

Mid-West University  
Examinations Management Office  
Surkhet, Nepal  
End-Semester Examination-2081  
Bachelor of Business Studies (BBS)  
Semester - III

Subject: Risk and Disaster Management

Course Code: MGMT 434/334

Full Marks: 60 Pass Marks: 30

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. What is a risk retention group?
2. What is self- insurance?
3. What is degree of risk?
4. Define mergers and acquisitions.
5. Define portfolio.
6. What do you mean by derivatives?
7. What is money market?
8. Define treasury risk management.
9. Define pandemic.
10. What is natural disaster?

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

Answer any **THREE** questions.

11. Differentiate between pure risk and speculative risk. [8]
12. What is risk control? Explain the techniques of risk control. [3+5]
13. Who is the chief risk officer? What role should the chief risk officer play to manage risk? [3+5]
14. What is risk management? Explain the process of risk management. [3+5]
15. Define disaster. Explain the role of civilian in disaster management. [3+5]

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

Answer any **TWO** questions.

16. Define financial risk management. Explain the sources of financial risk and tools for financial risk management. [3+5+5]
17. What are the popular technologies used in risk and disaster management? Explain the roles of different technologies in risk and disaster management. [6+7]
18. A company produces and sales single product which has a variable cost of Rs. 10 and fixed cost Rs. 125,000. The company management is considering to review its price and has reviewed the choice to keep price either Rs. 14 or Rs. 15 per unit. The estimated sales at each level of price and probability distribution are as follows:

At Rs. 14 Per Unit		At Rs. 15 Per Unit	
Sales	Probability	Sales	Probability
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	55,000	0.2

On the basis of the expected profit, which sales price should the company select?

[13]

**THE END**