



Programme on Deposit and Loan Pricing (Focus: MCLR and Basel III)

November 15 – 18, 2016

Coordinators
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National Institute of Bank Management
Pune, India

Programme on Deposit and Loan Pricing (Focus: MCLR and Basel III)

Product pricing strategies adopted by Indian banks have undergone a paradigm shift in the last decade. In order to allay industry concerns about interest rate distortions, insensitivity of loan and deposit pricing and the resultant misallocation of capital, the Reserve Bank of India has recently issued guidelines for determination of Marginal Cost of Funds-based Lending Rate (MCLR), which is effective from April 1, 2016. In addition, capital and liquidity regulations under Basel III are likely to introduce major changes in approaches to pricing deposit and loan products.

These guidelines have brought back into focus the need to adopt balanced pricing strategies which must simultaneously address ALM challenges and credit quality issues while ensuring profitable customer relationships through optimal risk-adjusted returns on capital.

With this background, NIBM introduces a four-day programme on Pricing of Deposit and Loan Products with focus on MCLR and Basel III. This programme will enable participants to incorporate cost of capital and liquidity spreads in the pricing of their products. It will also help them adjust their deposit and loan rates in line with the prevailing interest rate environment. Finally, it will make them aware of the risk-adjusted performance measurement process.

Content

- Deposit and loan pricing strategies
- Funds transfer pricing: Methods for loans and deposits
- MCLR
 - Calculating the tenor premium and linking it to external benchmarks
 - Migration to matched maturity funds transfer pricing
 - Estimating allocatable operating costs and the allocation methodology across loan and deposit products
 - Business strategy component
 - Impact of long-term fixed rate bond issuance

- Impact of LCR and NSFR under Basel III
- Credit risk premia
 - Estimation of credit risk components in credit spreads
- Cost of capital
 - Measuring the cost of economic and regulatory (Basel III) capital
 - Understanding loan pricing from a RAROC perspective.

Target Group

Middle and senior executives from banks and financial institutions in the areas of finance, capital planning, risk management and treasury.

Pedagogy

- Class lectures
- Case-studies
- Excel-based hands-on exercises
- Practitioner perspectives.



Dates

November 15 – 18, 2016

The programme will commence at 9:00 am on November 15 and conclude by the evening of November 18, 2016. Participants are expected to reach the NIBM campus positively by the evening of November 14, 2016 and plan for their return journey after 6.00 pm on November 18, 2016.

Venue

NIBM Campus, Kondhwe Khurd, Pune, India.

Hostel Accommodation

The programme is fully residential. Participants will be provided well furnished single room AC accommodation in the Institute's hostel complex on the Campus. However, they will not be permitted to bring their family members to stay on the campus. In case any Officer/Executive with physical/medical disability is being nominated, kindly inform us in advance with particulars of disability to facilitate necessary arrangements.

The Institute has facilities for outdoor and indoor games and a large walking/jogging trail for physical fitness besides a yoga centre. Participants are, therefore, encouraged to bring the appropriate clothes/gears.

Last Date for
Receiving Nominations:
November 5, 2016

Last Date for
Availing Early Bird Incentive:
October 31, 2016

(See Fee Structure on home page
of the website)

Nominations and Enquiries

Please address your enquiries and nominations along with the fees to:

Prof Tasneem Chherawala
Prof Sanjay Basu

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National Institute of Bank Management
NIBM Post office, Kondhwe Khurd
Pune 411 048, India

Tel : 0091-20-26716000 (EPABX)
26716546/26716564 (Direct)

Fax : 0091-20-26834478

E-mail : tasneem@nibmindia.org
sbasu@nibmindia.org

Web : www.nibmindia.org

Programme Fee (per participant)

US \$ 1600 for foreign participant

(See fee structure on home page of the website for incentive)

	Fee	ST	SBAC	KKC	Fee+ST+ SBAC+KKC	TDS
Mem. Banks	: 30000	4200	150	150	34500	3000
Non-Mem. Banks	: 35000	4900	175	175	40250	3500

The fee includes the cost of tuition, board and lodging facilities, teaching material, etc. (Service Tax (ST) @ 14%, Swachh Bharat Abhiyan Cess (SBAC) @ 0.5%, Krishi Kalyan Cess (KKC) @ 0.5% and TDS @ 10%. Kindly send the TDS Certificate on priority to NIBM).

Mode of Payment for Indian Participants

- The fee may preferably be transferred by RTGS/NEFT/ECS to our A/c No. 20002400021 with Bank of Maharashtra, NIBM Branch, Pune (IFSC Code MAHB0001124). NIBM PAN No. AAATN0040P and ST No. AAATN0040PST001.
- National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

- Name & Address of our Bankers : Oriental Bank of Commerce
C-2, Shop No. 4-5, Bramha Estate
Kondhwe Khurd, Pune 411 048
Maharashtra, India
- Name of the Account : National Institute of Bank Management
- NIBM's Bank Account No. : Current A/C 11281131004402
with Oriental Bank of Commerce
- Bank's Swift Code : ORBCINBBFCP
- Oriental Bank of Commerce A/c No. : 36152559
with Correspondent Bank
- Preferred currency : USD
- Correspondent Bank : CITIBANK N.A.
- Swift code for Citi Bank : CITIUS33

* The Foreign Bank Charges/ SWIFT charges/Commission is to be borne by the remitter. The fees mentioned in the invoice/brochure is to be paid to NIBM, net of all bank charges.

***Payments will be accepted only through electronic mode.
Cheques/DDs/Pay Orders will not be accepted.**

- For all electronic remittances, kindly send a confirmatory e-mail at: accounts@nibmindia.org giving details of the remitter and participant, name and dates of programme, etc.

Please see programme fee structure on home page of the website for early bird incentive, incentives for SAARC and other developing countries, mode of remittance, Pune City route map and local conveyance.