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Total No. of Questions : 13] [Total No. of Printed Pages : 03

## UB-527

M.B.A. (F.T.) (New)

Examination, 2024

(Fourth Semester)

FINANCIAL MANAGEMENT/FINANCE

Paper-FFM-6/FFF-6

Treasury Management

Time : 3 Hours]

[Maximum Marks : 80

Note : Attempt the questions according to instructions in each Section.

### Section A

(Short Answer Type Questions) 4×8=32

Note : Attempt any *four* questions. Each question carries 8 marks.

1. Explain what is A Treasury Policy and what are the main points (contents) addressed in Treasury Policy ?

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2. Define Counterparty Risk and explain its relevant impact on Treasury management.
3. Explain Debt Financing and its effect on debt capacity management.
4. Explain the following Domestic collection instruments :
  - (a) Bankers Draft
  - (b) Telegraphic Transfer.
5. Define Interest Rate Options and hence explain Interest Rate Cap and Interest Rate floor.
6. Explain Payment Clearing Through Automated Clearing House (ACH).
7. Explain the different kinds of Positions monitored on a daily basis in most Treasury Departments.
8. Elaborate in detail on the Term : Straight through Processing (STP).

### Section B

(Long Answer Type Questions) 3×16=48

Note : Attempt any *three* questions. Each question carries 16 marks.

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9. Explain Treasury Policy Related to Foreign Exchange Risk Management on the following Aspects :

- (a) Head Room
- (b) Security
- (c) Covenants
- (d) Guarantees.

✓ 10. Explain Cash Flow Ratios used to assess debt capacity management.

11. Explain Notional Pooling and advantages of Notional Pooling.

✓ 12. *Treasury Centralized or Decentralized*; In this context elaborate on :

- (a) Advantages and Disadvantages of Centralized Treasury
- (b) Advantages and disadvantages of Decentralized Treasury.

✓ 13. Define Process of Asset Securitization. In detail Explain the Formation of Special Purpose Vehicle and Elaborate on the Role of Main stakeholders in this process.