

**JYOTI NIVAS COLLEGE AUTONOMOUS
SYLLABUS FOR 2018 BATCH AND THEREAFTER**

Programme: B.Voc. (Banking and Finance)

Semester: IV

RISK MANAGEMENT IN BANKS

Course Code: 18BVB405

No. of Hours: 60

COURSE OBJECTIVES:

- To provide an insight on credit risk aspects relevant in banking sector.
- To enable students to understand the various dimensions of credit risk
- To bring in the importance of basel norms and its relevance in present day banking function.

LEARNING OUTCOMES:

- Understand the credit risk issues prevailing in the bank and how it reflects on the non performing assets
- Compare and contrast the assets and liability components in banks to reduce the increasing NPA.
- Analyse the financial statements and company's background using parameters.

UNIT 1: Asset Liability Management

12HRS

Components of asset- liabilities in banks balance sheet-Liquidity management-Interest rate risk management-Management of exchange risk-RBI guidelines.

UNIT 2: Risk Management

12HRS

Risk and banking business- risk regulation in banking industry, risk management in banking- Market risk-Credit risk -operations risk. Credit models.

UNIT 3: Basel Norms

12HRS

Meaning- types of Basel norms-Treasury management -treasury products-treasury risk management.

UNIT 4: Overview of Credit Management

12HRS

Analysis of Financial Statements and company's back ground-Working Capital Finance-Term Loans-Credit Appraisal as per RBI Regulations.

UNIT 5: Credit Control and Monitoring

12HRS

Meaning-Risk Management and Credit Rating-agencies for credit rating-Rehabilitation and Recovery, measures to reduce NPAs, NPA Recovery, Stress Asset Management, securitization of assets, selling of securities, Asset Recovery Companies (ARC). Insolvency and Bankruptcy Code,2016.

SKILL COMPONENT

- Understand how banks appraise credit and write a report.
- Write a report on how risk management is handled by banks.
- Obtain the Balance Sheet of a bank and identify the various elements of credit.
- Explain the procedures undertaken by a bank to recover loans.
- Identify the different organizations involved in recovery of bank loans.

BOOKS FOR REFERENCE

1. Credit Management, Indian Institute of Banking & Finance. MacMillan Publishers India Limited, 1st edition 2010
2. Risk management, Indian Institute of Banking & Finance. MacMillan Publishers India Limited, 1st edition 2010