Programme	**: MBA (Financial Services)**
Course Code	**: FSO318**
Course Title	**: Debt Management**
Number of Credits	**: 4**
Effective from AY	**: 2020-21**

Need of the Course	Debt or Credit mechanism has undergone phenomenal changes in recent years. The officer dealing with debt or credit should possess a good knowledge and expertise in dealing with the debt undertaken by the businesses. The apt assessment of the various options of availing debt finances and the timely honoring of the debt is the key to avoid default. The current course focuses on inculcating the required expertise in the said domain.
Description of the Course	This paper is intended to equip the candidate with knowledge, skills and attitudes required for the application of debt management principles in various lending financial institutions.
Objectives of the Course	The course focuses to provide in depth understanding of 1. Different credit facilities, credit delivery mode along with the Regulatory framework. 2. Appraisal of Credit and the Various techniques of credit appraisal 3. Debt Management Strategies 4. Monitoring of Debt Repayment & NPA Management

Course Content		
Unit 1	**: Overview of Credit**	**12 Hours**

Types of Credit Facilities: Various Types of Credit Facilities - Cash Credit, Overdrafts, Demand Loan, Bills Finance - Drawee Bill Scheme, Bills Discounting. Peer-to-Peer Lending as source of raising debt finance by corporate firms.

Credit Delivery: Modes of Delivery, Sole Banking Arrangement, Multiple Banking Arrangement, Consortium Lending, Syndication. Credit Thrust, Credit Priorities, Credit Acquisitions, Statutory & Regulatory restrictions on Advances.

Unit 2	**: Credit Appraisal**	**14 Hours**

Credit Appraisal: Validation of proposal, Dimensions of Credit Appraisals, six "C", Structuring of Loan documents, Credit Risk, Credit Risk Rating, Credit Worthiness of Borrower, Purpose of Loan, Source of Repayment, Cash Flow, Collateral.
Technical Appraisal, Commercial / Market Appraisal, Managerial Appraisal, Financial Appraisal, Economic Appraisal, Environmental Appraisal, Project Cost & Means of Finance, Cost of Production & Profitability, Sensitivity Analysis, Break-even Analysis.

Unit 3	**: Debt Management Strategies**	**8 Hours**

Debt Management Strategies, Optimum level of Debt, Debt Management in MSME, Bankruptcy Code, Case studies on Debt Management.

Unit 4	: Monitoring, Supervision & Follow up of Debt	14 Hours

Credit Monitoring - Process of Monitoring, Different Monitoring Tools, Check-list for Monitoring, monitoring by using various statements, QIS Formats / guidelines, Supervision & Follow Up.

Corporate Debt Restructuring (CDR) Mechanism, CDR Structure & Operations, New RBI Framework for Distressed Assets, Willful Defaulters, Penal Measures, Compromise, Legal Action, Civil litigation, Pre and Post - filing precautions, Type of Decrees, Modes of Execution of Decree, Lok Adalat, Debt Recovery Tribunal, SARFAESI, Write Off.

Pedagogy	Interactive Lectures/Discussions/ Presentations/case study/ individual or group projects/ assignments/Class activities or a combination of some of these.
Reference/Readings	1. Glen Bullivant, Credit Management, Gower Publishing Ltd. (2010) 2. John D. Finnerty & Douglas R. Emery, Debt Management: A Practitioners Guide, Harvard Business School Press 3. Finlay S., The Management of Consumer Credit, Palgrave Macmillan 4. Kiran Barman, Public Debt Management in India, Uppal Publication house 5. Gerald Miller, Handbook of Debt Management, M. Dekker 6. H.W. Singer, Soumitra Sharma, Growth and External Debt Management, Palgrave Macmillan
Course Outcome	Upon the completion of this course the learners shall be able to: CO1. **Explain** the concept of credit facilities, types and modes of credit. CO2. **Discuss** in detail the credit appraisal process CO3. **Explain** the various debt management strategies. CO4. **Monitor**, **supervise** and follow up the debt repayment by the borrowers.