

M.B.A. (Semester—III) Examination

RISK MANAGEMENT

Paper—MBA/3106/F

Time : Three Hours]

[Maximum Marks : 70

Note :— (1) Attempt **ALL** questions.

(2) Figures to the right indicate full marks.

SECTION—A

1. (A) What is Risk management ? Explain its aim, principles and objectives. 14

OR

- (B) Explain various approaches to defining risk. Explain how risk affects an organization. 14

SECTION—B

2. (A) What is Risk Assessment ? Explain the advantages and disadvantages of Risk Assessment techniques. 7

- (B) The purpose of Risk management training is to raise basic awareness of Risk management concept and mechanism, to enable participant to identify and manage risk in their own units and strengthen project management through adequate forward planning of potential risk. Do you agree with this statement ? Give reason to support your answer. 7

OR

- (C) What is risk likelihood ? Describe its impact in detail. 7

- (D) Explain the following with reference to a financial institutions if you are working as Risk manager :

(i) Personal Risk matrix

(ii) Risk matrix and the 4Ts of Hazard management. 7

3. (A) Explain corporate governance model with suitable example. 7

- (B) TCS desire to reduce number of errors in software program. What decision and control hierachy TCS should under-take to achieve the desired objectives ? 7

OR

- (C) What is supply chain management ? Explain the importance of supply chain management. 7

- (D) Construction projects are characterised as complex and unique where a risk could rise from a number of different sources. Suppose you are working as risk management consultant, how would you help the construction company in identification of Risk in construction company and what remedies would you suggest in this regards ? 7

SECTION—C

4. (A) What is risk response ? Explain the 4T's of risk response. 7
- (B) It has been said that a well informed investor experiences less Risk than an unformed investor. Do you agree ? Justify. 7

OR

- (C) Explain in detail the Enterprise Risk Management (ERM). Why ERM is important ? 7
- (D) Explain the significance of risk control techniques in Risk management. 7

SECTION—D

5. 'Toshiba' a 140 years old pillar of Japan is caught up in the country's biggest accounting scandal since 2011. In 2011 Olympic Corporation was embroiled in a scandal. In July 2015, Toshiba Corporation President Hisao Tanaka and his two predecessors quit after investigator 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 corporate governance reforms, initiated in Japan. The corporate governance structure met corporate governance standards. Some of 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 focused on consultation service rather than assurance service.

Questions :

- (i) In above case, if you are a Risk manager, which responsibility would you allocate for controlling the internal audit fraud of Toshiba ? 7
- (ii) What different risk assurance techniques would you apply for above case being risk manager ? 7