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MASTER OF BUSINESS ADMINISTRATION (M.B.A.)
EXAMINATION : DECEMBER - 2022
SEMESTER - III
Sub: Risk Management (MFM306)

Date: 23/12/2022

Total marks: 60

Time: 10.00 am To 12.30 pm

SECTION – I

Q. 1. Fill in the blanks.

(5)

1. Which of the following is not creating high degree of uncertainty?
a) Increase global competition b) Stable economy
c) Complex financial instruments d) Change organisational structure
2. Which of the following is not a part of human resource risk?
a) Knowledge and skill labour b) Staffing
c) Employee theft d) Market competition
3. A company's financial risk is associated with.....
a) Market condition b) Companies reputation
c) Legal action d) Financial leverage
4. Financial reliability of the company is determine by
a) Efficiency ratio b) Working capital ratio
c) Debt – equity ratio d) Cash ratio
5. identify by difference in net operating income and net cash flow.
a) Business Risk b) Liquidity Risk
c) Credit Risk d) Market Risk

Q. 2. Answer the following. (Any Two)

(20)

1. How Business risk associated with Economic Environment?
2. Explain the concept "NPA Management" in detail.
3. What are the approaches for corporate risk management?
4. How portfolio risk can be calculated for more than one asset?

Q. 3. Write notes on. (Any Two)

(10)

1. Types of Risk
2. Need of volatility measurement
3. KMV model

SECTION – II

Q. 4. Case Study **(15)**

Anunad Manufacturing owns a high-rise office building with glass cladding (a protective covering) and adjacent factory premises, and it operates from these factory premises. Anunad Manufacturing refurbishes and sells electric motors. Its processes include stripping down old motors, sandblasting motor casings, armature winding, varnishing, spray-painting and assembly. In order to write a risk management statement, the risk manager will carry out a physical inspection to familiarize himself with the factory layout and processes. The risk management process of identification will consist of listing all manufacturing processes using a checklist to ensure that he asks all the relevant questions. The checklist will also include questions such as what flammable liquids are used, in what quantities, and where are they stored? The next step in the risk management process is to measure the potential risks, or place a Risk Management on the impact of the risk. Draft a risk management plan to deal with fire and explosion and business interruption.

Q. 5. Answer the following: **(10)**

- a) What is risk management? What factors of risk are addressed by managing risk?

OR

- b) Explain the reasons why do we do not transfer all risks by using insurance.
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