

**Ph. D IN MANAGEMENT
(PHDMGMT)**

**Term-End Examination
December, 2025**

**RMSE-001 : AREAWISE ADVANCED COURSE
OF STUDY AND READINGS : FINANCIAL
MANAGEMENT**

Time : 3 Hours

Maximum Marks : 100

Note : (i) *Attempt any five questions.*

(ii) *All questions carry equal marks.*

1. What are the risks involved in Capital Budgeting ? Describe the conventional and statistical techniques used for risk analysis in Capital Budgeting.
2. How is the cost of equity and debt capital calculated ? Describe the calculation of weighted average cost of capital and discuss how weights should be used in its calculation.

3. Explain the Capital Asset Pricing Model (CAPM). Describe its assumptions and implications.
4. Define standard deviation, variance and covariance. How are they calculated ? How is the standard deviation and variance of a two asset portfolio calculated ?
5. What is an option ? Describe their types and major difference among them. Discuss the factors that influences the price of option on shares.
6. What is Financial Engineering ? Discuss the factors that promote innovations in financial instruments and services.
7. What is Forensic Accounting ? In which phases of accounting cycle frauds can originate ?
8. Explain the following :
 - (a) Deterministic model and probabilistic model
 - (b) Residual analysis
 - (c) Standard error of the estimate
 - (d) Coefficient of determination

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