

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

P. Pages : 1

Time : Three Hours



**GUG/S/24/10708**

Max. Marks : 70

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

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|-----|---|----|
| 1.  | How do you determine the Risk? Discuss the process for mitigating risks.  | 14 |
| 2.  | Comment “Index play a economical significance role the Economy”. Discuss the construction issues in details.  | 14 |
| 3.  | Explain brief history of financial derivative market. Discuss its participants and economic function.   | 14 |
| 4.  | Explain the Binomial model of Valuation the option. How an Investor can take benefit of difference between the fair value and market value of option. | 14 |
| 5.  | Define the Terminologies used in the options market. Discuss the Strategies of option.  | 14 |
| 6.  | Discuss the various types terminologies used in futures market.   | 14 |
| 7.  | SWAP is a technique of hedging in the international finance market.   | 14 |
| 8.  | “Foreign exchange risk refers to the risk that a business performance or position” Comment.   | 14 |
| 9.  | Discuss the economic function of derivatives market.  | 14 |
| 10. | Write short note <b>any two</b> .   | 14 |
|     | a) Free float Market capitalization.  |    |
|     | b) Clearing mechanism.  |    |
|     | c) Cost of Carry Model.   |    |
|     | d) Option Greeks.   |    |

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