

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 marks.

SECTION-A

1. (a) Explain the nature and scope of the risk management standards. How risk management framework is implemented in an organization ? 14

OR

- (b) What are the types of Risk ? Describe the impact of the risk on organization. 14

SECTION-B

2. (a) Define risk culture. Explain the term "LILAC" with reference to the awareness campaign. 7
- (b) Explain the PESTLE risk classification system for an Aviation Industry. 7

OR

- (c) Explain the short, medium and long term risks. What is the purpose of risk classification system ? 7
- (d) How will you provide Risk Training and Risk Communication to a bank branch manager ? You being General Manager in the Bank. 7
3. (a) Why evaluation of Board performance is critically important part of Corporate Governance arrangements of any organization ? Explain. 7
- (b) An automobile company is thinking to reduce the number of accidents. What are the options for reducing this number ? What decision company should take to achieve this objective ? 7

OR

- (c) Describe in detail supply chain management in Risk Management context. 7
- (d) You are production manager of manufacturing company. Explain your strategy to manage operational risk. 7

SECTION-C

4. (a) Explain Enterprise Risk Management. Also state its benefits. 7
- (b) Under the Risk Response, how is risk generally tolerated, treated, transferred and terminated ? Explain with suitable example. 7

OR

- (c) Explain in detail importance of Risk Appetite. 7
- (d) Explain the importance of insurance in risk management. 7

SECTION-D

5. Starting from the times of Barter system to today's modern era of plastic money, mankind has trodden a remarkable long path. Undoubtedly 'profitability' has always been the driving force and an undercurrent behind all this development, but as every coin has two facets, growing cut throat competition and business rivalries started taking heavy toll on the quality, transparency, environment and the society in general endangering the peaceful co-existence of business and society. The business houses started to rise over and above the profitability and take care of all those associated with their survival in the society directly or indirectly. The realization resulted into the concept of CSR. Corporate social responsibility has been an integral part of TATA group with a wide focus on varied socio-economic and environmental issues enabling the rural household to improve their lives.

The TATA group has undertaken several CSR projects through the years. It is noteworthy to mention that there are more than 500 self-help groups currently operating under various poverty alleviation programs. Out of which over 200 are engaged in activities of income generation through micro enterprise. The group also supports social welfare organizations all over the country. Its healthcare projects include facilitation of child education immunization activities, creation of awareness of AIDS etc.

Questions :

- (i) As TATA group focusing on CSR as integral part, explain the importance of good standard of CSR which will enhance the organization. 5
- (ii) TATA group is much more concerned about CSR to be a reputational risk, suggest the different CSR agendas which will gain reputational advantage in future. 5
- (iii) To mitigate the stakeholders, expectations, suggest some way-outs to TATA which can maximize business opportunities. 4