MODELLING OF CREDIT RISK MANAGEMENT IN COMMERCIAL BANKS
- A STUDY WITH REFERENCE TO BENGALURU

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ABSTRACT
Risk management includes identification, measurement, matching mitigators and monitoring and control of credit risk exposures. To study credit risk management a well drafted questionnaire was administered as schedule and data collected was presented in the form of tables and suitable quantitative metrics are used to test the variability of data scientifically. Risk exposure in commercial banks increased on account of severe competition, changing socio-economic pattern, market flexibility and ever growing foreign exchange business. These developments gave the way for emerging of innumerable risks. Consequently the banking industry in India is undergoing a sea of change as far as risk management is concerned. The banks ability to gauge those risks and pursue appropriate steps will be the key to success. The risk manager should possess better knowledge gauging these risks and potential risks. Expertise knowledge to gauge the variety of fraudulent innovative activities is essential and credit risk managers should tackle through ”weather eye” which unsolve some problems.

Key words: Weather eye, prediction / gauge, emerging risks, expertise knowledge, Basel II, risk modelling.