

RISK MANAGEMENT & DERIVATIVES

Course Outcome:

1. Define the concept of risk management and its importance in overall business operations (Knowledge)
2. Identify different types of risks faced by businesses and analyze their impact on organizational performance (Comprehension)
3. Evaluate the best practices in risk management in business and demonstrate the ability to implement risk management strategies effectively (Application)
4. Explain the role of insurance in mitigating risks and analyze the different types of insurance available to manage risk (Analysis)
5. Assess credit risk in business operations and apply tools of credit risk such as Altman's Z Score Model, RAROC Model, and VaR Model to measure credit risk (Evaluation)
6. Utilize risk management models and tools effectively in decision making processes to manage risk in business operations (Application)
7. Explore the evolution of derivatives and understand the market trading mechanism for derivatives (Comprehension)
8. Apply the Black-Scholes Option Pricing model to calculate the value of options and make informed decisions in derivative trading (Application)
9. Develop a comprehensive understanding of risk modelling techniques and apply them to real-life business scenarios (Synthesis)
10. Construct a model building approach for risk management that incorporates various risk management models and tools (Creation)