

# STRATEGIC CREDIT MANAGEMENT

MIJAR - 574 225

Subject Code	: 16MBA FM306	IA Marks	:20
No. of Lecture Hours / Week	: 03	Exam Hours	: 03
Total Number of Lecture Hours	: 56	Exam Marks	: 80
Practical Component	: 02 Hours / Week		

## Objectives:

- To provide an overview of the sound lending decisions by a bank
- To explain the process of evaluation of the loan proposal
- To provide an insight into the different types of loans
- To describe the aspects of NPA management

## Course Outcome:

At the end of the course, the students are able to:

- Understand and evaluate the lending decisions by a bank
- Realize the process of evaluation of the loan proposal by banks
- Get an insight into the different types of loans
- Understand management of NPA

## Unit 1:

(10 Hours)

**Credit management in banks**-Screening of applications-Appraisal of credit-Sanction limit-Post sanction compliance – Monitoring supervision –Review- Government policies for credit extension- Credit institutions- Principles of good lending- Borrower study and bankers opinion-Credit policy by banks- Government regulation of credit -Prudential norms.

**Unit 2:****(10 Hours)**

**Over view of credit policy and loan characteristics**-The credit process –Characteristics of different types of loans- Evaluating commercial loan requests – Financial statement analysis- Cash flow analysis- Projections-Management of the firm and other factors –Feasibility study – Fundamental credit issues - Credit analysis-Different types of borrowers – Balance sheet analysis for lending – Forms of advances secured and unsecured advances- Short term and long term advances.

**Unit 3:****(8 Hours)**

**Evaluating consumer loans** – Types- Credit analysis of consumer loans- Risk–return analysis of consumer loans- Customer profitability analysis and loan pricing- Fixed Vs floating rates

**Unit 4:****(8 Hours)**

**Loan and advances against pledge**- Hypothecation- Mortgage – Lien- Advances against goods- Document to title to goods – Life insurance policies – Stock exchange securities-Fixed deposit receipts –Book debts- Supply bills- Real estates – Advance against collateral securities

**Unit 5:****(8 Hours)**

**Agricultural finances and Retail lending**- Crop loans- Crop insurance schemes- Dairy- Sericulture- Poultry- Animal husbandry – Horticulture – Gobar gas – Kissan credit cards – NABARD initiatives – Lead bank schemes – Retail banking advances – Concept – Retail banking products – Consumer credit financing

**Unit 6:****(12 Hours)**

**NPA management** – Introduction- Identification of NPAs- Asset classification- Prudential norms- Capital adequacy – International Banking Regulation-Basel Norms – asset classification provisioning – effect of NPA on profitability - Assessment procedure- Pre-sanction appraisal – Post sanction supervision- Monitoring systems for existing and likely NPAs—Tools to manage NPAs –Compromise scheme, LokAdalats, Debt Recovery Tribunals, Corporate Debt Restructuring, Willful defaulters, SARFAESI Act, Asset Reconstruction Companies-CIBIL

**Practical Components:**

- Students can visit a bank and study the lending and loan appraisal system relating to Agricultural loan, consumer financing etc.
- Students can study the NPA status of leading two PSU banks and two private banks.
- Students can study and submit a report on different retail banking products

**RECOMMENDED BOOKS:**

- Strategic Credit Management in Banks, Popli.G.S. and Puri S. K. , PHI, 2013
- Banking Theory and Practice - Shekar and Shekar, 19<sup>th</sup> Edition, Vikas Publishing House, 2009.
- Bank Management - W. Koch Scott, Timothy, Cengage Learning, New Delhi.
- Commercial Banking -Benton Gup & James Kolari, 3<sup>rd</sup> Edition, Wiley India, 2010.
- Indian Financial System, Bharati V. Pathak, 3<sup>rd</sup> Edition, Pearson, 2012.
- Bank Credit Management, G. Vijayaragavan, Himalaya Publishing House, 2009.

### REFERENCE BOOKS:

- Industrial Finance - Vishwanathan R, Macmillan, New Delhi.
- Banking and Financial System - Prasad K, Nirmala and Chandradas. Himalaya Publishing House, Mumbai.
- Managing Banking Risks - Cade, Eddic, Woodhead Publishers, England.

### SEMESTER III

### Human Resource Management Specialisation

### INDUSTRIAL RELATIONS AND LEGISLATIONS

*Signature*  
DEAN  
Dept. of Business Administration  
Alva's Institute of Engg. & Technology  
MIJAR - 574 225

Subject Code	: 16MBA HR301	IA Marks :20
Number of Lecture Hours/Week	: 03	Exam Hours: 03
Number of Lecture Hours	: 56	Exam Marks: 80
Practical Component	: 02 Hours/ Week	

#### Course Objectives:

- To enable students to understand and apply the principles of IR and develop an awareness of the significance of industrial peace.
- To provide a conceptual basis of Industrial Relations.
- To give an understanding of the components and meaning of sustaining Industrial peace anchored on harmonious Employee-Management relations.
- To discuss the various Industrial acts.

#### Course Outcomes:

The students should be able to

- Gain the insights of IR practices in the industry.
- Develop the knowledge related to employee-management relations
- Implementation of various industrial acts

### PART A:

### INDUSTRIAL RELATIONS

(32 hours)

#### Unit 1

(8 hours)

##### Introduction:

Background of Industrial Relations – Definition, scope, objectives, factors affecting IR, participants of IR, importance of IR. Approaches to Industrial relations, system of IR in India –Historical perspective & post-independence period, Code of Discipline and historical initiatives for harmonious IR, Government policies relating to labor, ILO and its influence on Legal enactments in India.

#### Unit 2

(8 Hours)

##### Collective Bargaining & Negotiation:

**Collective Bargaining:** Definition, Meaning, Nature, essential conditions for the success of collective bargaining, functions of collective bargaining, importance of Collective Bargaining, collective bargaining process, prerequisites for collective bargaining, implementation and administration of agreements.