

Mid-West University  
**Examinations Management Office**  
Surkhet, Nepal  
Final Examination-2078  
Bachelor of Business Studies (BBS)  
Semester - III

Subject: Risk and Disaster Management  
Full Marks: 60 Pass Marks: 30

Course Code: MGMT 334  
Time: 3: 00 Hours

*You are required to answer in your own words as far as applicable. Figures in the margins indicate full marks.*

**SECTION A: VERY SHORT ANSWER QUESTIONS (10 X 1 = 10 MARKS)**

Answer **ALL** the questions.

1. Define risk management.
2. What is simulation test?
3. Define project risk.
4. Write the meaning of strategic risk management.
5. What do you mean by speculative risk?
6. Write any four examples of man-made disasters.
7. What is the meaning of Crime?
8. Write the name of any four organizations that work for disaster relief management.
9. What is degree of risk?
10. What is risk avoidance?

**SECTION B: SHORT ANSWER QUESTIONS (3 X 8 = 24 MARKS)**

Answer any **THREE** questions.

11. What is disaster? Explain the roles of technology for disaster management. [2+6]
12. Explain the types of personal risk. [8]
13. Explain any two of the followings: [2×4=8]
  - a. Derivatives
  - b. Uncertainty analysis
  - c. Non-insurance transfer
14. ABC Co. manufactures and sales a single product which has a variable cost Rs.10 and fixed cost Rs 1,25,000. The company management is having a price review and has reduced the choice to price of either Rs.14 or Rs.15 per value. The company's sale at each price has been estimated as probability distribution as follows:

<b>At Rs.16 per unit</b>		<b>At Rs.17 per unit</b>	
Sales unit	prob	Sales unit	prob
40,000	0.2	50,000	0.1
35,000	0.1	30,000	0.4
50,000	0.3	25,000	0.2
45,000	0.2	45,000	0.1
60,000	0.2	35,000	0.2

On the basis of expected profit, which sales price should be selected? [8]
15. Differentiate between forward and future contracts. [8]

**SECTION C: LONG ANSWER QUESTIONS (2 X 13 = 26 MARKS)**

Answer any **TWO** questions.

16. If your friend has recently suffered from disaster, what suggestions would you provide to him/her for coping with stress, anxiety and fear? What are the functions and duties of the local natural disaster relief committee? [6+7]
17. What is credit risk? Explain the types of credit risk. If you are a finance manager of an organization, what methods would you use for credit risk management? Explain. [3+5+5]
18. What is risk management? Explain the process of risk management. [3+10]

**THE END**