



Name of the Test: **2<sup>nd</sup> Internal**

**Section A**

**Part I: Short Answer Type Questions**

**1. Answer any FOUR of the following questions. [2×4]**

- a) What is Marginal Costing?
- b) What do you mean by Relevant Cost?
- c) Calculate the amount of profit when Sales Rs. 12,000, variable cost Rs. 7,000 and fixed cost Rs. 4,000.
- d) Give your views on budgetary control.
- e) Define standard costing.

**Part II: Focused-Short Answer Type Questions**

**2. Answer any TWO of the following questions. [6×2]**

- a) Explain the decisions that can be taken by using Marginal Costing.
- b) The following data is given: Fixed Cost Rs. 12,000. Selling Price is Rs. 12 per unit and variable cost is Rs. 9 per unit. What will be the profit when sales are Rs. 60,000 and Rs. 1,00,000. Also calculate the amount of sales if the company desires to earn a profit of Rs. 6,000 and Rs. 15,000.
- c) Explain the advantages and disadvantages of Budgetary Control.

**Part III: Long Answer Type Questions**

**[10×1]**

**Answer any ONE out of the following questions.**

- 3.** The following was the expenditure on a contract for Rs. 12,00,000 commenced in January 2023. Materials Rs. 2,40,000. Wages Rs. 3,28,000. Plant Rs. 40,000. Overheads Rs. 17,200. Work uncertified Rs. 8,000. Cash received on account of the contract on 31<sup>st</sup> December 2023 was Rs. 4,80,000 which is 80% of the work certified. The value of materials in hand was Rs. 12,000. The plant had undergone 20% depreciation. Prepare Contract Account.
- 4.** Explain the differences between Standard Costing and Budgetary Control.



# **BIJU PATNAIK INSTITUTE OF IT & MANAGEMENT STUDIES**

**3<sup>rd</sup> SEMESTER (BATCH 2020-22)**

**CLASS TEST - II**

**Financial Derivatives (18MBA-302B)**

**Total Marks: 30**

**Time: 1 Hour**

**1. Answer all the questions.**

**[4x2]**

- a) What do you mean by holder of a call option?
- b) What do you mean by swap contract?
- c) What do you mean by interest rate swap and currency swap?
- d) What do you mean by writer of a put position?

**2. Answer any two questions.**

**[2x6]**

- a) What do you mean by margin and explain what are the different types of margins?
- b) Explain in detail the hedging strategy using futures.
- c) What do you mean by arbitrage in derivative and Explain different types of arbitrage?

**3. Answer any one question.**

**[1x10]**

- a) Explain in detail the different types of option pricing model.
- b) A stock is currently priced as \$20 over each of the next two three month period, it is expected to go up by 10% and down by 10%. The risk free return is 12% per annum with continuous compounding. What is the value of 6 month European call option with the strike price of \$21?

**BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY & MANAGEMENT  
STUDIES, BHUBANESWAR  
3<sup>rd</sup> SEMESTER MBA, FINANCE SPECIALISATION  
SUB- PROJECT APPRAISAL & FINANCING  
CLASS TEST-II**

**Section- A**

**(Full Mark-30)**

**1. Answer any four out of following questions.**

**(4 x 2 = 8)**

- (a) What is project appraisal?
- (b) What is order of magnitude estimate?
- (c) What is management appraisal of a project?
- (d) What is shadow pricing?
- (e) What is L-M approach?

**Section-B**

**2. Answer any two questions out of following**

**(2 x 6= 12)**

- (I) Why technical appraisal is required for a project? Explain .
- (II) Discuss various aspect of economic appraisal?
- (III) Explain commercial appraisal of a project?

**Section-C**

**3. Answer any one question out of followings**

**(1 x 10= 10)**

- I) Explain social cost benefit analysis of project with example?
- II) Discuss various sources of finance available for a project?

**BIJU PATNAIK INSTITUTE of IT AND MANAGEMENT STUDIES,  
BHUBANESWAR**

**SECURITY ANALYSIS AND PORTFOLIO MANAGEMENT**

**CLASS TEST -II , MBA,3 rd SEMESTER**

**Full Marks 30**

**Part A ( Answer all questions)**

**(4X2 Marks=8 marks)**

1. What is efficient frontier?
2. Security X has a beta of 0.75. Calculate the expected return , if the risk free rate is 5 % and expected return from the market is 14 %.
3. How many parameters must be estimated to analyse the risk return profile of 53 stock using Markowitz model and Sharpe Index model
4. .... measures systematic risk and .....measures overall risk.

**Part B ( Answer any two questions)**

**(6X2 Marks=12 marks)**

5. Given the following data calculate the one period return for two companies' "A" and "B"

	A	B
Beginning price	20	10
Ending Price	15	15
Dividend	1.50	2

6. Differentiate between SML and CML
7. The data are given for 3 stocks. Which stock would you prefer from risk and return view point if market were expected to give 15% and variance of return 20%.

Stock	$\alpha$	$\beta$	Residual Variance $\sigma_{ei}^2$
Zomato	-3.1	2.7	15
LIC	2.7	0.5	9
Nyka	2.3	2.4	19

**Part C( Answer any one question)**

**(10X1 Marks=10 marks)**

8. How do you construct an optimal portfolio? Discuss the contribution of Harry Markowitz in portfolio selection. Explain with suitable diagram. Discuss its assumption and limitation too.
9. The following data are available to you as portfolio manager.

Security	Estimated Return(%)	Beta	Standard Deviation(%)
1	32	2.10	50
2	30	1.80	35
3	25	1.65	42
4	20	1.30	26
Market Index	16	1	25
Govt. Security	7.5	0	0

In terms of security market line which of the securities listed above are undervalued.