

**Revised Syllabus of Courses of Bachelor of Management Studies
(BMS) Programme at Semester V
with effect from the Academic Year 2018-2019**

Elective Courses (EC)

Group A: Finance Electives

5. Risk Management

Modules at a Glance

SN	Modules	No. of Lectures
1	Introduction, Risk Measurement and Control	15
2	Risk Avoidance and ERM	15
3	Risk Governance and Assurance	15
4	Risk Management in Insurance	15
Total		60

Objectives

SN	Objectives
1	To familiarize the student with the fundamental aspects of risk management and control
2	To give a comprehensive overview of risk governance and assurance with special reference to insurance sector
3	To introduce the basic concepts, functions, process, techniques of risk management

SN	Modules/ Units
1	Introduction, Risk Measurement and Control
	<p>a) Introduction, Risk Measurement and Control</p> <ul style="list-style-type: none"> • Definition, Risk Process, Risk Organization, Key Risks –Interest, Market, Credit, Currency, Liquidity, Legal, Operational • Risk Management V/s Risk Measurement – Managing Risk, Diversification, Investment Strategies and Introduction to Quantitative Risk Measurement and its Limitations • Principals of Risk - Alpha, Beta, R squared, Standard Deviation, Risk Exposure Analysis, Risk Immunization, Risk and Summary Measures –Simulation Method, Duration Analysis, Linear and other Statistical Techniques for Internal Control
2	Risk Avoidance and ERM
	<p>a) Risk Hedging Instruments and Mechanism:</p> <ul style="list-style-type: none"> • Forwards, Futures, Options, Swaps and Arbitrage Techniques, Risk Return Trade off, Markowitz Risk Return Model, Arbitrage Theory, System Audit Significance in Risk Mitigation <p>b) Enterprise Risk Management:</p> <ul style="list-style-type: none"> • Risk Management V/s Enterprise Risk Management, Integrated Enterprise Risk Management, ERM Framework, ERM Process, ERM Matrix, SWOT Analysis, Sample Risk Register
3	Risk Governance and Assurance
	<p>a) Risk Governance:</p> <ul style="list-style-type: none"> • Importance and Scope of Risk Governance, Risk and Three Lines of Defense, Risk Management and Corporate Governance <p>b) Risk Assurance:</p> <ul style="list-style-type: none"> • Purpose and Sources of Risk Assurance, Nature of Risk Assurance, Reports and Challenges of Risk <p>c) Risk and Stakeholders Expectations:</p> <ul style="list-style-type: none"> • Identifying the Range of Stakeholders and Responding to Stakeholders Expectations
4	Risk Management in Insurance
	<p>a) Insurance Industry:</p> <ul style="list-style-type: none"> • Global Perspective, Regulatory Framework in India, IRDA - Reforms, Powers, Functions and Duties. Role and Importance of Actuary <p>b) Players of Insurance Business:</p> <ul style="list-style-type: none"> • Life and Non- Life Insurance, Reinsurance, Bancassurance, Alternative Risk Trance, Insurance Securitization, Pricing of Insurance products, Expected Claim Costs, Risk Classification <p>c) Claim Management:</p> <ul style="list-style-type: none"> • General Guidelines, Life Insurance, Maturity, Death, Fire, Marine, Motor Insurance and Calculation of Discounted Expected Claim Cost and Fair Premium