

MID-WESTERN UNIVERSITY
FACULTY OF MANAGEMENT
FINAL EXAMINATION: 2073
BACHELOR OF BUSINESS STUDIES (BBS)
SEMESTER - III

Subject: Risk and Disaster Management
Full Marks: 100

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 2 = 20 MARKS)

Answer all questions:

- Q1. Define risk.
- Q2. What is commodity risk?
- Q3. Define project risk.
- Q4. Define strategic risk management.
- Q5. Define speculative risk.
- Q6. Write any four examples of man-made disasters.
- Q7. What is the meaning of Crime?
- Q8. Write name of any four national or international organizations that play role on disaster management.
- Q9. What is degree of risk?
- Q10. What is active risk retention?

SECTION B: SHORT ANSWER QUESTIONS (6 X 8 = 48 MARKS)

Answer any SIX questions:

- Q11. What is Personal Risk? Define its types. (3+5)
- Q12. What is Credit Risk? Define methods for Credit Risk Management. (3+5)
- Q13. Define Operational Risk Management process/stages. (8)
- Q14. What is enterprise risk management? Define pre-requests of ERM. (3+5)
- Q15. What are the benefits of strategic plan? Explain. (8)
- Q16. Differentiate between forward contract and future contract. (8)
- Q17. Describe different types of disasters. (8)
- Q18. Point out the duties of local natural disaster relief committee. (8)

SECTION C: LONG ANSWER QUESTIONS (2X16=32 MARKS)

Answer any TWO questions:

- Q19. What is risk Management? Point out the costs included in cost of risk. Briefly explain the objective of Risk Management. (3+3+10)
- Q20. Define financial risk. Explain the sources of financial risk and also explain the tools for financial risk management. (2+7+7)
- Q21. ABC Co. manufactures and sells a single product which has a variable cost Rs.10 and fixed cost Rs 160,000. The company management is having a price review and has reduced the price to either Rs.19 or Rs.20 per unit. The company's sales at each price has been estimated as probability distribution as follows.

At Rs. 19 per unit	
Sales unit	Probability
40,000	0.2
35,000	0.1
50,000	0.3
45,000	0.2
60,000	0.2

At Rs. 20 per unit	
Sales unit	Probability
50,000	0.1
30,000	0.4
25,000	0.2
45,000	0.1
35,000	0.2

On the basis of expected profit which sales price should be selected?

(16)