

**MASTERS OF BUSINESS ADMINISTRATION
(FINANCIAL MARKETS)
(MBAFM)**

00115

Term-End Examination

December, 2012

MCT-077 : CREDIT RISK ANALYSIS

Time : 3 hours

Maximum Marks : 100

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- Note :** (i) Attempt *any five* questions.
(ii) All questions carry *equal* marks.
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1. (a) What are different types of risks faced by business and individuals? 10
(b) What is credit risk? 10
2. What is the role of solvency ratio of an insurance? How does it affect credit risk? 20
3. In credit analysis of a firm, the financial statement of a firm are re-formulated. What is it and why is it done? 20
4. How is analysis of credit risk and return done? 20
Indicate the steps in brief.

5. (a) How is Credit rating done in India ? 10
(b) What do debt ratings AAA, B, C and D done by CRISIL indicate ? 10
6. (a) Enumerate risks in banking. 10
(b) Explain credit risk in detail. 10
7. Explain NPA management based on IRAC classification norms. 20
8. Write short notes on *any two* : 2x10=20
(a) Regulatory Capital Under BASEL
(b) Rating Migration Matrix
(c) Credit Loss Profile
(d) Stress Testing
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