

**MASTER BUSINESS ADMINISTRATION IN
BANKING AND FINANCE
(MBABFEV)**

Term-End Examination

December, 2012

MCN-025 : TREASURY MANAGEMENT

Time : 3 hours

Maximum Marks : 100

*Note : Attempt **any five** questions.*

1. "Treasury risk is another name of market risk". 20
Comment and differentiate between market risk and credit risk.
2. How should treasury risk identification, 20
measurement and control functions of an organisation be organised, so as to have optimum benefits ?
3. "Regulatory guidelines on internal control system 20
of a bank with investment portfolio are appropriate and effective". Comment with suitable examples.
4. Define currency risk and explain how a domestic 20
organisation is concerned with currency risk.

5. Define interest rate risk. State the components of interest rate risk. Explain the various techniques of measurement and monitoring interest rate risk. 20

 6. Define the concept of liability management. Discuss the various determinants of trade credit. Explain the advantages of trade credit. 20

 7. Explain the term 'Transfer Pricing'. Discuss the various methods of transfer pricing. 20

 8. What are the major roles that the CFO of a firm is expected to play in today's business environment? Discuss the functions to be performed by the financial officer. 20
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