

AU-1609

M.B.A.-(Semester—III) Examination

RISK MANAGEMENT

Paper—MBA/3106/F

Time : Three Hours]

[Maximum Marks : 70

N.B. :— (1) Attempt **ALL** questions.

(2) Figures to the right indicate full marks.

SECTION—A

1. (a) What is Risk Management ? Explain principles, aims, objectives and standards of Risk Management. 14

OR

- (b) What is the impact of risk on organization ? Explain the features of risk and risk management, namely Risk and Reward. 14

SECTION—B

2. (a) Define Risk Assessment. What are the importance of Risk Assessment ? 7
(b) "Training and Communication play an important role in an organization to reduce the risk." Discuss. 7

OR

- (c) What is risk likelihood ? Describe its impact in detail. 7
(d) Explain the following with reference to a financial institutions :
(i) Personal Risk Matrix
(ii) Risk Matrix and the 4Ts of Hazard Management. 7
3. (a) Explain in brief Corporate Governance Model. Explain the OECD principles of Corporate Governance. 7
(b) Wipro Software Limited desired to reduce number of error in Software Program. What decisions and Control hierarchy Wipro should undertake to achieve the desired objectives ? 7

OR

- (c) Define the term Supply Chain Management. What are the importance of supply chain management ? 7
- (d) Hazard, control and opportunity risk needed to be considered as a part of the successful management of any project. Discuss. 7

SECTION—C

4. (a) Explain the terms 'Transfer' and 'Terminate' with reference to Hazard Risk. 7
- (b) What are the different types of Insurance available ? 7

OR

- (c) What are different risk control techniques ? 7
- (d) What is ERM ? Why it is important ? 7

SECTION—D

5. 'Toshiba' a 140 year old pillar of Japan Inc. is caught up in the country's biggest accounting scandal since 2011. In 2011 Olympics Corporation was embroiled in a scandal. In July 2015, Toshiba Corporation president Hisao Tanaka and his two predecessors quit after investigators found that the company inflated earning by at least \$ 1.2 billion during the period 2009—2014. Toshiba is one of the early adopters of the corporate governance reforms initiated in Japan. The corporate governance structure met corporate governance standards. Some of the observations of the independent investigation committee of the company on internal audit. The investigation observed and gave the impression that the fault of internal audit in Toshiba was that it focussed on consultation service rather than assurance service.

Questions :—

- (i) In above case, if you being a Risk Manager, which responsibilities would you allocate for controlling the internal audit frauds of Toshiba ? 7
- (ii) What different Risk Assurance Techniques would you apply for above case being Risk Manager ? 7