No. of Printed Pages : 2 **MS–494**

MANAGEMENT PROGRAMME (BANKING AND FINANCE) (MPB)

Term-End Examination December, 2024

MS-494 : RISK MANAGEMENT IN BANKS

Time : 3 Hours *Maximum Marks : 100*

(Weightage : 70%)

Note : *Attempt any* ***five*** *questions. All questions carry equal marks.*

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1. Explain the Asset Liability Management (ALM) process of a bank. Describe the role of Bank's Treasury in managing different risks faced by the bank.

2. Discuss the Regulatory Framework of RBI for Banks in India.

3. What is Credit Risk ? Describe the Building Blocks required for comprehensive credit risk management.

4. What are Credit Derivatives ? Explain the features of credit derivatives and describe various types of credit derivatives. Discuss the prerequisites for banks participation in the credit derivatives market.

5. What is market risk ? How is it different from other types of risks ? Describe different types of market risk models.

6. What is Currency Risk ? Discuss the factors affecting currency value and describe the importance of currency risk management.

7. What is Operational Risk ? Discuss the principles of operational risk management. Describe the Standardized Approach (SA) used for operational risk analysis and measurement.

8. What are the elements of Tier-I and Tier-II capital and what are their limits ? What are the deductions to be made from capital under Tier-I ?

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