Capital Accounts	Purchasing Firm's Account	Realisation Account	P & L Adjustment Account	A
Financial Accounting V	7	On sale of firm to a company, the purchase consideration is calculated by	Lumpsum method	Payment method	Net Assets Method	Any of the above	D
Financial Accounting V	8	If purchase consideration is more than the net assets taken over, in the books of the company taking over the firm, the difference is	debited to Goodwill A/c	credited to Capital Reseves	debited to Security Premium	debited to Capital Reseves	A
Financial Accounting V	9	Currency other than the reporting currency of an enterprise	Non-Reporting Currency	U.S. Dollars	Foreign Currency	Indian Rupees	C
Financial Accounting V	10	Money held and assets and liabilities to be received or paid in fixed or determinable amounts of money	Current items	Non-monetary items	Monetary items	Forward Exchange Contract	C
Financial Accounting V	11	Secured creditors are shown in the statement of affairs under :	List A	List B	List C	List D	B
Financial Accounting V	12	Preferential creditors are shown in the statement of affairs under :	List D	List B	List C	List A	C

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Accounting V	13	The proceeds of assets not specifically pledged and the surplus of the assets specifically pledged is first available for :	Preferential creditors	Unsecured creditors	Legal charges, liquidator's remuneration and liquidation expenses	Preference shareholders	C
Financial Accounting V	14	If the ABC Limited and DEF Limited are taken over by a new company XYZ Limited	it is called absorption	it is called amalgamation	it is called external reconstruction	it is called internal reconstruction	B
Financial Accounting V	15	If the ABC Limited and DEF Limited are taken over by a new company XYZ Limited	ABC Ltd. and DEF Ltd. are known as the "Vendor Companies"	ABC Ltd. and XYZ Ltd. are known as the "Vendor Companies"	XYZ Ltd. and DEF Ltd. are known as the "Vendor Companies"	XYZ Ltd. is known as the "Vendor Company"	A
Financial Accounting V	16	The underwriting commission in case of debentures as per the Companies Act shall not exce	5 percent of issue price	10 per cent of the issue price	2.5 per cent of the issue price	2 percent of the issue price	C
Financial Accounting V	17	As per SEBI guidelines, the underwriting commission on equity shares	1 per cent of the issue price	5 percent of issue price	2.5 per cent of the issue price	2 percent of the issue price	C
Financial Accounting V	18	The buy-back of equity shares in any financial year shall not exceed twenty-five per cent of total	Authorised capital in that firnancial year	Paid-up equity capital in that financial year	Paid-up capital and free reserves in that financial year	called-up capital in that financial year	B
Financial Accounting V	19	When a company is wound-up, all persons who ceased to be the shareholders within a year before the winding-up are placed in the	A' List of Contributories	B' List of Contributories	C' List of Contributories	D' List of Contributories	B

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Accounting V	20	On amaigamation, if the dissolution expenses are paid as well as bome by the purchasing company	Entries are passed in the books of the purchasing as well as the vendor company	no entry is passed in the books of the vendor company	no entry is passed in the books of the purchasing company	no entry is passed in the books of the purchasing as well as the vendor company	B
Financial Accounting V	21	On amalgamation, if pref., shares are settied at a premium	the premium is credited to Realisation A/c	the premium is debited to Realisation A/c	the premium is credited to Security Premium A/c	the premium is debited to Capital Reserve Alc	B
Financial Accounting V	22	When the merger inivolves liquidation of one or more existing companies and formation new company, it is called	internal reconstruction	absorption	external reconstructio n	amaigamatio n	B
Financial Accounting V	23	When the merger involves liquidation of one existing sick company and formation of cre company, it is called	internal reconstruction	absorption	external reconstructio n	amaigamatio n	C
Financial Accounting V	24	According to companies act,the commission payable to underwriting shares should not exceed	5%	10%	2.50%	1.50%	A
Financial Accounting V	25	commission for underwriting shares as per the guideliness issued by the stock exchange division of the Dept.of economic affairs,ministry of finance (F 14/1/SE/B5-7-5-85) and also as per SEBI guide;ines shoild not exceed	5%	2.50%	10%	1.50%	B

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Accounting VI	1	A general insurance business carrying on more than one type of insurance business prepares	a separate balance sheet for each type of business.	a separate profit and loss account for each type of business.	a separate revenue account and combined profit and loss account.	a separate revenue account and profit and loss account for each type of business	C
Financial Accounting VI	2	Schedule 5 of Insurance Co. Balance is _____.	Other Liabilities	Share Capital	Reserves & Surplus	Current Assets	B
Financial Accounting VI	3	With respect to Capital Adequacy, the risk weightage of Cash in hand is _____	0%	20%	50%	100%	A
Financial Accounting VI	4	Banks should make a general provision for sub-standard asset at _____	0.25%	0.40%	15%	25%	C
Financial Accounting VI	5	If Total Product is Rs.1,50,000 and Total Weights is 15, calculate Weighted Average Profit	Rs.15,00,000	Rs.20,00,000	Rs.10,000	RS.20,000	C
Financial Accounting VI	6	Rate of interest is 11% and the rate of risk return is 2%. The normal rate of return will be _____	9%	11%	13%	22%	C
Financial Accounting VI	7	Venture Capital Fund Companies are regulated by ____	RBI	SEBI	IRDA	Ministry of Corporate Affairs	B
Financial Accounting VI	8	NBFCs should maintain a minimum CRAR ratio of ____	8%	11%	20%	15%	D
Financial Accounting VI	9	LLP should have minimum _____ partners	2	4	5	7	A
Financial Accounting VI	10	A LLP whose contribution exceeds _____ is required to annually get its accounts audited.	Rs.40 Lakhs	Rs.25 Lakhs	Rs.50 Lakhs	Rs.5 Lakhs	B
Financial Accounting VI	11	Form _____ is used to prepare profit & loss account of insurance company	A – PL	B – PL	C – PL	D – PL	B
Financial Accounting VI	12	Form _____ is used to prepare revenue account of insurance company	A – RA	B – RA	C – RA	D – RA	B

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Accounting VI	13	Premium collected from other insurance company is premium _____	On Re-Insurance	On Direct Business	Ceded	Received from government	A
Financial Accounting VI	14	Schedule 2 of Revenue account of Insurance company is _____	Premium	Claims	Commission	Operating Expenses	B
Financial Accounting VI	15	Schedule 3 of Revenue account of Insurance company is _____	Premium	Claims	Commission	Operating Expenses	C
Financial Accounting VI	16	For working as a NBFC a company must get itself registers with _____	RBI	SEBI	Finance Ministry	NHB	A
Financial Accounting VI	17	In Case of fire insurance, the provision required to make against unexpired risks is _____	40%	50%	100%	30%	B
Financial Accounting VI	18	Deposit held on re-insurance ceded is shown in the balance sheet of an Insurance Company under _____	Loans	Current Liabilities	Advances	Other Assets	B
Financial Accounting VI	19	A banking company is statutorily required to transfer ____ % of its profits to its Reserve Fund, each year before declaring dividends or transferring profit to the Central Government.	10	25	30	15	B
Financial Accounting VI	20	The maximum number of partners LLP can have been _____	7 partners	50 partners	2 partners	No limit	D
Financial Accounting VI	21	Rate of profit estimated or expected on capital employe _____	Super Profit	Average Profit	Normal Rate of Return	Gross profit	C
Financial Accounting VI	22	NBFC must have net own fund of	not less than 200 lakh rupees	less than 500 crore rupees	more than 500 crore rupees	none of the above	A
Financial Accounting VI	23	Balances with RBI are shown in the final accounts of a Bank in _____	Schedule 3	Schedule 4	Schedule 5	Schedule 6	D
Financial Accounting VI	24	A ____ asset would be one, which has remained NPA for a period less than or equal to 12 months.	substandard	standard	loss	doubtful	A
Financial Accounting VI	25	Excess of average profit earned by the firm over and above its normal profit is _____	Bumper Profit	Super Profit	Normal Returns	Excess Profit	B

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Cost Accounting III	1	Under Uniform costing, same costing principles are followed by companies	In the same Industry	In different Industry	In both same & different Industry	None of these	A
Cost Accounting III	2	Inter firm comparison is	a method of costing	method of allocation	technique of evaluating the performance of the company in an industry	related to marginal costing	C
Cost Accounting III	3	If Purchase department cost is Rs.10,000 which is to be driven between Department A & B in the ratio of Purchase orders which is 3:2, What cost should be charged to Department A & B	Rs.6000 for A & Rs.4000 for B	Rs.4000 for A & Rs.6000 for B	Rs.40000 for A & Rs.60000for B	Rs.60000 for A & Rs.40000 for B	A
Cost Accounting III	4	Under Integrated accounting system, Journal entry for Material purchased on credit is,	Stores Ledger control a/c Dr. to Creditors	Stores Ledger control a/c Dr. to General Ledger Adjustment A/c	None of these	Purchase a/c Dr. To Creditors	A
Cost Accounting III	5	Under Integrated accounting system, Journal entry for Direct Wages charged to Production is,	WIP Control a/c Dr. To Wages Control A/c	WIP Control a/c Dr. To General Ledger Adjustment A/c	None of these	All of these	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Cost Accounting III	6	Under Non-Integrated accounting system, Journal entry for Admin overheads absorbed is,	Finished Goods Control a/c Dr. To General Ledger Adjustment A/c	Finished Goods Control a/c Dr. To Admin Overhead control	None of these	All of these	B
Cost Accounting III	7	_____Costing is the method used to calcuate the cost of providing service	Operation	Operating	Process	Job	B
Cost Accounting III	8	In a Cinema Hall, 150 Seats are occupied for 15 days & Cost of maintaining those Seats is Rs. 150000 What is the Cost per Viewer day	40.65	58.82	60.65	70.65	B
Cost Accounting III	9	Under Weighted Average, the material that is processed is	From Opening WIP	From Closing WIP	From Fresh Input	From Fresh Input + Opening WIP	D
Cost Accounting III	10	Under FIFO method, Closing Stock is 120000 Units 80% Complete in terms of materials and 40% complete in terms of Conversion costs, What will be the Equivalent Opening stock in terms of Material & Conversion costs	Material 9600 Conversion cost 4800 Units	Material 96000 Conversion cost 48000 Units	Material 960 Conversion cost 480 Units	None of these	B
Cost Accounting III	11	In case of passenger transport carriage capacity is in terms of	seats	tonnes	km	cc	A
Cost Accounting III	12	In case of goods transport carriage capacity is in terms of	seats	tonnes	market price method	cc	B
Cost Accounting III	13	ABC based costing	Focuses on activities performed to produce the product	Classifies activities into A, B, C categories	Used for controlling cost	overheads	A
Cost Accounting III	14	A cost driver is an	activity that generates cost	activity that collects cost	activity that assigns cost	accumulates cost	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Cost Accounting III	15	Under ___ method the work of opening stock is completed first before processing the material introduced during the period	Fifo Method	Average method	Weighted average method	arithmentic mean	A
Cost Accounting III	16	Inter-firm comparison is one of the aim of _____	Unit costing	Uniform costing	Standard costing	Marginal costing	B
Cost Accounting III	17	Integral accounts eliminates the necessity of operating _____	Cost Ledger Control Account	Stores Ledger Control Account	Sales Account	Cash Accounts	A
Cost Accounting III	18	A document which is classified record of material issues, returns & transfers _____	Materials Requisition Note	Materials Return Note	Materials Transfer Note	Materials Issue Analysis Sheet	D
Cost Accounting III	19	In case of passenger transport, Carriage capacity is in terms of_____	Seats	Tonnes	KM	CC	A
Cost Accounting III	20	_____ is the essential to make the cost ledger 'self-balancing'	General Ledger Adjustment Account	Stores Ledger Control Account	WIP Ledger	Finished Goods Control Account	A
Cost Accounting III	21	Process cost is based on the concept of _____	Average Cost	Marginal Cost	Standard cost	Differential cost	A
Cost Accounting III	22	In activity-based costing, final cost allocation assign costs to _____	Deparments	Processes	Products	Activities	C
Cost Accounting III	23	The following documents are used in accounting for raw materials	Goods Received Note	Materials Return Note	Materials Requisition Note	Delivery Note	C
Cost Accounting III	24	Which of the following would be regarded as a variable cost in the annual operation of a motor vehicle?	Hire Purchase Payment	Insurance	Petrol	Tyre Replacement	C
Cost Accounting III	25	Which of the following does not use process costing?	Oil Refining	Distilleries	Sugar	Aircraft Manufacturi ng	D

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Indirect Tax I	1	GST is Effective from ??	01st July 2017	26th June 2017	01st June 2017	01-Sep-17	A
Indirect Tax I	2	GST is a comprehensive tax regime covering……	Goods	Services	Goods and Services	None of the above	C
Indirect Tax I	3	GST Council is the ..... Committee	Constitutional	Only Central	Only State	None of the above	A
Indirect Tax I	4	Sponsorship Services received by Mr. A are under	Forward Charge	Reverse Charge	Exempt	Not Taxable	A
Indirect Tax I	5	.... Supply shall Attract IGST	Intra-State	Interstate	Both A & B	None of the above	B
Indirect Tax I	6	Transfer of the title in goods shall be considered as……	Supply of Goods	Supply of Services	Exempt	None of the above	A
Indirect Tax I	7	The Real estate developer (RED) is required to pay GST under RCM on differential purchase; if purchase from registered person is less than ..... of the Total Purchase	70%	80%	60%	90%	B
Indirect Tax I	8	If Supply identified at the time of issue of voucher – then TOS will	Date of Redemption of Voucher	Date of Issue of Voucher	Date of Consumption of Voucher	None of the Above	B
Indirect Tax I	9	ITC of CGST Can be Set off Against	CGST Only	SGST Only	CGST and IGST	None of the Above	C
Indirect Tax I	10	Basic threshold limit of Registration for Service provided in special category states is	10 Lakh	20 Lakh	40 Lakh	None of the Above	A
Indirect Tax I	11	The value of taxable supply should not include	Taxes levied under SGST Act, 2017	Taxes leviedd under CGST Act, 2017	Taxes levied under GST compensation cess act, 2017	CGST,SGST, IGST	D

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Indirect Tax I	12	Subsidies provided by the Central / State Govt.	Shall be excluded from the value of taxable supply	Shall be included from the value of taxable supply	Shall require no adjustment	Can be included or excluded from the value of the taxable supply	A
Indirect Tax I	13	What deductions are allowed from the transaction value	Discounts offered to customers, subject to conditions	Packing charges, subject to conditions	Amount paid by customerr on behalf of the supplier, subject to conditions	Freight charges incurred by the supplier for CIF terms of supply, subject to conditions	A
Indirect Tax I	14	When deductions are allowed from the Transaction Value?	Discount offered to customers subject to conditions	Freight charges	Incidental expensess	Amount paid by cutomer on behalf of the supplier	A
Indirect Tax I	15	What will be the value of supply if Giriyas supply Sony television set for Rs. 85,000 along with the exchange of an old TV and if the price of the Sony television set without exchange is Rs. 1,00,000, the open market value of the Sony television set is :	Rs. 85,000	Rs. 1,00,000	Rs. 15,000	Rs. 1,15,000	B
Indirect Tax I	16	Which of the following taxes leviable on imports?	Excise Duty	Service Tax	CGST & SGST	IGST	D
Indirect Tax I	17	Payment made through challan will be credited to which registers / ledgers?	Electronic Tax liability register	Electronic Credit Ledger	Electronic cash ledger	Saving account	C

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Indirect Tax I	18	Which of the following though shown in Bill will not be included in determining the value of supply for the purpose of GST?	Packing	Discount	Interest for late payment	Installation charges	B
Indirect Tax I	19	After introduction of GST supplies to SEZ are _____	Subject to IGST	Subject to CGST plus SGST	Zero rated	SGST plus CGST plus IGST	C
Indirect Tax I	20	Credit of CGST cannot be utilized against payment of	CGST	SGST	IGST	CGST+ IGST	B
Indirect Tax I	21	Reverse Charge is applicable on _____	All Goods	All Services	All Goods and All Services	Notified Goods and services	D
Indirect Tax I	22	Transportation of passengers by _____ are exempt from GST	Air conditioned stage carriage	Radio Taxi	Air terminating in Nagaland airport	Railway in an air-conditioned coach	C
Indirect Tax I	23	Composite supply is taxable at which tax rate?	Tax rate as applicable on principal supply	Tax rate applicable on supply attracting the highest rate of tax	Tax @ 28%	Tax rate as applicable on respective supply	A
Indirect Tax I	24	Which is valid application form for registration of CTP _____	GSTREG - 01	GSTREG - 02	GSTREG - 09	GSTREG - 10	C
Indirect Tax I	25	Mr. Timmy Ferreira, a makeup artist at Kolkata, goes to Jaipur, Rajasthan for doing the makeup of Ms. Simran Kapoor, a Bollywood actress based in Mumbai. Determine the place of supply.	Kolkata	Jaipur	Mumbai	Maharashtra	B
Financial Management II	1	The full form of CAPM is _____.	Capital Amount Pricing Model	Capital Asset Par Model	Capital Amount Par Model	Capital Asset Pricing Model	D

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Management II	2	The primary goal of the financial management is _____.	maximisation of sale	maximisation of wealth	maximisation of profits	maximisation of dividend	B
Financial Management II	3	Capital Budgeting Decisions are based on_____.	incremental profit	incremental cash flows	incremental assets	incremental capital	B
Financial Management II	4	_____ is not included in incremental cash flows	Opportunity Costs	Sunk Costs	Change in Working Capital	Inflation effect	B
Financial Management II	5	Feasibility Set Approach to Capital Rationing can be applied in _____.	accept-reject situations	divisible projects	mutually exclusive projects	indivisible projects	A
Financial Management II	6	Financial Break-Even Level of EBIT is one at which _____.	EPS is one	EPS is zero	EPS is infinite	EPS is negative	B
Financial Management II	7	As per Walter's model DP ratio is 100% when _____.	Ke =r	Ke<r	Ke>r	Ke =0	C
Financial Management II	8	_____ has an Implicit Cost of Capital.	Equity share capital	Preference share capital	debentures	Retained earnings	D
Financial Management II	9	The term capital structure denotes _____.	total of liability side of balance sheet	equity funds, preference capital and long term debt	total shareholders equity	types of capital issued by a company	B
Financial Management II	10	_____ assumes constant kd and ke.	Net Income Approach	Net Operating Income Approach	Traditional Approach	MM Model	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Management II	11	Long term decisions are called as	capital budgeting decisions	working captial decisions	future decisions	short term decisions	A
Financial Management II	12	Capital budgeting decisions involve huge amount of risk due to	time factor	physical factor	human factor	emotional	A
Financial Management II	13	Present value of Rupee is always	equal to its future value	greater than its future value	less than its future value	equals to zero	B
Financial Management II	14	Present value of Re 1 discounted @10% for 0 years	zero	1	0.909	0.1	A
Financial Management II	15	5C's does not inclue	character	Capacity	Capital	collector	D
Financial Management II	16	financial strategy is as	functional strategy	business strategy	corporate strategy	none of the above	A
Financial Management II	17	plan to achieve a particular purpose is	strategic	strategy	planning	goal	A
Financial Management II	18	capital budgeting decisions involve huge amount of risk due to	money factor	time factor	human factor	all of the above	B
Financial Management II	19	Probability gives in accurate results if it is	subjective	objective	adjective	none of the above	A
Financial Management II	20	dividends are payments which are	voluntary	non-obligatory	obligatory	occasional	B
Financial Management II	21	guidelines for issue of bonus shares are issued by	SEBI	RBI	income tax act	company law	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
Financial Management II	22	YTM can be calculated using	Profitability index	Rate of Return	IRR	none of the above	C
Financial Management II	23	Value of debentures depends on	interest	maturity period	redemption value	all of the above	D
Financial Management II	24	Cash discount will increase	Debtors	collection period	collection efforts	credit standards	C
Financial Management II	25	Financial statements can judge	liquidity	short term solvency	long term solvency	all of the above	D
International Finance	1	Find inverse quote (bid) for usd/inr = 78.4765/ 79.5647	0.0347	0.0126	0.0987	0.168	B
International Finance	2	Find inverse quote (ask) for usd/inr = 78.4765/ 79.5647	0.0135	0.0765	0.0127	0.0432	C
International Finance	3	Find mid quote for usd/inr = 78.4765/ 79.5647	79.1206	79.1106	79.0106	79.0206	D
International Finance	4	Find spread for usd/inr = 78.4765/ 79.5647	1.0882	1.1882	1.8882	1.882	A
International Finance	5	Find percentage spread for usd/inr = 78.4765/ 79.5647	1.6677 percent	1.7677 percent	1.3677 percent	1.3977 percent	C
International Finance	6	Rand is currency of	China	South Africa	Zimbawe	Kenya	B
International Finance	7	Sbi's Account with Morgan Stanley in USD is	Nostro	Vostro	Loro	Current	A
International Finance	8	Which of the following scam is associated with SBI bank.	Lalit Modi Scam	Nirav Modi Scam	Harshad Mehta Scam	Vijay Malya Scam	C
International Finance	9	Depreciation of Home currency results in _____ for exporter.	Loss	Profit	Both of the above	None of the Above	B
International Finance	10	Depreciation of Home currency results in _____ for importer.	Loss	Profit	Both of the above	None of the Above	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
International Finance	11	Intrinsic Value is also known as _____value	Market	Actual	Derived	Assumed	**B**
International Finance	12	Put Option is generally done to _____the option	Hold	Buy	Sell	Reinvest	C
International Finance	13	Bank of America A/C with Bank of Baroda in India is an example of _____	Loro	Nostro	Vostro	Zoro	C
International Finance	14	Difference between the futures price and cash price is known as _____	Spread	Basis	Variable	Hedging	B
International Finance	15	For Indirect Rate calculation of INR and JPY the base used in numerator is ____	1	10	100	1000	C
International Finance	16	Financial derivatives include	Stock	Futures	Bonds	Shares	B
International Finance	17	Which of the following is not a financial derivates	Stock	Futures	Options	Forward Contract	A
International Finance	18	By Hedging a portfolio, a bank manager	reduces interest rate risk	Increase reinvestment Risk	Increase exchange rate risk	Increase the probablity of gains	A
International Finance	19	which of the following is a reason to hedge a portfolio	to increase the probablity of gains	to limit exposure to risk	to profit from capital gains when interest rates falls	non-profit	B
International Finance	20	hedging risk for a long position is accomplished by	taking a short position	taking additional long and short positions in equal amounts	taking another long position	taking neutral position	A

T.Y.B.Com.(A.F.) - Semester V
Sample Questions

Subject	Sr. No.	Question	Option A	Option B	Option C	Option D	Correct Option
International Finance	21	hedging risk for short position is accomplished by	taking a long position	taking another short position	taking additional long short positions in equal amounts	taking neutral position	A
International Finance	22	A call option gives the seller obligation to	buy	sell	hold	hedge	B
International Finance	23	A put option gives the seller obligation to	buy	sell	hold	hedge	A
International Finance	24	difference between bid and ask is known as	spread	circuit	basis	premium	A
International Finance	25	A put option gives the buyer right to	buy	sell	hold	hedge	B