

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>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,)</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>	
Books (In case UG compulsory courses, please give it as "Text books" and "Reference books". Otherwise give it as "References".	
Texts: (Format: Authors, <i>Book Title in Italics font</i> , Volume/Series, Edition Number, Publisher, Year.) 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.	
References: (Format: Authors, <i>Book Title in Italics font</i> , Volume/Series, Edition Number, Publisher, Year.)	

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		