

Indian Institute of Technology Guwahati
Proposal for a New Course / Revision of a Course

Course Number & Title: BM602H & Financial Risk Management							
L-T-P-C: 4-0-0-4							
Type of Letter Grading (Regular Letter Grades / PP or NP Letter Grades): Regular Letter Grades							
Kind of Proposal (New Course / Revision of Existing Course): New Course							
Offered as (Compulsory / Elective): Elective							
Offered to: Masters of Business Administration (MBA)							
Offered in (Odd/ Even / Any): Any							
Offered by (Name of Department/ Center): School of Business							
Pre-Requisite: NIL							
Preamble / Objectives (Optional):							
<p><i>Course Content/ Syllabus (as a single paragraph if it is not containing more than one subject. Sub-topics/ Sections may be separated by commas(,). Topics may be separated by Semi-Colons(;). Chapters may be separated by Full-Stop(.). While starting with broad heading, it may be indicated with Colon symbol before the topics. For example: Multi-variable Calculus: Limits of functions, Continuity,)</i></p> <p>Financial risks in banking system and insurance sector; Types of risks: market risk, credit risk, operational risk, liquidity risk, leverage, model risk, climate risk; Value-at-Risk (VaR) and conditional VaR; Regulations, basel norms, solvency directives, capital requirements; Market risk, market risk VaR using historical simulation and model-building approach; Credit risk, default probabilities, credit VaR, credit derivatives; Operational risk, loss-severity and loss frequency; Managing risk for bond portfolios, Duration, Convexity.</p>							
<p>Books (In case UG compulsory courses, please give it as "Text books" and "Reference books". Otherwise give it as "References".</p> <p>Texts: (Format: Authors, <i>Book Title in Italics font</i>, Volume/Series, Edition Number, Publisher, Year.)</p> <table border="1"> <tr> <td>1.</td> <td>Hull, J.C., <i>Risk management and financial institutions</i>, 5th Edition, Wiley, 2018.</td> </tr> <tr> <td>2.</td> <td>Saunders, A., & Cornett, M. M., <i>Financial institutions management: A risk management approach</i>, 7th Edition, McGraw Hill Education, 2017.</td> </tr> <tr> <td>3.</td> <td></td> </tr> </table> <p>References: (Format: Authors, <i>Book Title in Italics font</i>, Volume/Series, Edition Number, Publisher, Year.)</p>		1.	Hull, J.C., <i>Risk management and financial institutions</i> , 5th Edition, Wiley, 2018.	2.	Saunders, A., & Cornett, M. M., <i>Financial institutions management: A risk management approach</i> , 7th Edition, McGraw Hill Education, 2017.	3.	
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Detailed Course Content (Optional) It will not be included in the Courses of Study Booklet		
Sl. No.	Broad Title / Topics	Number of Lectures
1		
2		
3		
4		