

ENTRANCE EXAMINATION FOR ADMISSION, MAY 2010.

Ph.D. (BANKING TECHNOLOGY)

COURSE CODE : 146

Register Number :



Signature of the Invigilator
(with date)

COURSE CODE : 146

Time : 2 Hours

Max : 400 Marks

Instructions to Candidates :

1. Write your Register Number within the box provided on the top of this page and fill in the page 1 of the answer sheet using pen.
2. Do not write your name anywhere in this booklet or answer sheet. Violation of this entails disqualification.
3. Read each question carefully and shade the relevant answer (A) or (B) or (C) or (D) in the relevant box of the ANSWER SHEET using HB pencil.
4. Avoid blind guessing. A wrong answer will fetch you -1 mark and the correct answer will fetch 4 marks.
5. Do not write anything in the question paper. Use the white sheets attached at the end for rough works.
6. Do not open the question paper until the start signal is given.
7. Do not attempt to answer after stop signal is given. Any such attempt will disqualify your candidature.
8. On stop signal, keep the question paper and the answer sheet on your table and wait for the invigilator to collect them.
9. Use of Calculators, Tables, etc. are prohibited.

SECTION - I

The Question paper has Two Sections. Students belonging to M.Tech./M.Sc. (CS/IT) / M.C.A. streams are requested to attempt Questions in Section I (Q. 1-100). The Section II (Q. 101-200) is for students with MBA degree.

1. Programs stored in ROM are called
 - (A) Hardware
 - (B) Firmware
 - (C) Software
 - (D) None of these

2. Programs are executed on the basis of a priority number in a
 - (A) Batch processing system
 - (B) Multiprogramming
 - (C) Time sharing
 - (D) None of these

3. _____ is the science that attempts to create machines that will emulate the human thought process.
 - (A) Natural Language Processing
 - (B) Artificial Intelligence
 - (C) Game Playing
 - (D) None of these

4. _____ is the science revolving around the use of nanostructures to build devices on an extremely small scale.
 - (A) Nanotechnology
 - (B) Micro-technology
 - (C) Computer forensics
 - (D) Artificial intelligence

5. _____ tags, when placed on an animal, can be used to record and track in a database all of the animals movements.
 - (A) POS
 - (B) RFID
 - (C) PPS
 - (D) GPS

6. Smart Banking involves the use of
 - (A) Smart Agents
 - (B) Smart Cards
 - (C) Smart Security
 - (D) All of the above

7. Grid is a _____ computing environment.
 - (A) Parallel
 - (B) Cluster
 - (C) Distributed
 - (D) None of the above

8. Grid is used for
- (A) Resource intensive applications
 - (B) Real Time applications
 - (C) Concurrent Applications
 - (D) None of the above
9. Middleware is a software that
- (A) Connects software components
 - (B) Enables Enterprise Application Integration
 - (C) Enables Distributed Computing
 - (D) All of the above
10. Pick the odd one
- (A) CORBA
 - (B) DCOM
 - (C) RMI
 - (D) None of the above
11. What is SIM?
- (A) Select Interrupt Mask
 - (B) Sorting Interrupt Mask
 - (C) Set Interrupt Mask
 - (D) None of the above
12. What is meant by Maskable interrupts?
- (A) An interrupt which can never be turned off.
 - (B) An interrupt that can be turned off by the programmer
 - (C) An interrupt that can be turned off by the user
 - (D) None of the above
13. In 8086, Example for Non Maskable interrupts are
- (A) Trap
 - (B) RST6.5
 - (C) INTR
 - (D) None of the above
14. What does microprocessor speed depends on?
- (A) Clock
 - (B) Data bus width
 - (C) Address bus width
 - (D) None of the above
15. Can ROM be used as stack?
- (A) Yes
 - (B) No
 - (C) Sometimes yes, sometimes no
 - (D) None of the above

16. A Compiler is _____.
- (A) a combination of computer hardware
 - (B) a program which translates from one high-level language to another
 - (C) a program which translates from one high-level to a machine level
 - (D) none of these
17. Which of the following is not a part of a standard office suite?
- (A) Word Processor
 - (B) Database
 - (C) Image Editor
 - (D) File Manager
18. Concatenation of text can be done in Excel using
- (A) Apostrophe (')
 - (B) Exclamation (!)
 - (C) Hash (#)
 - (D) Ampersand (&)
19. Which key on the keyboard can be used to view Slide show in Power Point?
- (A) F1
 - (B) F2
 - (C) F5
 - (D) F10
20. When a computer is first turned on or restarted, a special type of absolute loader called _____ is executed.
- (A) Bootstrap loader
 - (B) Boot loader
 - (C) Compile and Go loader
 - (D) Absolute loader
21. Which of the following are tokens in C?
- (A) Keywords
 - (B) Variables
 - (C) Constants
 - (D) All of the above
22. An Ampersand before the name of a variable in C denotes
- (A) Actual Value
 - (B) Variable Name
 - (C) Address
 - (D) Data Type
23. A pointer to a pointer in C in a form of
- (A) multiple indirection
 - (B) a chain of pointers
 - (C) both (A) and (B)
 - (D) none of these

24. Consider the function f defined below.

```
struct item
  int data;
  struct item * next;
};
int f(struct item *p) {
  return ((p == NULL) || (p ->next == NULL) ||
    ((p->data <= p ->next ->data) &&
    f(p ->next)));
}
```

For a given linked list p, the function f returns 1 if and only if

- (A) the list is non empty or has exactly two elements
 - (B) the elements in the list are sorted in non-decreasing order of data value
 - (C) the elements in the list are sorted in non-increasing order of data value
 - (D) not all elements in the list have the same data value
25. The operator & in C is used for
- (A) Bitwise AND
 - (B) Bitwise OR
 - (C) Logical AND
 - (D) Logical OR
26. For taking decisions data must be
- (A) very accurate
 - (B) massive
 - (C) processed correctly
 - (D) collected from diverse sources
27. Tactical information is
- (A) Haphazard
 - (B) Well organized
 - (C) Unstructured
 - (D) Partly structured
28. Volume of strategic information is
- (A) Condensed
 - (B) Detailed
 - (C) Summarized
 - (D) Irrelevant
29. In a hospital information system the following type of information is operational
- (A) Opening a new children's' ward
 - (B) Data on births and deaths
 - (C) Preparing patients' bill
 - (D) Buying an expensive diagnostic system such as CAT scan

30. Statutory information is needed for
- (A) Day to day operations
 - (B) Meet government requirements
 - (C) Long range planning
 - (D) Short range planning
31. A logical schema
- (A) is the entire database
 - (B) is a standard way of organizing information into accessible parts
 - (C) describes how data is actually stored on disk.
 - (D) all of the above
32. A top-to-bottom relationship among the items in a database is established by a
- (A) Hierarchical schema
 - (B) Network schema
 - (C) Relational schema
 - (D) All of the above
33. A network scheme
- (A) restricts the structure to a one-to-many relationship
 - (B) permits many-to-many relationships
 - (C) stores data in tables
 - (D) all of the above
34. A race condition occurs when
- (A) Two concurrent activities interact to cause a processing error
 - (B) Two users of the DBMS are interacting with different files at the same time.
 - (C) Both (A) and (B)
 - (D) All of the above
35. The data dictionary tells the DBMS
- (A) what files are in the database
 - (B) what attribute are possessed by the data
 - (C) what these files contain
 - (D) all of the above
36. In OSI network architecture, the dialogue control and token management are responsibilities of
- (A) session layer
 - (B) network layer
 - (C) transport layer
 - (D) data link layer

37. The basic Ethernet design does not provide
- (A) access control
 - (B) addressing
 - (C) automatic retransmission of a message
 - (D) multiple virtual networks
38. The application layer of a network
- (A) establishes, maintains and terminates virtual circuits
 - (B) defines the user's port into the network
 - (C) consist of software being run on the computer connected to the network
 - (D) all of the above
39. Devices on one network can communicate with devices on another network via a
- (A) file server
 - (B) utility server
 - (C) printer server
 - (D) gateway
40. INFINET is
- (A) International Financial Network
 - (B) Indian Financial Network
 - (C) International Financial Interchange Network
 - (D) All of the above
41. An operational system is which of the following?
- (A) A system that is used to run the business in real time and is based on historical data.
 - (B) A system that is used to run the business in real time and is based on current data.
 - (C) A system that is used to support decision making and is based on current data.
 - (D) A system that is used to support decision making and is based on historical data.
42. Data scrubbing is which of the following?
- (A) A process to reject data from the data warehouse and to create the necessary indexes
 - (B) A process to load the data in the data warehouse and to create the necessary indexes
 - (C) A process to upgrade the quality of data after it is moved into a data warehouse
 - (D) A process to upgrade the quality of data before it is moved into a data warehouse

43. Which is NOT an objective sought with derived data?
- (A) Ease of use for decision support applications
 - (B) Fast response for predefined queries
 - (C) Customized data for target user groups
 - (D) Scheduled operational reporting
44. A _____ schema is an expanded version of a star schema in which dimension tables are normalized into several related tables.
- (A) multivalued
 - (B) hierarchical
 - (C) snowflake
 - (D) conformed dimension
45. Which is NOT a characteristic of a data warehouse?
- (A) Few internal and external sources
 - (B) Multiple subjects
 - (C) Single complex structure
 - (D) Application independent
46. Top-down design does not require
- (A) step-wise refinement
 - (B) loop invariants
 - (C) flow charting
 - (D) modularity
47. Which is the costliest phase of software development?
- (A) Analysis
 - (B) Coding
 - (C) Maintenance
 - (D) Testing
48. A nonprocedural language
- (A) is a low-level language
 - (B) describes what processing is to be done without specifying the particular procedures to be used
 - (C) is frequently used by software designers
 - (D) all of the above
49. RDBMS engineers use the CASE (Computer Aided Software Engineering) system to
- (A) assist them in gathering the initial requirements from end-user
 - (B) analyze these requirements and determine their feasibility
 - (C) design the system's general algorithms
 - (D) all of the above

50. The basic unit of decomposition in an OO-design are _____ rather than functional modules.
 (A) objects (B) variables (C) constants (D) modules
51. The _____ attack is related to confidentiality.
 (A) Interception (B) Interruption
 (C) Fabrication (D) None of the above
52. If the number of parties involved in a lock-key mechanism is 4, the number of keys needed are
 (A) 4 (B) 6
 (C) 8 (D) None of the above
53. To verify a digital signature, we need the
 (A) Sender's private key (B) Sender's public key
 (C) Receiver's public key (D) None of the above
54. A Certifying Authority signs a digital certificate with _____.
 (A) user's public key (B) its own private key
 (C) its own public key (D) none of the above
55. Bastion Host is a
 (A) Firewall (B) Proxy Server
 (C) Application Gateway (D) All of the above
56. The precedence of the phases in Risk Management Cycle is as follows
 (A) Risk Identification, Risk Quantification, Risk Mitigation
 (B) Risk Monitoring, Risk Qualification, Risk Classification
 (C) Risk Quantification, Risk Mitigation & Risk Identification
 (D) All of the above
57. In Deming PDCA cycle, the abbreviation is
 (A) Propose, Deploy, Check & Accept
 (B) Plan, Do, Check & Act.
 (C) Project, Decipher, Counter & Accord
 (D) All of the above

58. Which of the following is/are internal reasons for project failure?
- (A) Non-availability of equipment in time due to its use by other departments of the organization
 - (B) Failure to raise required funds on time due to the high level of interest rate.
 - (C) A steep rise in inflation and the exchange rates.
 - (D) Both (A) and (B) above
59. Which of the following statements is/are true?
- (A) The maximum activity of a project will be in the conception and selection stage.
 - (B) The procurement of materials is undertaken during the planning and scheduling stage.
 - (C) The goals of a project are established during the planning stage.
 - (D) The expenditure on a project will be maximum during the implementation stage
60. A written document containing description of the work to be done is called
- (A) Milestone chart
 - (B) Gantt chart
 - (C) Work breakdown structure
 - (D) Statement of work
61. Which is not a part of automated teller machine?
- (A) Keypad
 - (B) Plotter
 - (C) Secure Crypto processor
 - (D) Vault
62. Which is not a security attack in online banking is
- (A) Phishing
 - (B) Keylogger
 - (C) Cross site scripting
 - (D) None of the above
63. MICR is a _____ recognition technology.
- (A) Code
 - (B) Customer
 - (C) Character
 - (D) Currency
64. Which is not a Core Banking Software?
- (A) Tally
 - (B) Bancs
 - (C) Flex Cube
 - (D) Finacle
65. Pick the odd one
- (A) INFINET
 - (B) SFMS
 - (C) OFX
 - (D) IPX

66. What is the real potential of e-commerce?
- (A) Making a profit
 - (B) Generating Revenue
 - (C) Improving efficiency
 - (D) Buying and selling on the internet and WWW
67. The differences between B2B and B2C exchanges include
- I. size of customer set
 - II. transaction volume
 - III. form of payment
 - IV. level of customization on products/services
- (A) I and II
 - (B) I, II, and III
 - (C) II and III
 - (D) All of the above
68. Which of the following is the least attractive product to sell online?
- (A) Downloadable music
 - (B) Software
 - (C) PDA
 - (D) Electronic stock trading
69. The primary focus of most B2C applications is generating
- (A) Revenue
 - (B) Product
 - (C) Service
 - (D) Web Site
70. For selling physical products on the Internet, what is the key to profitability?
- (A) Hook
 - (B) Cost Control
 - (C) Brand Recognition
 - (D) Customization
71. A suite of integrated software modules for finance and accounting, human resources, manufacturing and production and sales and marketing that allows data to be used by multiple functions and business processes best describes:
- (A) Process management software
 - (B) ERP Systems
 - (C) Groupware
 - (D) Application software
72. The most successful solutions for consistently and effectively achieving a business objective are referred to as:
- (A) Enterprise solutions
 - (B) Best Practices
 - (C) Operational Excellence
 - (D) Business Processes

73. Examples of ERP modules are
- (A) human resource management systems
 - (B) manufacturing
 - (C) distribution
 - (D) All of the above
74. A Major Principle & Tactics for Reconfiguring around Processes was
- (A) Composite
 - (B) Aggregate
 - (C) Orchestrate
 - (D) None of the above
75. SAP R/3 is the _____ of SAP software.
- (A) Third Version
 - (B) Third Generation
 - (C) Third Release
 - (D) Third Kind
76. An interface is:
- (A) A set of objects used to provide a specific behavior
 - (B) A set of classes used on a collaboration
 - (C) A set of attributes used on an operation
 - (D) A set of operations used to specify a service of a class or component
77. The sequence diagram models:
- (A) The order in which the class diagram is constructed
 - (B) The way in which objects communicate
 - (C) The relationship between states
 - (D) The components of the system
78. The activity diagram:
- (A) Focuses on flows driven by internal processing
 - (B) Models the external events stimulating one object
 - (C) Focuses on the transitions between states of a particular object
 - (D) Models the interaction between objects

79. The deployment diagram shows:
- (A) Objects of a system
 - (B) Distribution of components on the nodes in a system
 - (C) Functions of a system
 - (D) Distribution of nodes
80. Unified Process is a software development methodology which is:
- (A) Use-case driven
 - (B) Component-driven
 - (C) Related to Extreme Programming
 - (D) None of the above
81. IP does not refer to the following creation of human mind
- (A) Musical
 - (B) Literary
 - (C) Artistic works
 - (D) None of the above
82. The IT Act empowers the following personnel to look up into the investigation and filing of charge sheet when any case related to cyber law is called
- (A) Cybercrime Officer
 - (B) Superintendent of Police
 - (C) Inspector General of Police
 - (D) None of the above
83. Cyber Squatting is
- (A) Registering a popular internet address with the intent of selling to its rightful owner
 - (B) Changing the IP address of an organization in its DNS entry
 - (C) Performing cyber forensics to determine the offender
 - (D) None of the above
84. Which of the following acts was initiated to deal with cyber crimes?
- (A) IT Act 2000
 - (B) IT Act 2001
 - (C) IT Act 2002
 - (D) None of the above
85. Pick the odd one out
- (A) Cyber crime against persons
 - (B) Cyber crime against property
 - (C) Cyber crime against government
 - (D) None of the above

86. Which of the following is true concerning QBE?
- (A) An official standard has been defined for QBE
 - (B) QBE cannot be used for client/server systems
 - (C) QBE does not give the programmer a visual programming environment
 - (D) Complete applications can be written using QBE
87. A database server is responsible for which of the following?
- (A) Database storage
 - (B) Data processing logic
 - (C) Data presentation logic
 - (D) All of the above
88. A characteristic of a file server is which of the following?
- (A) Manages file operations and is shared on a network
 - (B) Manages file operations and is limited to one PC
 - (C) Acts as a fat client and is shared on a network
 - (D) Acts as a fat client and is limited to one PC
89. Which of the following items are not necessary for client/server?
- (A) Assure that tools will connect with middleware
 - (B) Understand the requirements
 - (C) Include the use of a file server
 - (D) Determine network bandwidth capabilities
90. Which of the following is true concerning the mainframe?
- (A) It is the same thing as client/server
 - (B) Requires someone to decide which code should be on the workstation or the server
 - (C) Mission-critical systems have tended to remain there.
 - (D) All of the above
91. Which of the following case does not exist in complexity theory?
- (A) Best case
 - (B) Worst case
 - (C) Average case
 - (D) Null case
92. The complexity of Binary search algorithm is
- (A) $O(n)$
 - (B) $O(\log n)$
 - (C) $O(n^2)$
 - (D) $O(n \log n)$
93. The complexity of Bubble sort algorithm is
- (A) $O(n)$
 - (B) $O(\log n)$
 - (C) $O(n^2)$
 - (D) $O(n \log n)$

94. Linked lists are best suited
- (A) for relatively permanent collections of data
 - (B) for the size of the structure and the data in the structure are constantly changing
 - (C) for both of above situation
 - (D) for none of above situation
95. The elements of an array are stored successively in memory cells because
- (A) by this way computer can keep track only the address of the first element and the addresses of other elements can be calculated
 - (B) the architecture of computer memory does not allow arrays to store other than serially
 - (C) both of above
 - (D) none of above
96. A goal of data mining includes which of the following?
- (A) To explain some observed event or condition
 - (B) To confirm that data exists
 - (C) To analyze data for expected relationships
 - (D) To create a new data warehouse
97. Which is not a Data cleaning process?
- (A) Remove noise and outliers
 - (B) Data transformation
 - (C) Create common units
 - (D) Merge new fields
98. A data mining model is a description of a specific of a dataset.
- (A) Attribute
 - (B) Arrangement
 - (C) Aspect
 - (D) None of the above
99. Which is not a classifier?
- (A) Game Planning
 - (B) Density estimation methods
 - (C) Nearest neighbor methods
 - (D) Logistic regression
100. Each object has a _____ of being in each cluster using soft clustering.
- (A) Penalty
 - (B) Cost factor
 - (C) Probability
 - (D) Objective function

SECTION - II

101. To which type of communication do Reports, Suggestion, Complaints and Grievances belong to _____.
- (A) Formal communication (B) Downward communication
(C) Informal communication (D) Upward communication
102. Who among the following concerned themselves with the theory organization and the function of executives _____.
- (A) Mooney and Railey (B) Hendry Fayol
(C) Chester I-Bernard (D) Herbert Simon
103. Who among the following suggested the scheme of Functional Foremanship?
- (A) F.W. Taylor (B) Koontz
(C) Weber (D) Hendry Mintzberg
104. Which of the following principles emphasize that the work of each person should be confined to a single function?
- (A) Principle of functional foremanship
(B) Span of control
(C) Principle of specialization
(D) Principle of unity of direction
105. Who among the following developed the Situational Theory of Leadership?
- (A) Likert (B) Fiedler (C) House (D) Mouton
106. Who is known as the Father of Scientific Management?
- (A) F.W. Taylor (B) Hendry Fayol
(C) Joe Kelly (D) Gullick
107. Bureaucracy theory of Management is given by _____.
- (A) F.W. Taylor (B) Koontz
(C) Weber (D) Hendry Mintzberg

117. At Break Even Point, total cost is equal to _____.
- (A) Variable cost (B) Sales
(C) Fixed cost (D) None of the Above
118. Perpetual inventory system comprises of _____.
- (A) Bin card (B) Stores ledger
(C) Continuous stock-taking (D) All of the Above
119. Under the diminishing balance methods, the amount of depreciation is calculated on _____.
- (A) The original cost of the asset (B) The market value of the asset
(C) The written down value of the asset (D) None of the Above
120. Which method of inventory valuation does not follow Consistency Principle of accounting?
- (A) FIFO
(B) LIFO
(C) Cost of market price whichever is lower
(D) None of the Above
121. In which of the following classification of conflicts 'DO people always try to maintain their image and respect?'
- (A) Intergroup conflict (B) Intragroup conflict
(C) Interpersonal conflict (D) Intrapersonal conflict
122. Which of the following DOES refer to the ability to modify or change people in general ways like changing their performance and satisfaction?
- (A) Power (B) Authority
(C) Accountability (D) Influence
123. In which of the following roles within an informal group is a person a careful and detailed examiner who ties up loose ends?
- (A) Complete-Finisher (B) Resource Investigator
(C) Team worker (D) Coordinator

124. Girija is working as a technical writer in Nipuna Technologies for the past four years. All of a sudden Girija fell sick and could not go to office. The organization on her request allowed her to work from home. Which of the following concepts is referred to, here?
- (A) Voice messages (B) Telecommuting
(C) Management Information Systems (D) Electronic mail
125. At Indalco, whenever there arises a conflict between two employees, the management uses behavioral change techniques to alter attitudes. Which of the following conflict resolution techniques is referred to, here?
- (A) Compromise (B) Altering human variables
(C) Altering structural variables (D) Authoritative command
126. Which of the following items will not appear on the Debit Side of the Profit and Loss account?
- (A) Printing and stationery (B) Carriage inward
(C) Carriage outward (D) Salaries paid
127. Which of the following non-cash items has to be deducted from net profit while ascertaining cash flows from operating activities?
- (A) Profit on sale of assets (B) Depreciation
(C) Goodwill written off (D) Loss on sale of assets
128. Marginal cost is the sum of which of the following costs?
- (A) All variable costs and fixed costs
(B) Only fixed costs
(C) Only prime cost
(D) Prime cost plus other variable overheads
129. Which of the following is NOT an example of Nominal Account?
- (A) Interest received (B) Interest paid
(C) Commission paid (D) Commission paid in advance
130. When bad debts recovered, we have to debit the cash account and credit which of the following accounts?
- (A) Sundry debtors (B) Sundry creditors
(C) Share capital account (D) Bad debts account

131. Which of the following is the first among the private sector banks to launch its Net Banking service called 'Infinity'?
- (A) HDFC bank (B) ICICI bank
(C) Karur Vysya bank (D) Dena bank
132. Which of the following methods of payment does not involve changing notations in the ledgers of Financial Institutions?
- (A) Cheques (B) Electronic Fund Transfers
(C) Credit cards (D) Cash
133. Which of the following types of Plastic Money does make use of point-of-sale transfers?
- (A) Debit card (B) e-card
(C) Smart card (D) Petro card
134. The RBI has instituted a three-pronged supervisory strategy comprising of on-site inspection, off-site surveillance and
- (A) Internal auditing (B) External auditing
(C) Supervisory auditing (D) Regulatory auditing
135. Which of the following risks can be avoided by not holding assets/liabilities denominated in foreign currencies?
- (A) Preliminary risk (B) Political risk
(C) Controllable risk (D) Exchange risk
136. It is imperative for financial institutions to update their Risk Management practices in accordance with the prevalent legislation and
- (A) Political environment (B) Social environment
(C) Economic environment (D) Regulatory environment
137. Which of the following accords was published by the Basel Committee on Banking Supervision in 1998?
- (A) Capital adequacy accord (B) Minimum requirement accord
(C) Supervisory and review accord (D) Foundation accord

138. Operational risk includes matters such as inappropriate organizational structure, unavailability of systems, business failures, defective controls, fraud and
- (A) Resource crunch
 - (B) Management inefficiency
 - (C) Human error
 - (D) Human crunch
139. Any risk not categorized as market or credit risk is called
- (A) Traditional risk
 - (B) Modern risk
 - (C) Functional risk
 - (D) Operational risk
140. Which of the following is NOT a source of operational risk?
- (A) Business process
 - (B) People
 - (C) Internal control systems
 - (D) Global political scenario
141. What is the maximum limit of Investment in Fixed Assets in Plant and Machinery for a unit to be called a SSI unit?
- (A) Rs. 5 million
 - (B) Rs. 10 million
 - (C) Rs. 20 million
 - (D) Rs. 25 million
142. What were Cooperative Agricultural and Rural Development Banks (CARDBs) earlier known as? Identify from the following.
- (A) Primitive Agricultural Credit Societies
 - (B) Secondary Agricultural Credit Societies
 - (C) Land Development Banks
 - (D) NABARD
143. Which of the following is based on the novel approach of "Banking with Poor"?
- (A) Macro finance
 - (B) Micro finance
 - (C) Small industries development finance
 - (D) Social finance
144. Which of the following should be filed with the Board by the company which is intending to make a public issue?
- (A) Statement in lieu of prospectus
 - (B) Draft prospectus
 - (C) Memorandum of understanding
 - (D) Incorporation certificate

145. The Act which offers several remedies for breach of agreements of sale is
- (A) Negotiable Instruments Act (B) Partnership Act
(C) Indian Contract Act (D) Sale of Goods Act
146. Nikkei is the stock market index of _____ country.
- (A) Japan (B) South Korea
(C) Hong Kong (D) Singapore
147. BSE Sensex is considered as a barometer of fluctuations in stock exchange in India. It comprises of _____.
- (A) 30 securities (B) 100 securities
(C) 200 securities (D) 500 securities
148. NASDAQ is _____.
- (A) a software company (B) financial regulatory body in USA
(C) US stock exchange index (D) an Oil Giant
149. Arbitrage refers to _____.
- (A) Portfolio diversification (B) Earning projection
(C) Illegal trading (D) Simultaneous buying and selling
150. Dearness Allowance to Central Government employees is given on the basis of
- (A) Index of Industrial Production (B) Whole sale price index
(C) Consumer price index (D) Index of agricultural production
151. Hyundai Motor Company belongs to _____ country.
- (A) Singapore (B) North Korea
(C) South Korea (D) Japan
152. Rupee is not the currency of one of these countries:
- (A) India (B) Pakistan (C) Bangladesh (D) Sri Lanka

153. Which of the following income is not taxable in the hands of individual?
(A) Interest Income (B) Dividends
(C) Short-term capital gains (D) Income from lottery
154. Which of the following is not a credit rating agency?
(A) ICRA (B) CRISIL (C) CARE (D) KPMG
155. Euro is the official currency of _____.
(A) 16 of the 27 member countries (B) 16 of the 26 member countries
(C) 15 of the 26 member countries (D) 18 of the 27 member countries
156. National Stock Exchange of India commenced its equity operations in _____.
(A) November 1992 (B) October 1993
(C) June 1992 (D) November 1994
157. Which of the following stock exchange is considered as the oldest stock exchange in the World?
(A) London stock exchange (B) Amsterdam stock exchange
(C) Bombay stock exchange (D) New York stock exchange
158. Why does Ratio Analysis has importance even in a semi-strong efficient market?
(A) The semi-strong efficient market is not proven
(B) Ratios provide information on risk
(C) Only past price information is reflected in stock market price; ratios provide information about future trends
(D) Ratio analysis can be used to find stocks that are undervalued by the market and thus identify investment targets
159. Which of the following ratios best provides an indication of the immediate liquidity of a company?
(A) Accounts receivable turnover (B) Acid test ratio
(C) Current ratio (D) Defensive-interval ratio

160. A firm has an inventory turnover of 6. How could this ratio be increased?
- (A) Keeping inventory the same and decreasing cost of goods sold
 - (B) Doubling average inventory and at the same time doubling the cost of goods sold
 - (C) Increasing inventory and decreasing cost of goods sold
 - (D) Reducing inventory while cost of goods sold increases by 20%
161. A firm is reviewing its pricing strategy and wishes to become a high markup, low volume producer, relying on the high markup to generate profit. Which of the following is true?
- (A) The success of the strategy will partly depend on whether there are barriers to entry, so that competitors cannot duplicate the firm's product
 - (B) It is unlikely that the firm will have the potential to operate at high return levels using this strategy
 - (C) The firm's product has to be undifferentiated compared to its competitors' products to make this strategy work
 - (D) It is necessary to make significant investment in high-volume production equipment to make this strategy work
162. A company prepares the Cash Flow Statement using the indirect method in the operating activities section. Which of the following will a financial statement analyst not find on this cash flow statement?
- (A) The level of spending on capital assets
 - (B) A comparison of the cash flow from operations in relation to the level of net income
 - (C) A comparison of the cash flow from operations in relation to required investment in capital assets
 - (D) The level of stock dividends issued
163. Interest rate risk is a type of _____.
- (A) Credit risk
 - (B) Market risk
 - (C) Operational risk
 - (D) All the above
164. The model that combines five Financial Ratios using reported accounting information and equity values to produce an objective measure of borrower's financial health is
- (A) Altman's 2 score
 - (B) 'Credit Metrics'
 - (C) Credit Risk +
 - (D) None of the above

171. An increase in Cash Reserve Ratio will cause yield curve to
- (A) Shift downward
 - (B) Remain unchanged
 - (C) Become steeper
 - (D) Become flatter
172. A transaction where financial securities are issued against the cash flow generated from a pool of assets is called
- (A) Securitization
 - (B) Credit Default Swaps
 - (C) Credit Linked Notes
 - (D) Total Return Swaps
173. Growth Fund is a mutual fund that
- (A) Assures growth in income
 - (B) Invests in fixed income securities
 - (C) Gives fixed return
 - (D) Invests primarily in equities
174. The stock market is important because
- (A) It is where interest rates are determined.
 - (B) It is the most widely followed financial market in the United States.
 - (C) It is where foreign exchange rates are determined.
 - (D) All of the above
175. The price of one country's currency in terms of another's is called
- (A) The exchange rate
 - (B) The interest rate
 - (C) The Dow Jones industrial average
 - (D) None of the above
176. Economists group commercial banks, savings and loan associations, credit unions, mutual funds, mutual savings banks, insurance companies, pension funds, and finance companies together under the heading financial intermediaries. Financial intermediaries _____.
- (A) Act as middlemen, borrowing funds from those who have saved and lending these funds to others
 - (B) Produce nothing of value and are therefore a drain on society's resources
 - (C) Help promote a more efficient and dynamic economy
 - (D) Only (A) and (C) of the above.

177. Banks, savings and loan associations, mutual savings banks, and credit unions
- (A) Are no longer important players in financial intermediation
 - (B) Have been providing services only to small depositors since deregulation
 - (C) Have been adept at innovating in response to changes in the regulatory environment
 - (D) All of the above
178. Money is defined as
- (A) Anything that is generally accepted in payment for goods and services or in the repayment of debt
 - (B) Bills of exchange
 - (C) A riskless repository of spending power
 - (D) All of the above
179. A mutual fund charges 1% entry load and no exit load. Its NAV is Rs. 16; its sale and repurchase price will
- (A) Rs. 16 and Rs. 15.80
 - (B) Rs. 16.16 and Rs. 15.84
 - (C) Rs. 15.84 and Rs. 16
 - (D) Rs. 16.16 and Rs. 16
180. Daily volatility of a stock is 1%. What is its 10 days volatility approximately?
- (A) 3%
 - (B) 10%
 - (C) 1%
 - (D) 4%
181. A company with equity capital of Rs. 15 crores makes PBIDT of Rs. 15 crores and PAT of Rs. 10 crores. The face value of its share is Rs. 5 and PE is 10, the market price will be
- (A) Rs. 50
 - (B) Rs. 66
 - (C) Rs. 33
 - (D) Rs. 100
182. When investors use a derivative instrument to reduce his exposure to the price volatility of certain underlying assets, he is said to be _____.
- (A) Speculating
 - (B) Investing
 - (C) Arbitraging
 - (D) Hedging
183. A synthetic long put position is constructed by:
- (A) Selling the underlying instrument and buying a call option
 - (B) Buying the underlying instrument and buying a call option
 - (C) Selling the underlying instrument and selling a put option
 - (D) Buying the underlying instrument and selling a put option

184. Which of the following expenses does NOT represent a cash payment?
- (A) Advertising expense (B) Interest expense
(C) Depreciation expense (D) Income tax expense
185. In fundamental analysis, an analyst takes into account the following factors, EXCEPT:
- (A) Economy
(B) Industry outlook
(C) Investors' sentiment
(D) Financial structure of the company
186. Which of the following BEST describes capital gains?
- (A) Taxable profit that occurs when a company decides to capitalise some of its accumulated reserves
(B) When a company decides on an upward revaluation its fixed assets
(C) Total dividends shareholder receive in the duration of his share holding
(D) Profit resulting between the purchase and sale of securities
187. Select the CORRECT statement about 'Options sellers'. They have:
- (A) Limited risk (B) Unlimited risk
(C) The right to exercise their options (D) Unlimited profit potential
188. A Type I error is committed when
- (A) We reject a null hypothesis that is true
(B) We don't reject a null hypothesis that is true
(C) We reject a null hypothesis that is false
(D) We don't reject a null hypothesis that is false
189. The British Airways internet site provides a questionnaire instrument that can be answered electronically. Which of the 4 methods of data collection is involved when people complete the questionnaire?
- (A) Published sources (B) Experimentation
(C) Surveying (D) Observation

190. A sample set of 16 students gives the arithmetic mean marks of 53.8 and the estimate of Population Standard Deviation as 5.2. Can you say that population mean is 50?
- (A) Yes, $t = 2.92$ (B) No, $t = 1.96$
(C) Yes, $t = 2.30$ (D) None of these
191. The difference between the largest and smallest value is called the _____ of data.
- (A) Range (B) Array (C) Variable (D) Mark
192. Which of the following examples of random experiment is _____.
- (A) Rolling a die
(B) Drawing a card from a pack of cards
(C) Tossing two or more coins
(D) All of these
193. In which method of sampling is done in stage?
- (A) Multistage sampling (B) Stratified
(C) Systematic (D) All of these
194. Which of the following are the sources of errors?
- (A) Errors of origin
(B) Errors of in adequacy
(C) Errors of manipulation
(D) Errors of interpretation
195. If 'F' is quite large the null hypothesis of equal population means it will have to be
- (A) Rejected (B) Accepted
(C) (A) and (B) (D) None of the above
196. Which of the following is a non-discounting cash flow technique?
- (A) Net Present Value (B) Internal Rate of Return
(C) Profitability Index (D) Accounting rate of return

197. Two events are mutually exclusive if:
- (A) Their probabilities are less than one
 - (B) Their probabilities sum to one
 - (C) Both events cannot occur at the same time
 - (D) They contain every possible outcome of an experiment
198. The following forecasting models assume that the time series has a reality constant mean:
- (A) Unweighted moving average
 - (B) Simple exponential smoothing
 - (C) Linear exponential smoothing with $\alpha = 0$
 - (D) All of the above
199. Which of the following is not an assumption of the single channel queuing model with Poisson arrivals and exponential service times?
- (A) The queue discipline is first come, first served
 - (B) The calling population is finite
 - (C) There is a single service facility
 - (D) The mean arrival rate is less than the mean service rate
200. The drawback to using the transportation problem method in solving an assignment problem is that:
- (A) Degeneracy results from every improvement in the total cost
 - (B) The assignment problem can't be formulated as a transportation problem
 - (C) The assignment problem is an unbalanced transportation problem
 - (D) Too many alternative optima results
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