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**BIJU PATNAIK INSTITUTE OF INFORMATION TECHNOLOGY  
& MANAGEMENT STUDIES, BHUBANESWAR**

**Semester : 8<sup>th</sup> Sem. IMBA**  
**Batch : 2022-27**  
**Subject : Advance Management Accounting**  
**Subject Code : 16IMN803B**

**Date : 10.03.2026**  
**Special Class Test : I**  
**Duration : 1 Hr.**  
**Full Marks : 30**

**Section- A**

1. Answer any four out of following questions. [4 x 2 = 8]
- What is prime cost? How do you compute the same. [CO1]
  - What are the components of indirect cost? [CO1]
  - In a printing press which method of costing is employed for ascertainment of cost? [CO2]
  - Define cost centre, profit centre and investment centre [CO1]
  - What is cost unit? Give four examples of cost unit specifying the industries using it. [CO1]

**Section-B**

2. Answer any two questions out of following. [2 x 6= 12]
- Distinguish between cost center and profit center. [CO1]
  - What is service costing? Discuss its features and the organisations required to go for service costing. [CO2]
  - Distinguish between cost accounting and management accounting. [CO1]

**Section-C**

3. Answer any one out of following questions. [1 x 10= 10]
- What are the methods of costing? Explain their adaptability in different industries with examples. [CO1]
  - Prepare a cost sheet for the year ending 31<sup>st</sup> March, 2024 showing cost per unit, total cost and profit. [CO1]

Direct materials	Rs 37500
Direct wages	Rs 15000
Direct expenses	Rs 7500
Works overheads	20% of wages
Administrative overheads	10% of works cost
Selling & distribution overheads	Rs 3 per unit
Units produced & sold	1000 units
Profit	20% on sales

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**Semester : 8<sup>th</sup> Sem. IMBA**  
**Batch : 2022-27**  
**Subject : Financial Derivatives**  
**Subject Code : 16IMN802B**

**Date : 12.03.2026**  
**Special Class Test : I**  
**Duration : 1 Hr.**  
**Full Marks : 30**

**Section- A**

1. Answer any four out of following questions. [4 x 2 = 8]
- a) What do you mean by Forward Contract? [CO1]
  - b) What do you mean by Additional Margin in future contract? [CO2]
  - c) Write a short note on Long Hedge. [CO2]
  - d) What is SPREAD in Future Contract [CO2]
  - e) What do you mean by BASIS in future contract? [CO2]

**Section-B**

2. Answer any two questions out of following [2 x 6= 12]
- a) Explain the role and actions of a Hedger in derivative market with their intention of participation in derivative market. [CO2]
  - b) A Speculator predicts a price increase in the gold future market from current future price of Rs.50, 000 per 10 gram. The market lot is 100 grams. Speculator buys one lot of future gold. Assume that Margin is 10%. What amount of margin money is required to enter into the above contract? If the price of the Gold increased by 20%, what will be the profit to the speculator? [CO2]
  - c) Explain the optimal hedge ratio and its implication. [CO2]

**Section-C**

3. Answer any one out of following questions. [1 x 10= 10]
- a) Explain different types of Margin applicable to Future Trading for risk Management. [CO2]
  - b) A farmer expects to harvest 60,000 bushels of sorghum in 5 months. There is no active sorghum futures market. However, the farmer knows sorghum prices are influenced by the same factors that affect corn prices. Spot price of sorghum now Rs.5.80 per bushel. Corn future price of 04 months future is trading at Rs.4.50 per bushel having contract size / lot size of 6,000 bushels. Standard deviation of sorghum spot price changes is 0.04 and of corn future price is 0.05. Coefficient of correlation between sorghum spot price and corn future price is 0.75. How the farmer can optimally hedge his crops. [CO2]

*All the Best*

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**Semester : 8<sup>th</sup> Sem. IMBA**  
**Batch : 2022-27**  
**Subject : Security Analysis & Portfolio Mgmt.**  
**Subject Code : 16IMN801B**

**Date : 11.03.2026**  
**Special Class Test : I**  
**Duration : 1 Hr.**  
**Full Marks : 30**

**Section- A**

1. Answer any four out of following questions. [4 x 2 = 8]
- a) Interpret the term Investment. [CO1]
  - b) What are the objectives of investment? [CO1]
  - c) What is systematic risk? [CO2]
  - d) Define diversification. [CO1]
  - e) What does Standard deviation indicate. [CO2]

**Section-B**

2. Answer any two questions out of following [2 x 6= 12]
- a) Explain the factors influencing investment decisions. [CO2]
  - b) Differentiate between Investment and Speculation. [CO1]
  - c) Explain the types of unsystematic risk. [CO2]

**Section-C**

3. Answer any one out of following questions. [1 x 10= 10]
- a) Discuss the risk–return relationship and portfolio diversification in investment decisions. [CO2]
  - b) Calculate the expected return and the standard deviation of returns for a stock having the following probability distribution of returns. [CO1]

Possible returns	Probability of occurrence
-15	0.05
-11	0.10
0	0.10
15	0.15
22	0.25
25	0.20
35	0.15