

FACULTY OF MANAGEMENT**M.B.A. IV-Semester Examination, April / May 2015****Subject: Financial Risk Management****Course No: 4.4.3 (F)****Elective – VI – Minor - II****Time : 3 Hours****Max. Marks: 80****Part – A (10x2=20 Marks)**

- 1 Write short notes on the following.
- (a) Capital Market Risk
 - (b) Internal and External Risks
 - (c) Back testing
 - (d) Exchange Rate Risk
 - (e) Hedge Ratio
 - (f) Cash and carry Arbitrage method
 - (g) Methods of pricing interest rate swaps
 - (h) Steps in pricing currency swaps
 - (i) In-the-money
 - (j) European options

Part – B (5x12=60 Marks)Answer **all** the questions.

- 2 (a) Explain how do you evaluate Risk. Write about the integrated approach to corporate Risk Management.

OR

- (b) Write about the steps in the process of Risk Reporting.

- 3 (a) A portfolio has three assets with market value as below:

Stock of 10,000 shares Rs. 40 lakhs

Bond Rs 1.70 crores

Currency swap Rs 20 lakhs

The variance co-variance matrix is below

	Swap	Bond	Stock
Swap	0.00090	-0.00008	0.00007
Bond	-	0.00040	-0.00010
Stock	-	-	0.00300

You are required to find value at Risk of the portfolio.

OR

- (b) ABC Limited had provided the following information.

Market value of Liabilities Rs. 275 crores

Market value of Assets Rs 325

Duration of Liabilities 6 years

Duration of Assets 5 years

Expected change in interest rate increase of 1%.

- (i) You are required to access the change in market value of Assets, Liabilities equity and capital ratio of the firm due to an increase of 1% in interest rate.
- (ii) Demonstrate how you can immunize the market value of the firm against interest rate fluctuation by asset duration approach and duration mismatch approach.

..2..

- 4 (a) Hedging of a long cash position of 10,000 tonnes of wheat by selling rice futures. Assume that for every Rs 50 change in rice futures price, there is Rs 35 change in wheat cash prices. To establish a minimum variance hedge, how many futures contracts should be sold?

OR

- (b) Explain the role of Derivative Securities to manage risk and exploiting opportunities of enhancing returns.

- 5 (a) Sun pharma Ltd wishes to borrow Rs. 20 crore at a fixed rate for 5 years and has been offered either 11% fixed or six months LIBOR+ 1%. Cipla Ltd wishes to borrow Rs. 20 crore at a floating rate for 5 years and has been offered either six months LIBOR+ 0.5% or 10% fixed. on the basis of above figure
- (i) How may they enter into swap arrangement in which each benefits equally?
- (ii) What Risk may this arrangement generate?

OR

- (b) What are different types of Swaps? Explain how the pricing of Swaps are done.

- 6 (a) Consider a European option on the S & Ps 500, that is two months from maturity. Current value of index is 930, the exercise price is 900 the risk free interest rate is 8% per annum volatility of the index is 20% per annum. Dividend yield of 0.2% and 0.3% per month are expected in the first and second month respectively. Calculate the option value using B-S model?

OR

- (b) (i) Current NIFTY is 6300 the risk free rate is 7% and the futures period is 6 months. Find the fair value of 6 months NIFTY futures.
- (ii) The NASDAQ closed today at 4862. A stock underlying this index provides a yield of 3% p.a. The continuous compounding rate of interest is 7%. What would be the futures value of 6 months NASDAQ.

FACULTY OF MANAGEMENT**M.B.A. IV-Semester Examination, April / May 2015****Subject: Performance Management****Course No: 4.5.1 (HRM)****Elective – IV – Major - I****Time : 3 Hours****Max. Marks: 80****Part – A (10x2=20 Marks)**

- 1 Write short notes on the following.
- (a) Cycle of performance management
 - (b) Performance mapping
 - (c) PMS
 - (d) Causal matrix quadrants
 - (e) PM Audit
 - (f) Cafeteria Benefit plans
 - (g) CIPD
 - (h) Human Capital Wheel
 - (i) Limitations of RCN models of PM
 - (j) ATI performance improvement model

Part – B (5x12=60 Marks)Answer **all** the questions.

- 2 (a) What do you mean by performance target? How it could be used for performance planning and role clarity?
- OR**
- (b) Critically examine the Behaviour and Results approaches of measuring performance.
- 3 (a) What is critical Incident worksheet? Explain its usage in performance appraisal.
- OR**
- (b) Write about the psychometric tests used in the performance appraisal.
- 4 (a) Explain various performance shaping factors in an organization. How we can improve the those factors?
- OR**
- (b) Discuss the steps involved in PM pathway analysis.
- 5 (a) List out various competency pay plans available in the organization along with relevant examples.
- OR**
- (b) What are the steps involved in competency assessment of an employee? Explain in detail.
- 6 (a) Explain the importance of trouble shooting in the behaviour model of performance appraisal.
- OR**
- (b) Examine the applicability of ATI performance improvement model in the contemporary business organizations.

FACULTY OF MANAGEMENT**M.B.A. IV-Semester Examination, April / May 2015****Subject: Consumer Behaviour****Course No. 4.6.1 (Marketing)**
(Elective – IV: Major – I)**Time : 3 Hours****Max. Marks: 80****PART – A (10x2=20 Marks)**

- 1 Write short notes on the following:
- (a) What is Perception?
 - (b) Define Motivation
 - (c) Retrieval of information
 - (d) Split brain theory
 - (e) What is Culture?
 - (f) Define Cross culture
 - (g) Consumer Decision making
 - (h) Consumer Durable products
 - (i) Contemporary models
 - (j) Family life cycle

PART – B (5x12=60 Marks)Answer **all** the questions.

- 2 (a) Differentiate between consumer behaviour and consumer perception. Explain how you apply behavioural principles to the marketing area.
OR
(b) What is strategic marketing? Explain how you apply consumer behaviour principles to strategic marketing.
- 3 (a) How can marketers use measures of recognition and recall to study the extent of Consumer learning?
OR
(b) Explain the importance of Split Brain theory.
- 4 (a) Explain how family and household factors influence the buying behaviour of a consumer.
OR
(b) What is the influence of culture and sub-cultural factors on the consumer behaviour?
- 5 (a) How do consumer reduce post purchase dissonance?
OR
(b) How can marketer provide positive reinforcement to consumers after the purchase to reduce their dissonance?
- 6 (a) Discuss how consumer models will be useful for consumer decision making.
OR
(b) Evaluate the Generic model of consumer behaviour with an illustration.
