

**School of Business****Bachelor of Business Administration in Banking Financial Services and Insurance  
Semester End Examination - Jul 2024**

Duration : 180 Minutes  
Max Marks : 100

**Sem V - D1UE502T - Risk Management in BFSI***General Instructions*

*Answer to the specific question asked*

*Draw neat, labelled diagrams wherever necessary*

*Approved data hand books are allowed subject to verification by the Invigilator*

- 1) Find the components and calculation methods of VaR in risk management. K1(2)
- 2) How do Basel III guidelines address liquidity risk in banks, and outline its importance. K2(4)
- 3) Summarize the risks associated with the interconnectedness of financial institutions, and how can they be mitigated? K2(6)
- 4) Identify stress tests assist regulators in determining whether banks have enough capital to withstand economic downturns? K3(9)
- 5) How did CDOs developed the contribute to the 2008 financial crisis? K3(9)
- 6) Banks has to assessing the borrower's personality through the personal details for any credit services .Discuss the strategies of credit risk management. K5(10)
- 7) Inspect stress testing and regulatory reforms evolved since the 2008 financial crisis? K4(12)
- 8) Mention the key challenges in measuring and quantifying operational risk compared to other types of risks? K5(15)
- 9) Evaluate the benefits and potential drawbacks of granting independence to central banks. K5(15)
- 10) "Lending to SMEs requires a thoughtful approach to assess and manage the unique risks associated with this segment, and a robust risk management strategy is crucial for the long-term success of lenders and SME borrowers alike". Elaborate it. K6(18)