

Exam. Code : 110103

Subject Code : 3743

Bachelor of Vocation (Banking and Financial Services)

3rd Semester

OPERATIONAL RISK MANAGEMENT

Paper—BVC-304

Time Allowed—3 Hours] [Maximum Marks—50

SECTION—A

Note :— Attempt any *ten* questions out of the following *twelve* questions. Each question carries 1 mark.

1. Define :

- (i) Causes of Operational Risk
- (ii) Challenges of Managing Operational Risk
- (iii) Risk Monitoring
- (iv) Capital Adequacy Norms
- (v) Objectives of BASEL in measuring Operational Risk.
- (vi) Enlist key risk indicators
- (vii) Incident Management
- (viii) SPOR identification
- (ix) Business line identification
- (x) Risk Control
- (xi) Internal Business Processes
- (xii) Risk Mitigation.

SECTION—B

Note :— Attempt any *two* questions out of the following *four* questions. Each question carries **10** marks.

2. Define Operational Risk. What are BASEL recommendations for Operational Risk ?
3. What is Operational Risk Framework ? Discuss its components.
4. Discuss the meaning and contents of Operating Risk Policy.
5. How can operational risk be managed successfully ? Give an elaborative note.

SECTION—C

Note :— Attempt any *two* questions out of the following *four* questions. Each question carries **10** marks.

6. What organizational set up is followed for Operational Risk Management ? What are the responsibilities of Senior Management for this ?
7. Explain the policy requirements for ORM. What strategic approach is advisable ?
8. What is meant by Business Line identification ? Discuss the process of operational risk identification.
9. How is operational risk measured and mitigated ?