

ASSESSING CREDIT RISK
MANAGEMENT PRACTICES OF PICIC
BANK IN CONTEXT OF BASEL II



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Abstract

The purpose of this report is to apply my theoretical knowledge practically, to enhance my skills of report writing and to fulfill my degree requirement as well. Basel II accord is an improvement of Basel I which has given us some guidelines and frame work for risk management practices in banks.

As we know that Basel II accord discusses three main risks in detail i.e. namely credit risk, Market risk and operational risk but here in my report I will confine myself to only credit risk in general according to the Basel ii accord and then applying it to the Measurement of credit risk in PICIC, SBP regulations for Credit risk management and Basel II guidelines for the qualitative and quantitative measurement of Credit risk. One thing is for sure that it was not an easy job because Risk management and measurement in banks is done by financial risk management professionals and that too in their head offices and the fact is that at branch level no body really knows about it. But still whatever have I done is my own effort and the extended help of my honorable teachers.

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