R20 Regulation *Subject code:C144EF4*

TKR COLLEGE OF ENGINEERING AND TECHNOLOGY

(Autonomous, Accredited by NAAC with 'A' Grade)

M.B.A IV Semester Regular Examinations, AUGUST 2022

RISK MANAGEMENT

Maximum Marks: 70 Date:30.08.022 Duration: 3 hours

Note: 1.This question paper contains two parts A and B.
2. Part A is compulsory which carries 20 marks. Answer all questions in Part A.
3. Part B consists of 5 Units. Answer any one full question from each unit.
4. Each question carries 10 marks and may have a, b, c, d as sub questions.

Part-A

All the following questions carry equal marks (5x4M=20 Marks)

1 Explain the Scope of Risk Management.
2 Write about Credit Risk.
3 Explain the Cash-and-carry arbitrage.
4 Discuss the Put-Call Parity.
5 Write about the Commodity Swap.

Part-B

Answer All the following questions. (10M X 5=50Marks)

6 What is Risk? Discuss the various types of risks. [10]

OR

7 What is Risk Management? Evaluate the steps in the Risk Management Process. [10]

8 (a) Value at Risk and Cash Flow at Risk. [5]
(b) Market Risk and Exchange Rate Risk. [5]

OR

9 What is Risk Measurement? Explain the various measurement tools. [10]

10 Define the term "futures". Discuss the futures market trading mechanism in India. [10]

OR

11 Distinguish between a forward contract and a futures contract. [10]

12 What is option contract? Explain the different options with suitable examples. [10]

OR

13 What is Binomial option pricing model? Differentiate between Binomial option pricing model and Black-Scholes option pricing model. [10]

14 What do you mean by swap? Explain its advantages and disadvantages. [10]

OR

15 What is currency swap? Discuss its features. [10]