
Instructions:

- *Question no 1 to 4 carry 14 marks each.*
- *Question no 5 carries 14 marks (each question of 2 marks). Out of the 12 questions, attempt any seven.*

Question 1**14 Marks**

Explain in detail the 4Ts of hazard risk response with respect to inherent and current risks faced by an organization.

OR**Question 1 (A)****7 Marks**

What do you mean by Exclusion in an insurance contract? Discuss the major types of Exclusions in an insurance contract.

Question 1 (B)**7 Marks**

Discuss the role of Exclusions in making the premiums affordable for the public and why they are a necessity in any insurance contract.

Question 2**14 Marks**

Explain the distinct legal characteristics of an insurance contract in detail and how are they different from other business/commercial contracts.

OR**Question 2 (A)****7 Marks**

What is the concept of Business Continuity Management and how does it play a crucial role in managing the potential risks of an organization?

Question 2 (B)**7 Marks**

Distinguish and explain the concepts of a Crisis Management Plan, Disaster Recovery Plan, and Business Continuity Plan.

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Question 3

14 Marks

What is a Risk Matrix and how is it used in risk assessment and further management by organizations?

OR

Question 3 (A)

7 Marks

Explain the PESTLE classification system in Risk Management framework.

Question 3 (B)

7 Marks

Discuss the advantages and disadvantages of the PESTLE classification system in brief.

Question 4 – Go through the following case study and answer the question that follows

14 Marks

ABC Tech Pvt. Ltd. is a very young 3-year-old company which is into contract manufacturing of electronic chips and spare parts for major reputed electronic industry players in the mobile and smart TV segment. As a part of its manufacturing contract, it is mandatory for ABC Tech Pvt. Ltd., to conduct a Risk Audit every year and submit the report to its contract manufacturing clients for compliance purpose. The company has two manufacturing plants, one in Gurugram for manufacturing/assembly of microchips and the second one at Ahmedabad for the manufacturing of accessory parts, primarily of fiber plastic. ABC Tech Pvt. Ltd. has given the responsibility for conducting the Risk Audit to an independent management consulting firm, XYZ Management Consultants, as part of the compliance process, in order for the audit to be fair and unbiased.

Consider yourself as an Analyst/Junior Consultant, as a part of the Risk Audit team of XYZ Management Consultants entrusted with the task of doing the primary Risk Assessment, following which the senior consultants would be calculating the risk and creating a risk matrix for the company. Your job is to do the primary risk assessment of ABC Tech Pvt. Ltd.

With respect to the above, enlist and explain all the steps in detail involved in the Risk Assessment process which you would be undertaking in order to finish your job with complete fairness and integrity in an unbiased manner.

Question 5

Attempt any seven out of twelve.

2 Marks x 7 questions = 14 Marks

1. Risk assessment is always done by considering _____ risks.
 - i. Current Risk
 - ii. Inherent Risk
 - iii. Insurance Risk
 - iv. Speculative Risk
2. Risk Assessment techniques are comprehensively covered in which ISO publication code
 - i. ISO 31000
 - ii. ISO 22300
 - iii. ISO 31010
 - iv. ISO 36000

3. The long-term risks that affect an organization, generally in the time frame of 3 to 5 years are classified as _____ risks in the STOC classification system
- | | | | |
|------|-------------|-----|-----------|
| i. | Tactical | ii. | Strategic |
| iii. | Operational | iv. | Market |
4. ISO _____ contains the series of standards for Business Continuity and crisis management
- | | | | |
|------|-------|-----|-------|
| i. | 31010 | ii. | 22000 |
| iii. | 22300 | iv. | 36000 |
5. _____ studies/techniques are most commonly applied for risk management in the manufacturing operations of hazardous chemicals, complex transport structures, and nuclear installations.
- | | | | |
|------|-----------------|-----|--------|
| i. | Risk Assessment | ii. | HAZOP |
| iii. | FEMOP | iv. | PESTLE |
6. A contract where only one part makes a legally enforceable promise is called a _____ contract, which is one of the distinct characteristics of insurance contracts.
7. A situation in which either profit or loss is possible is called a _____ risk.
8. The type of insurance policy where all losses are covered except those which are specifically excluded is called _____
- | | | | |
|-----|--------------------|-----|-------------------------|
| i. | Open-perils policy | ii. | Special coverage policy |
| ii. | Either i or ii | iv. | Named-perils policy |
9. Which of the following statements is **true**?
- | | |
|------|---|
| i. | In Risk Assessment, primary calculation is done on the basis of Current Risk. |
| ii. | In Risk Assessment, primary calculation is done on the basis of Inherent Risk |
| iii. | In Risk Assessment, primary calculation is done on the basis both Inherent Risk and Current Risk. |
| iv. | In Risk Assessment, primary calculation is done on the basis of either Current Risk or Inherent Risk. |
10. The part of the Risk Matrix that contains potentially critical, severe, or catastrophic risks, which require immediate attention of the top management is called _____
- | | |
|------|-------------------------------|
| i. | Matrix of Catastrophic Risks. |
| ii. | Area Under Coverage |
| iii. | Risk Portfolio |
| iv. | Universe of Risks |
11. The Risk Management framework published by the Government of UK every year, which is widely acclaimed and used across the world, is famously called as the _____ book.
12. State the full form of the FIRM score card.

-----End of Paper.....

