



**Terna Engineering College**  
**Internal Assessment Test (IAT-II)**

Institute Level Optional Course for All B.E. Classes

**Subject: - Financial Management (ILOC)**

**Date:-20/4/2022**

**Max. Marks: 20**

**FH-2022**

**Duration: 1 hr**

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**Q.1 MCQs**

**(Total 06 Marks)**

1. \_\_\_\_\_ is not the type of player in derivative
  - A) Accounting Rate of Return
  - B) Profitable Index
  - C) Internal Rate of Return
  - D) Payback Period
2. Out of below which is not an Option Greek in Derivative?
  - A) Theta
  - B) Alpha
  - C) Gamma
  - D) Delta
3. \_\_\_\_\_ is not a type of return declared to the equity shareholders through the distribution of a portion of profits earned by the organization.
  - A) Interest
  - B) Revenue
  - C) Dividend
  - D) Expense
4. Which of these is not a derivative instrument?
  - A) Forward
  - B) Equity
  - C) Option
  - D) Future

5. If I Buy a Call option of strike 31000 when Spot was 30500 @ premium of 30. Lot size 25. What is the maximum loss?

- A) 1000
- B) 1250
- C) 750
- D) 1750

6. Which of below is not a convertible bond..?

- A) Embedded Convertible Bond
- B) Exchangeable Convertible Bond
- C) Neo Bond
- D) Vainilla Convertible Bond

**Q.2. Solve any one out of two questions (07 marks)**

- a) Explain Hedge Fund and Top 5 Hedge Funds
- b) What are Dividends?

**Q.3. Solve any one out of two (07 marks)**

- a) Explain Mezzanine Finance
- b) What is Private Equity?

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