

**RISK MANAGEMENT**

Time: 3 Hours

Max. Marks: 60

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*Answer Any FIVE Questions  
All Questions Carry Equal Marks  
Question No. 8 is Compulsory*

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1. a What are the financial services provided by the financial intermediaries? 6M  
b Explain the risk management framework in the organization. 6M
2. a What are the causes and measurement of technological risk? 6M  
b “Without risk taking and the prudent management of those risks, the rewards will not materialize” Discuss. 6M
3. a Elaborate the various types of risk management techniques. 6M  
b Define credit risk and explain methods to mitigate the credit risk. 6M
4. a Explain the recent RBI risk management norms to banks. 6M  
b Examine the BASEL committees on banking supervision. 6M
5. a What are the fundamental concepts of VaR approach? 6M  
b Discuss the KMV approach for credit risk management model 6M
6. a Explain how futures and forward contracts are helpful to manage risks. 6M  
b Write a detailed note on risk aversion and management techniques 6M
7. a Discuss the concept of interest rate risk management 6M  
b What is the Measurement of Off Balance Sheet Risks? 6M
8. CASE STUDY 12M  
Reliance has a market price of Rs.900. the volatility on the share is 0.34; the risk-free interest rate is 6%. What would be the price of the call with a strike price of Rs.950, if the expiry date were 18 days ahead and assume there is no dividend announcement so far. Calculate the Price of Call Option using Black-Scholes Model.

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