

M.B.A. - II (CBCS Pattern) Semester-III  
**PCB3EB2 - Risk Management and Derivatives**

P. Pages : 1

Time : Three Hours



**GUG/W/24/10708**

Max. Marks : 70

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- Notes : 1. Attempt **any five** questions.  
2. All questions carry equal marks.

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| 1.  | Explain the risk - return relationship formulized by Harry Markowitz. In the efficient model. Explain how the optimum portfolio is determined, if the risk free securities are present           | 14 |
| 2.  | Develop and explain the capital Asset pricing model. What is beta factor refers to?  | 14 |
| 3.  | Explain in details criteria for Stocks and Index eligibility for Trading.  | 14 |
| 4.  | Evaluate the growth of derivatives market in India.  | 14 |
| 5.  | Briefly discuss the option pricing model developed by Black and Scholes Model.   | 14 |
| 6.  | “Foreign exchange risk refers to the risk that a business performance or position”<br>Comment.   | 14 |
| 7.  | Critically examine the relation between interest rate swaps and forward rate agreements.   | 14 |
| 8.  | What is the rule of Foreign institutional investors in development of Indian Economy?  | 14 |
| 9.  | SWAP is a technique of hedging in the international finance market.  | 14 |
| 10. | Write notes on <b>any two</b> .<br>a) Credit Linked Notes<br>b) International portfolio diversification and transfer pricing<br>c) Terminologies used in Futures Market<br>d) Clearing mechanism | 14 |

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