No. of Printed Pages : 3 **RMSE–001**

Ph. D. IN MANAGEMENT

(PHDMGMT)

Term-End Examination

June, 2026

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.

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1. Explain the concept of 'Risk' and 'Return' in Corporate Finance. Discuss various techniques used to measure risk and evaluate investment decisions under uncertainty.

2. Critically examine Capital Structure Theories. How do taxation, agency costs and asymmetric information influence capital structure decisions ?

3. Discuss the 'Efficient Market Hypothesis' (EMH). Evaluate its forms and empirical evidence in the context of financial markets. Analyse its relevance in emerging markets like India.

4. Explain the 'Markowitz Portfolio Theory' and 'Mean-variance Optimisation'. How does diversification reduce portfolio risk ? Illustrate your answer with suitable examples.

5. What are 'Financial Derivatives' ? Discuss the 'Black-Scholes Model' and its assumptions. Comment on its limitations in practical applications.

6. Explain 'Financial Engineering' and its role in modern finance. Discuss financial innovations and restructuring strategies. Provide examples of recent innovations in global financial markets.

7. Discuss Valuation Principles and practices. Explain different methods of business valuation under uncertainty and asymmetric information.

8. Write short notes on the following :

   (a) Behavioural Biases

   (b) Hedging

   (c) Real Options

   (d) Market Behaviour during Financial Crises

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