

00610
**MASTER OF BUSINESS ADMINISTRATION
(MBAEV)**

Term-End Examination

December, 2013

MCNE-042 : TREASURY MANAGEMENT

Time : 3 hours

Maximum Marks : 100

Note : Answer *any five* questions. All questions carry equal marks.

1. State the different types of risk associated with 'treasury department' of an organisation. What are the major functions of a treasurer ? **20**
2. Is it possible to measure treasury performance ? What steps are taken in this regard ? What are its benefits to an organisation ? **20**
3. Explain the regulatory guidelines on internal control systems of a bank with investment portfolio. Suggest improvements in these guidelines. **20**
4. Outline the steps required to evaluate the investment portfolio of a bank. What are the usual investments in such a portfolio ? **20**
5. What do you mean by 'liability management' ? Is it different from 'asset-liability management' ? Why is it essential to avoid a situation of asset-liability mis-match ? **20**

6. State the meaning and importance of 'transfer pricing'. Describe the various methods of transfer pricing. What is the importance of transfer pricing in the matter of valuation of international portfolio ? 20
7. Explain the problems connected with 'cash management' in an organisation. How are these problems overcome ? State the difference between 'cash' and 'liquidity'. 20
8. Write short notes on *any two* of the following : 10+10=20
- (a) Structure and organisation of treasury department
 - (b) Currency risk management
 - (c) Reserves Management
 - (d) Liquidity Risk Management
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