

01421

**MANAGEMENT PROGRAMME
(Banking and Finance)**

Term-End Examination

June, 2017

MS-494 : RISK MANAGEMENT IN BANKS

Time : 3 hours

Maximum Marks : 100

Weightage 70%

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

1. Describe various types of Risks faced by the banks. Discuss the crucial determinants of how much risk a bank can take.
2. What do you understand by Risk Regulation ? Discuss the measures taken by Reserve Bank of India (RBI) while devising the regulatory framework for banks.
3. What do you mean by Project Finance ? Discuss the various risks for banks in Project Finance. How can these risks be mitigated ?
4. Discuss the features of credit derivatives and explain the various types of credit derivatives.

5. What is market risk and how is it different from other types of risk ? Discuss different types of market risk models.
 6. What is Operational Risk ? Explain the various approaches for computation of operational risk capital under Basel Accord II.
 7. 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 and Tier II ?
 8. Explain the commonly used risk adjusted performance evaluation metrics.
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