

PSG COLLEGE OF ARTS & SCIENCE
(AUTONOMOUS)

BCom DEGREE EXAMINATION MAY 2022
(Sixth Semester)

Common to Branches – COMMERCE (BANKING & INSURANCE)

RISK MANAGEMENT

Time: Three Hours

Maximum: 75 Marks

SECTION-A (10 Marks)

Answer ALL questions

ALL questions carry EQUAL marks

(10 x 1 = 10)

1. Risk is measurable
(i) Loss (ii) Profit (iii) Uncertainty (iv) Certainty
2. Relative variation of actual loss from expected loss is called
(i) Subjective risk (ii) Objective risk (iii) Actual loss (iv) Expected loss
3. Pure risk situation are those where there is a possibility of
(i) Loss or no loss (ii) Loss (iii) Variation (iv) No loss
4. Insurance is a risk management technique involving
(i) Risk retention (ii) Risk avoidance
(iii) Loss Control (iv) Risk transfer
5. Losses arising due to a risk exposure retained or assured are known as
(i) Risk Reduction (ii) Risk Financing
(iii) Risk Retention (iv) Risk Sharing
6. -----is the most famous tool of risk management
(i) Certainty risk (ii) Insurance
(iii) Loss prevention (iv) Uncertainty risk
7. The installation of heat or smoke activated sprinkler system that are designed to minimize fire damage in the outbreak of a fire is a example of
(i) Loss prevention (ii) Loss reduction
(iii) Hedging (iv) Insurance
8. Risk Management is a subject which falls under-----
(i) Production (ii) HR
(iii) Marketing (iv) Finance
9. The first step in risk management process is _____
(i) Risk avoidance (ii) Risk Identification
(iii) Insurance (iv) Risk Evaluation
10. The risk which arises because of change in major economic, social, cultural and political factors is _____
(i) Particular Risk (ii) Fundamental Risk
(iii) Speculative Risk (iv) Dynamic Risk

SECTION – B (35 Marks)

Answer ALL the questions

ALL Questions carry EQUAL Marks

(5 x 7 = 35)

11. a) State the objectives of Risk Management.

(Or)

- b) Write down the Risk Control.

Cont...

12. a) Describe the Prompt Corrective Action.

(Or)

b) Explain the Types of Risk.

13. a) Determine the Measurement of Market risk.

(Or)

b) Narrate the Management of Credit Risk?

14. a) Define Credit Derivates and state its Types.

(Or)

b) Summarize the Risk Management Information System.

15 a) Mention the steps in personal Risk Management?

(Or)

b) Describe the Methods of Managing risk.

SECTION – C (30 Marks)

Answer ANY THREE questions

ALL Questions carry EQUAL Marks ($3 \times 10 = 30$)

16. What is Risk Management? Summarize the Risk Management Process.

17. Summarize the various Credit Rating Institutions.

18. What is Operational Risk? Explain the Measurements of Operational Risk.

19. Analysis the Regulatory and Supervisory framework for Risk Management.

20. Discuss the risk control Tools and Techniques in Insurance.

Z-Z-Z

END