

**FINANCIAL MANAGEMENT**

1. \_\_\_\_\_ and \_\_\_\_\_ carry a fixed rate of interest and are to be paid off irrespective of the firm's revenues.  
[A] Debentures, Dividends  
[B] Debentures, Bonds  
[C] Dividends, Bonds  
[D] Dividends, Treasury notes
2. Fixed assets are usually financed with \_\_\_\_\_ funds.  
[A] Long-term  
[B] Short-term  
[C] Permanent  
[D] None of the above
3. Which of the following generally carries the right to vote?  
[A] Preference Shareholders  
[B] Debenture Holders  
[C] Equity Shareholders  
[D] None of these
4. The pre-emptive right exists only with the  
[A] Preference Shareholders  
[B] Debenture Holders  
[C] Creditors  
[D] Equity Shareholders
5. Which of the following sources of finance on which interest is paid is considered as tax deductible expense?  
[A] Debt  
[B] Preference shares  
[C] Equity shares  
[D] None of these
6. When a firm needs short-term funds for a specific purpose, the bank loan will likely be a:  
[A] Compensating balance arrangement  
[B] Revolving credit agreement  
[C] Transaction loan  
[D] Line of credit
7. The type of collateral generally used for a secured short-term loan are:  
[A] Inventory  
[B] Bonds  
[C] Real estate  
[D] Machinery
8. The ability of a firm to convert an asset to cash is called \_\_\_\_\_.  
[A] Liquidity  
[B] Solvency  
[C] Return  
[D] Marketability

9. The controller's responsibilities are primarily \_\_\_\_\_ in nature, while the treasurer's responsibilities are primarily related to \_\_\_\_\_.

- [A] operational; financial management
- [B] financial management; accounting
- [C] financial management; cost accounting
- [D] financial management; operations

10. In the Balance sheet of a firm, the debt equity ratio is 2:1. The amount of long-term sources is Rs. 12 lakhs. What is the amount of tangible net worth of the firm?

- [A] Rs. 12 lakhs
- [B] Rs. 8 lakhs
- [C] Rs. 4 lakhs
- [D] Rs. 2 lakhs

11. An option holder has the:

- [A] Right but not an obligation to exercise a contract
- [B] Both the right and the obligation to exercise a contract
- [C] Obligation to exercise a contract
- [D] None of these

12. \_\_\_\_\_ is usually used to finance self-liquidating assets.

- [A] Long-term financing
- [B] Short-term financing
- [C] Permanent financing
- [D] None of the above

13. Put option means:

- [A] It gives the buyer the right to buy a specific number of shares of a specific company from the option writer at a specific purchase price during a time period
- [B] It gives the buyer to buy or sell for the sole purpose of making a profit by closing out their positions at a price that is better than the initial price
- [C] It gives the buyer the right to sell a specific number of shares of a specific company to the option writer at a specific selling price during a time period
- [D] None of these

14. What advantage do over-the-counter derivatives have over exchange-traded derivatives?

- [A] over-the-counter contracts are more flexible
- [B] over-the-counter contracts are more readily tradable
- [C] there is less risk of default on over-the-counter contracts
- [D] over-the-counter contracts are always for longer periods

15. An individual selling a commodity or financial instrument can reduce risk by buying a \_\_\_\_\_ option.

[A] Call

[B] Put

[C] Swap

[D] KVC

16. An increase in the market price of the underlying asset will cause the price of a call option to:

[A] Rise

[B] Fall

[C] Remain unchanged

[D] Change in an unpredictable manner

17. Assets minus liabilities equal to

[A] Goodwill

[B] Working capital

[C] Net income

[D] Capital

18. Which of the following is not a financial derivative?

[A] Futures

[B] Options

[C] Forwards

[D] Stock

19. Which one of the following is true?

[A] A non committed line of credit is a formal lending agreement between a borrower and a lender

[B] As a business owner and regular short-term borrower, it would generally be less comforting to have a committed line of credit than an uncommitted one.

[C] A revolving credit arrangement is evaluated on an annual basis.

[D] A line of credit is an agreement which authorizes a firm a borrow up to a specified amount and which frequently requires a cleanup period.

20. The payoffs of financial derivate are linked to:

[A] Securities that will be issued in future

[B] The volatility of interests rates

[C] Previously issued securities

[D] None of these

**MARKETING MANAGEMENT**

1. The concept of product life cycle is a warning to:  
[A] Consumers  
[B] Producers  
[C] Government  
[D] Middleman
2. Which is the next immediate step after evaluation of alternatives that a consumer takes in his buying decision process?  
[A] Need Recognition  
[B] Information Search  
[C] Selection of Alternatives  
[D] Post Purchase Decision
3. The method used for setting price is:  
[A] Cost based  
[B] Demand based  
[C] Competition based  
[D] All of these
4. The product mix of a company has three main characteristics, which is:  
[A] Width  
[B] Depth  
[C] Consistency  
[D] All of these
5. Market Testing is the \_\_\_\_\_ step in the new product development process.  
[A] Fifth  
[B] First  
[C] Third  
[D] Last
6. Which is the associate feature of a product? —  
[A] Colour  
[B] Shape  
[C] Design  
[D] All of these
7. Product concept is related to:  
[A] High volume of profit  
[B] Loss  
[C] Satisfaction  
[D] Service
8. Exclusive distribution means:  
[A] Use of many outlets by a producer  
[B] Severely limiting the number of intermediaries  
[C] Controller  
[D] None of these
9. Which is a corporate brand? —  
[A] Car  
[B] Soap  
[C] Godrej  
[D] Truck
10. Service marketing is same as:  
[A] Internet marketing  
[B] Tele marketing  
[C] Relationship marketing  
[D] All of these

11. The best promotional tool in any marketing is :
- [A] E-promotion
  - [B] Public relation
  - [C] Advertisements
  - [D] Word of mouth publicity
12. The key to competitive advantage is \_\_\_\_ differentiation :
- [A] Position
  - [B] Product
  - [C] Conformance
  - [D] Customer consulting
13. Which of the following statements is not true ?
- [A] Shopping goods are consumer durable items
  - [B] Elimination of unprofitable products is covered by product planning
  - [C] Consumers may evaluate identical products differently depending on how they are branded
  - [D] A registered brand name or mark becomes a trademark
14. Delivery channels mean :
- [A] Sales outlet
  - [B] Purchased goods
  - [C] Product shelf life
  - [D] Courier person
15. Packaging is related to :
- [A] Product security
  - [B] Value
  - [C] Size
  - [D] Cost
16. Channel of distribution includes :
- [A] Producer
  - [B] Retailer
  - [C] Consumer
  - [D] All of these
17. Philip Kotler proposed a new concept which differs from the modern concept by adding the consideration "long run consumer and public welfare". This new concept is known as :
- [A] Production Concept
  - [B] Marketing Concept
  - [C] Selling Concept
  - [D] Societal Marketing Concept
18. "A product should be considered as a bundle of utilities consisting of various product features and accompanying services" — this is the definition given by
- [A] W. Anderson
  - [B] Philip Kotler
  - [C] W. J. Stanton
  - [D] Prof. H. L. Hasen
19. Public distribution system relates to :
- [A] Marketing system
  - [B] Retailing system
  - [C] Industrial system
  - [D] Selling system
20. The stages of product life cycle are :
- [A] 5
  - [B] 3
  - [C] 6
  - [D] 7

**RESEARCH METHODOLOGY AND STATISTICAL ANALYSIS**

1. Estimate and estimator are :

- [A] Synonyms
- [B] Different
- [C] Related to population
- [D] None of the above

2. A sample constant representing a parameter is known as

- [A] Estimator
- [B] Estimate
- [C] Sampling
- [D] None of the above

3. The hypothesis under test is :

- [A] Simple hypothesis
- [B] Alternative hypothesis
- [C] Null hypothesis
- [D] None of the above

4. Power of a test is related to :

- [A] Type I error
- [B] Type II error
- [C] Type I and II errors both
- [D] None of the above

5. Whether a test is one-sided or two-sided depends on :

- [A] Alternative hypothesis
- [B] Composite hypothesis
- [C] Null hypothesis
- [D] Simple hypothesis

6. The degrees of freedom for statistic-t for paired t-test based on 12 pairs of observations is

- [A] 9
- [B] 10
- [C] 11
- [D] 12

7. Paired t-test is applicable when the observations in the two samples are :

- [A] Paired
- [B] Correlated
- [C] Equal in number
- [D] All the above

8. Analysis of variance utilises :

- [A] F-test
- [B] Chi-square test
- [C] Z-test
- [D] t-test

9. Most of the non-parametric methods utilize measurements on

- [A] Interval scale
- [B] Ratio scale
- [C] Ordinal scale
- [D] Nominal scale

10. Non-parametric test is also known as

- [A] Ranking test
- [B] Ordinary test
- [C] Distribution free test
- [D] Randomization test

11. The sign test is used in place of
- [A] F-test
  - [B] Z-test
  - [C] One sample t-test
  - [D] Chi-square test
12. Mean is a measure of
- [A] location
  - [B] dispersion
  - [C] correlation
  - [D] none of the above
13. Which one of the given measures of dispersion is considered best?
- [A] range
  - [B] mean deviation
  - [C] standard deviation
  - [D] coefficient of variation
14. All values in a sample are same. Then their standard deviation is
- [A] zero
  - [B] one
  - [C] not calculable
  - [D] any value either positive or negative
15. Chi-square test is used
- [A] to test independent of attributes
  - [B] to test the goodness-of-fit
  - [C] for both [A] and [B]
  - [D] For neither [A] nor [B]
16. Which of the following not an essential component for a research article?
- [A] Key words
  - [B] Results
  - [C] Copyright form
  - [D] Method
17. The terms prosperity, recession, depression and recovery in particular attached to
- [A] secular trend
  - [B] seasonal fluctuations
  - [C] cyclic movements
  - [D] irregular variations
18. Keywords are placed in which position of the research article:
- [A] Above the abstract
  - [B] End of the research article
  - [C] Below the abstract
  - [D] None of the above
19. A list of contents of the dissertation is known as
- [A] Bibliography
  - [B] Appendix
  - [C] Index
  - [D] Acknowledgement
20. If there are 20 symbols of two types, equal in number, the maximum possible number of runs is
- [A] 10
  - [B] 15
  - [C] 20
  - [D] None of the above

**SPECIALIZATION PAPERS (GROUP-A : HUMAN RESOURCE MANAGEMENT)**

COURSE - 204[A]

**HUMAN RESOURCE MANAGEMENT**

1. Result Oriented Appraisal is also known as :
  - [A] MBO
  - [B] MBE
  - [C] MBA
  - [D] BARS
2. Grapevine is a type of \_\_\_\_\_ communication
  - [A] Silent
  - [B] Written
  - [C] Formal
  - [D] Informal
3. Which type of control method is also known as post-action control?
  - [A] Present oriented control
  - [B] Past oriented control
  - [C] Future oriented control
  - [D] None of the above
4. The word 'Communication' has been derived from the Latin Word \_\_\_\_\_
  - [A] Communion
  - [B] Communis
  - [C] Community
  - [D] Commune
5. Under the ERG theory, what are the three groups of core needs?
  - [A] Existence, Relation and Growth
  - [B] Experience, Relatedness and Growth
  - [C] Existence, Relatedness and Growth
  - [D] Experience, Relativity and Growth
6. Hawthorne Experiment findings led to
  - [A] Behavioural Approach
  - [B] Systems Approach
  - [C] Human Relations Approach
  - [D] Scientific Management Approach
7. The purpose of job evaluation is
  - [A] Fixation of Responsibility
  - [B] Promotion
  - [C] Wage Determination
  - [D] Transfer to a better job
8. Arrange the four stages of statistical investigation in the right order :
  - (i) Interpretation of data
  - (ii) Collection of data
  - (iii) Analysis of data
  - (iv) Presentation of data
  - [A] (i), (ii), (iv), (iii)
  - [B] (ii), (iii), (iv), (i)
  - [C] (ii), (iii), (i), (iv)
  - [D] (ii), (iv), (iii), (i)



9. Who developed the Job Descriptive Scale ?

- [A] Smith, Kendall and Hulin
- [B] Smith, George and Mason
- [C] Kendall, Kane and George
- [D] Mason, Kane and Hulin

10. Which is the correct sequence in the control process ? —

- (i) Measuring results
- (ii) Comparing actual results against standard
- (iii) Establishing standards
- (iv) Taking corrective action

- [A] (iii), (i), (ii), (iv)
- [B] (iii), (ii), (i), (iv)
- [C] (i), (ii), (iii), (iv)
- [D] (i), (iii), (ii), (iv)

11. Which of the following is *not* a function normally performed by the HR department ?

- [A] Training and development
- [B] Pay and Reward
- [C] Employee relation
- [D] Accounting

12. Which allowance is also described as the 'Cost of Living' Allowance ?

- [A] Bonus
- [B] Fringe Benefit
- [C] Fair Wage
- [D] Dearness Allowance

13. Which of these is not an element of promotional policy ?

- [A] Promotion Policy Statement
- [B] Transfer Policy
- [C] Trace Transfer Routers
- [D] Communication of Policy

14. Match the following :

- |                           |               |
|---------------------------|---------------|
| (a) Need Hierarchy Theory | (i) Herzberg  |
| (b) Theory X and Theory Y | (ii) Alderfer |
| (c) Two Factor Theory     | (iii) Maslow  |
| (d) ERG Theory            | (iv) McGregor |

- |     | (a)   | (b)  | (c)   | (d)   |
|-----|-------|------|-------|-------|
| [A] | (i)   | (ii) | (iii) | (iv)  |
| [B] | (ii)  | (i)  | (iv)  | (iii) |
| [C] | (iii) | (iv) | (i)   | (ii)  |
| [D] | (iii) | (i)  | (iv)  | (ii)  |

15. According to research, which selection method is perceived to be the fairest by most applicants?

[A] Written ability tests

[B] Interviews

[C] CVs

[D] References

16. Which of the following is *not* a recruitment process?

[A] Performance appraisal

[B] Ability test

[C] Interview

[D] Psychometric tests

17. Which of the following is a downward channel of communication?

[A] Annual reports

[B] Suggestion box

[C] Open door policy

[D] Exit interviews

18. \_\_\_\_\_ is the mechanism to assess contribution of all human resources working at each level of the organisation during specific period of time.

[A] Productivity Appraisal

[B] Performance Appraisal

[C] Productivity Evaluation

[D] Contribution Assessment

19. Who is the person responsible for establishing an equitable wage and salary structure in an organisation?

[A] Finance Manager

[B] Human Resource Manager

[C] Production Manager

[D] Marketing Manager

20. Which of the following is a technique of Personnel Research?

[A] Simplification

[B] Saturation

[C] Solution

[D] Simulation

**INDUSTRIAL RELATIONS**

1. The Industrial Employment Standing Order Act was passed in—  
[A] 1847  
[B] 1946  
[C] 1947  
[D] 1956
2. Which company pioneered the concept of Workers' Participation in Management in India?  
[A] Wipro  
[B] Infosys  
[C] TCS  
[D] TISCO
3. ILC stands for  
[A] Indian Labour Council  
[B] International Labour Council  
[C] Indian Labour Conference  
[D] None of the above.
4. \_\_\_\_\_ is constituted by the Central Government, by notification in Official Gazette, for adjudication of industrial disputes which involve questions of national importance  
[A] Tribunal  
[B] National Tribunal  
[C] Labour Court  
[D] Arbitral Tribunal
5. When was the Factories Act passed in India?  
[A] 1947  
[B] 1948  
[C] 1950  
[D] 1956
6. Trade Unions have the problems of—  
[A] Small Size of unions  
[B] Financial weakness  
[C] Leadership issue  
[D] All the above.
7. The Workers Education Scheme was launched in 1958 by the—  
[A] Ministry of Labour and Employment  
[B] Central Board of Workers Education  
[C] Central Trade Unions  
[D] Indian Institution of Workers Education
8. A person appointed as Presiding Officer of a Labour Court should have been a District Judge or Additional District Judge for a period of not less than:  
[A] 2 years  
[B] 3 years  
[C] 5 years  
[D] 7 years
9. When was the Indian Arbitration and Conciliation Act passed?  
[A] 1890  
[B] 1896  
[C] 1966  
[D] 1996
10. Where is the system of 'Ringi' followed?  
[A] India  
[B] USA  
[C] Japan  
[D] Germany

11. The Relations between industry and society can be termed as  
 [A] Labour Relations  
 [B] Employer-employee relations  
 [C] Group relations  
 [D] Public relations
12. The initiative of announcing 'Code of Discipline' on which the voluntary machinery for settlement of industrial disputes is based' was taken by—  
 [A] Monmohan Singh  
 [B] G. L. Nanda  
 [C] P. V. Narasimha Rao  
 [D] P. Chidambaram
13. When was the Industrial Disputes Act passed in India?  
 [A] 1947  
 [B] 1950  
 [C] 1948  
 [D] 1967
14. What is the process used to certify an organisation of employers as the bargaining agent for a unit of employers?  
 [A] Accreditation  
 [B] Affiliation  
 [C] Award  
 [D] Arbitration
15. ——— is an ADR process where disputing parties seldom come face to face to settle any disputes. They use the services of a neutral third party.  
 [A] Workers' participation in Management  
 [B] Collective Bargaining  
 [C] Arbitration  
 [D] Conciliation.
16. In which country, companies have the policy for lifetime employment?  
 [A] Japan  
 [B] China  
 [C] Germany  
 [D] Korea.
17. Which of the following is not a party in 'International Commercial Arbitration' under the Indian Arbitration and Conciliation Act?  
 [A] An individual who is a national of, or habitually resident in any country other than India  
 [B] Government of a foreign country  
 [C] A body corporate which is incorporated in any country other than India  
 [D] A company whose central management and control is in India and has branches operating outside India.
18. ——— is a process of negotiation between employer and the organised workers, represented by their union, in order to determine the terms and conditions of employment.  
 [A] Conciliation  
 [B] Arbitration  
 [C] Collective Bargaining  
 [D] WPM
19. What is the maximum age upto which a person can be appointed or continue as the Presiding Officer of a Labour Court, Tribunal or National Tribunal?  
 [A] 59 years  
 [B] 60 years  
 [C] 62 years  
 [D] 65 years
20. Appointment of Welfare Officer in an organisation is compulsory when the number of workers in the organisation is more than—  
 [A] 50  
 [B] 100  
 [C] 500  
 [D] 1000.

## SPECIALIZATION PAPERS (GROUP-B : BANKING)

COURSE - 204[B]

### INDIAN FINANCIAL SYSTEM

- Which one of the following agencies is a creditor's rating agency?  
[A] ICRA  
[B] CARE  
[C] CRISIL  
[D] All of the above
- The previous name of State Bank of India was  
[A] Bank of Bombay  
[B] Imperial Bank  
[C] Bank of Hindustan  
[D] Bank of Bengal
- Shareholders are entitled to—  
[A] Share the profits  
[B] Vote  
[C] Share residually in the company's assets upon liquidation  
[D] All of the above
- Which of the following is/are development Financial Institution(s) in India?  
[A] IFCI  
[B] ICICI  
[C] IDBI  
[D] All of the above
- The full form of "FIPB" in the context of foreign capital flow is—  
[A] Foreign Industry Promotion Board  
[B] Foreign Investment Promotion Board  
[C] Foreign Investment Power Board  
[D] Foreign Industry Protocol Book.
- The security which is a claim on the Government and is a secure financial instrument that guarantees certainty of both capital and interest is called—  
[A] Gilt-Edged Security  
[B] Call money  
[C] Treasury Bills  
[D] Certificate of deposits
- A long term liability of a Company, Municipality or Government, usually specified by a specific interest rate and for a specific length of time is referred to as a—  
[A] Coupon  
[B] Mutual Funds  
[C] Stocks  
[D] Bond
- Banks generally borrow funds from which of the following money markets to meet the mandatory Cash Reserve Ratio (CRR) and Statutory Liquidity Ratio (SLR) requirements as stipulated by the Central Bank?  
[A] Notice Money Market  
[B] Call Money Market  
[C] Bill Market  
[D] Money Market
- When financial markets are described as "efficient", this usually refers to their—  
[A] Allocation of resources  
[B] Use of information  
[C] Reliability  
[D] Cheapness.

10. Which of the following is a mode of collecting money from the public for a company for the first time?
- [A] Rights issue
  - [B] Bonus shares
  - [C] Initial Public Offering
  - [D] Follow on offering.
11. Exporters and importers of India are required to know "FEMA" Rules. What does letter 'M' denote in "FEMA"?
- [A] Money
  - [B] Management
  - [C] Micro
  - [D] Mega
12. Foreign Capital enters India under the —
- [A] Automatic route
  - [B] Approval route
  - [C] None of the above
  - [D] Either [A] or [B].
13. Which of the following is not a mode of foreign capital inflow in India?
- [A] NRI deposits
  - [B] FDI
  - [C] FII
  - [D] None of the above.
14. Letter of Credit (LOC) is an indirect form of \_\_\_\_\_ financing.
- [A] Fixed capital
  - [B] Working capital
  - [C] Share capital
  - [D] All of the above
15. In order to meet expenses relating to maintenance of fixed assets, a company would require \_\_\_\_\_
- [A] Long-term finance
  - [B] Agri finance
  - [C] Short-term finance
  - [D] Personal loans
16. Debentures are issued against a charge on the \_\_\_\_\_ of the company
- [A] Promoters
  - [B] Assets
  - [C] Liabilities
  - [D] Expenses
17. Commercial paper is a short-term security issued by \_\_\_\_\_ to raise funds
- [A] RBI
  - [B] Commercial Banks
  - [C] National Stock Exchange
  - [D] Large and well-known companies
18. Money market securities are of —
- [A] Short-term
  - [B] Low risks
  - [C] Very liquid
  - [D] All of the above
19. The purpose of financial markets is to
- [A] Increase the price of common stocks
  - [B] Lower the yield on bonds
  - [C] Allocate savings efficiently
  - [D] Control inflation
20. Derivatives are a mechanism to hedge—
- [A] Market risks
  - [B] Interest rate risks
  - [C] Exchange rate risks
  - [D] All of the above.

**FINANCIAL SERVICES**

1. Credit Rating refers to
  - [A] Assessment of a borrower's credit quality
  - [B] General purpose evaluation of credit risk of a firm
  - [C] Evaluation of possibilities of capital gain
  - [D] None of the above
2. Which of the following is not an area of rating methodology?
  - [A] Business Analysis
  - [B] ABC Analysis
  - [C] Fundamental Analysis
  - [D] Economic Analysis
3. Which of the following CRA's primarily focuses on Micro Small and Medium Enterprises?
  - [A] CRISIL
  - [B] ICRA
  - [C] SMERA
  - [D] CARE
4. Which of the following is not a pre issue obligation for a merchant banker?
  - [A] Appointment of underwriter
  - [B] Submitting an undertaking
  - [C] Discounting of shares
  - [D] Entering into an agreement with depositories
5. Which of the following is not true?
  - [A] Frequenting revision of grading by CRA's create confusion among investors
  - [B] A CRA shall not provide advisory services regarding designs of structured financial instruments
  - [C] CRAs shall not assess financial instruments of their promoter having more than 20% stake in them
  - [D] Both [A] & [C]
6. Which of the following is not a route of Portfolio investment?
  - [A] Foreign Institutional Investors
  - [B] Foreign Direct Investment
  - [C] Global Depository Receipts
  - [D] Foreign Currency Convertible Bonds
7. Which of the following is true?
  - [A] Foreign Capital inflow does not lead to improve resource allocation
  - [B] FDI shifts the burden of risk of an investment from domestic to foreign investor
  - [C] Foreign capital inflow enables a country to increase imports and decrease exports
  - [D] Foreign capital always tends to flow to low profit areas
8. Statements
  - (a) Quant funds use a quantitative approach to invest in stock markets based on computer generated model
  - (b) Quant funds are managed between activity managed debt fund and passively managed debt fund
  - [A] Statement (a) is correct
  - [B] Statement (b) is correct
  - [C] Both the statements are correct
  - [D] None of the statements are correct
9. Arrange the sequence from first to last
  - [A] Seed capital-Bridge capital-Start up
  - [B] Bridge capital-Start up-Seed capital
  - [C] Start up-Seed capital-Bridge Capital
  - [D] Seed capital-Start up-Bridge capital



10. FEMA was passed in the year—

- [A] 1973
- [B] 1999
- [C] 1981
- [D] 1992

11. Which of the following is false?

- [A] Venture capital firms are different from traditional lender bankers
- [B] Venture capital firms participate in the management of the assisted company
- [C] Venture capital firms are same as ordinary stock market investors
- [D] Both [B] and [C]

12. Venture capital funds cannot be invested in—

- [A] A company providing financial services
- [B] A financially weak company
- [C] A Private Ltd. company
- [D] A government undertaking.

13. Which of the following do not involve in venture capital financing?

- [A] CRISIL
- [B] IDBI
- [C] ICICI
- [D] Infrastructure leasing and financial services Ltd.

14. The additional finance provided by venture capital firms to overcome fledging stage is called—

- [A] Second round financing
- [B] First round financing
- [C] Seed capital
- [D] None of these

15. Which of the following is a feature of Venture capital finance?

- [A] Safety in dealings
- [B] Short-term financing
- [C] Equity participation
- [D] Non financial investment

16. In a leasing arrangement, a lessor is

- [A] One who gets the right to use the asset/equipment
- [B] One who receives lease rent periodically
- [C] One who pays the consideration
- [D] None of the above

17. Which of the following is not a financial lease?

- [A] Direct leasing
- [B] Sale & lease back
- [C] Operating lease
- [D] Straight lease

18. In relation to operating lease, which of the following is not true?

- [A] The lessee has not taken on the risk and reward incidental to ownership
- [B] The leased item is not shown as an asset in the lessee's financial statement
- [C] The lease payments are recognized as expenses in the lessee's financial statement
- [D] The leased item is not shown as an asset in the lessor's financial statement

19. Which of the following is not a way of terminating a lease—

- [A] Abatement
- [B] Surrender
- [C] Expiry
- [D] Merger

20. Which of the following types of lease arrangement involves a third party?

- [A] Sale & lease back
- [B] Leveraged lease
- [C] Operating lease
- [D] Straight lease