


CMR INSTITUTE OF TECHNOLOGY		USN <input type="text"/>								
Internal Assessment Test - III										<b>CMR</b>
Su b:	Banking and Financial services							Code:	18MBAFM3 01	
Date :	10-12-2020	Duration:	60 mins	Max Marks:	50	Sem :	III	Branch:	MBA	
								Marks	OBE CO RBT	
<b>Part A - Answer all the questions (30* 1 = 30 marks)</b>										
1	Consider the following information of Hindustan Leasing Ltd. (HLL)Pre-tax rate of return 12%, lease term – 4 years and cost of the equipment Rs.100 lakh. Calculate i. Lease rental in arrears, (end of each year) a. 31.23Lakh b. 32.92Lakh c. 312.3 Lakh d. 27.74 lakh							5	4	3
1.ii	Lease rental in advance (beginning of each year) a. 24.77 lakh b. 29.39 lakh c. 28.36 lakh d. 21.33 lakh							5	4	3
1.iii	Quarterly lease rental, (1/4 of 12months) a. 7.96 lakh b. 6.72 lakh c. 5.34 lakh d. 67.2 lakh							5	4	3
1.iv	Half yearly lease rental, a. 12.30 lakh b. 13.90 lakh c. 13.59 lakh d. 16.10 lakh							5	4	3
1.v	Monthly lease rental a. 2.633 lakh b. 2.22 lakh c. 2.52 lakh d. 2.10 lakh							5	4	3
1.vi	Lease rental if deferred for first two years a. 48.34 lakh b. 52.23 lakh c. 146.63 lakh d. 36.54 lakh							5	4	3
1.vii	if stepped at 10% a. 28.76 lakh , 31.636 lakh, 34.7996 lakh , 38.27 lakh b. 26.76 lakh , 32.45 lakh, 45.65 lakh , 46.56 lakh c. 232.14 lakh, 255.35 lakh, 280.89 lakh, 308.97lakh d. None of the above							5	4	3
2	The Majority shareholder in CRISIL is _____? a. Standard and Poors' b. Fitch Ratings Inc. c. Moody's d. Dun and Bradstreet							1	2	2
3	The headquarter of ONICRA is _____. a. Mumbai b. Gurugram c. Hyderabad d. Noida							1	2	2
4	The headquarters of CARE is in _____? a. Mumbai b. New Delhi c. Noida d. Gurugram							1	2	2
5	SMERA has been registered under which act? a. SIDBI & Leading Public Sector Banks b. Dun & Bradstreet Information Services India Private Limited (D&B) & Leading Private Banks c. RBI & SEBI d. Both (A) and (B)							1	2	2
6	Which is a full service credit rating agency exclusively set up for micro, small and medium enterprises? a. SMERA b. ICRA c. ONICRA d. CRISIL							1	2	2
7	CRISIL is India's first credit rating agency.What is the abbreviation of CRISIL? a. Credit Rating Integration security of India Limited b. Credit Rating Information services of India Limited c. Cross Rating Information services of India Limited							1	2	2
8	CARE is India's third Credit Rating Agency.It offers credit ratings in Debt ratings, Bank loan ratings, Issuer ratings, Corporate governance, Recovery ratings, Financial sector, and Infrastructure ratings. What is the abbreviation of CARE? a. Credit Analytics & Resource Limited b. Credit Analytics & Research Limited							1	2	2

	c. Credit Analysis & Research Limited d. Credit Analysis & Resource Limited e. Certificate Analysis & Research Limited			
9	Which of the following is the Regulator of the credit rating agencies in India? a. RBI b. SBI c. SIDBI d. SEBI	1	2	2
10	Which of the following give finance to young, start-up companies? a. Venture Capital firm b. Finance company c. Small business finance company d. Capital creation company	1	3	1
11	In contrast to an entrepreneur, a venture capitalist is a professional money manager who makes risk investments from a ..... of capital to obtain a high rate of return. a. pool b. portfolio c. stock d. stream	1	2	1
12	One difference between a financial lease and operating lease is that: a. there is a often a call option in a financial lease. b. there is often an option to buy in an operating lease. c. an operating lease is often cancellable by the lessee. d. a financial lease is often cancellable by the lessee.	1	4	1
13	A way to analyze whether debt or lease financing would be preferable is to: a. compare the net present values under each alternative, using the cost of capital as the discount rate. b. compare the net present values under each alternative, using the after-tax cost of borrowing as the discount rate. c. compare the payback periods for each alternative. d. compare the effective interest costs involved for each alternative.	1	4	1
14	The type of lease that includes a third party, a lender, is called a(n): a. sale and leaseback. b. direct leasing arrangement. c. leveraged lease. d. operating lease.	1	4	1
16	One advantage of a financial lease is that: a. it has a shorter maturity than term loans. b. it never appears as a liability on the balance sheet. c. it eliminate the needs to make periodic payments. d. it provides a way to indirectly depreciate land.	1	4	1

Course Outcomes		PO1	PO2	PO3	PO4	PO5
CO1	The Student will be acquainted to various Banking and Non-Banking financial services in India.				10 - 16	
CO2	The Student will understand the activities of Merchant Banking and Credit Rating.		2- 9			
CO3	The Student will be equipped to understand micro financing and other financial services in India.					
CO4	The Student will understand how to evaluate and compare leasing & hire purchase.			1.i -vi		

Cognitive level	KEYWORDS
L1	list, define, tell, describe, recite, recall, identify, show, label, tabulate, quote, name, who, when, where, etc.
L2	describe, explain, paraphrase, restate, associate, contrast, summarize, differentiate interpret, discuss
L3	calculate, predict, apply, solve, illustrate, use, demonstrate, determine, model, experiment, show, examine, modify
L4	classify, outline, break down, categorize, analyze, diagram, illustrate, infer, select
L5	grade, test, measure, defend, recommend, convince, select, judge, support, conclude, argue, justify, compare, summarize, evaluate
L6	design, formulate, build, invent, create, compose, generate, derive, modify, develop, integrate

**PO1–Theoretical Knowledge; PO2–Effective Communication Skills; PO3–Leadership Qualities; PO4 –Sustained Research Orientation; PO5 –Self-Sustaining Entrepreneurship**

CCI

HOD

Solution scheme

<b>Q.No.</b>	<b>1.i</b>	<b>1.ii</b>	<b>1.iii</b>	<b>1.iv</b>	<b>1.v</b>	<b>1.vi</b>	<b>1.vii</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>	<b>6</b>	<b>7</b>	<b>8</b>	<b>9</b>	<b>10</b>	<b>11</b>	<b>12</b>	<b>13</b>	<b>14</b>	<b>15</b>	<b>16</b>
	b	b	a	d	a	b	a	a	b	a	d	a	b	c	d	a	a	c	b	c	b	d

### Scheme

Q.No.	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22
	a	b	c	c	b	d	d	b	b	b	c	c	a	c	a	b	d	b	c	b	a	b