

Workshop on Setting Business Strategies under Challenging Market Conditions

June 13 – 15, 2019



Coordinators
Dr Arindam Bandyopadhyay
Dr Tasneem Chherawala



**National Institute of
Bank Management
Pune, India**

Workshop on Setting Business Strategies under Challenging Market Conditions

A resilient and efficient banking system provides the foundations to sustainable economic growth of any nation. Banking crises can lead to negative externalities which can push back development and growth targets in an economy. Strong macro and micro prudential regulations thus focus on ensuring soundness and solvency of banks. The evolving Basel guidelines of the Basel Committee on Banking Supervision (BCBS) have laid down the global standards for bank regulation and supervision. The Basel III reforms which focus on enhancing capital adequacy, improving liquidity and reducing systemic risks in banking systems have been adopted by banking regulators the world over, including the Reserve Bank of India.

India is projected to be the fastest growing major economy in 2019-20. To sustain India's high growth rate and spread its benefits more evenly, the financial sector, and more importantly, the banking sector, has a crucial role to play in mobilising resources and channelling them to productive uses. However, Indian commercial banks have been facing significant business risks, competitive pressures and regulatory constraints. The NPA problem and consequent higher provisioning depressed the profitability and credit delivery potential of this sector. For the banks which under-performed in terms of key business parameters of capital adequacy, asset quality and profitability, the Reserve Bank of India's Prompt Corrective Action (PCA) framework was triggered to introduce timely regulatory intervention for turnaround. The growing number Non-Bank Financial Companies (NBFCs), Small Finance Banks (SFBs) and Payment Banks started capturing many of the lucrative business areas which traditionally were in the domain of commercial banking.

Despite the issues highlighted above, the prospects of Indian banking sector are steadily improving. The NPA growth rate is flattening out; the introduction of the Insolvency and Bankruptcy Code (IBC) has already started delivering results in terms of better recoveries on defaulted bank loans; and many of the capital-starved public sector banks have been recapitalised by the Government. By end January 2019, three public sector banks emerged out of PCA due to improved financial performance. Bank management however cannot afford to become complacent. Business models and strategies have to continue to evolve to address the ongoing challenges of: a) managing capital and liquidity, b) improving asset quality and portfolio mix, c) sustaining profitability in a highly competitive environment, and d) ensuring efficient utilisation of human resources.

Business strategies that ensure risk and return by choice and not by chance are key to ensuring the continuing success of banks both in the short term and long term. The focus of these strategies has to be on identifying the appropriate resources to be raised at the most efficient costs and the appropriate investment of these resources to maximise risk-adjusted returns. The adoption of a robust fund transfer pricing mechanism (FTP) can enable the bank to generate the desired business profile to augment its performance. The use of Risk-Adjusted Return on Capital (RAROC) and

Economic Value Addition (EVA) to measure performance for all business lines and business units can establish a risk culture that can create competitive advantage and improve shareholder value.

With this background, NIBM has specially designed this programme to sensitize the senior management of banks about the challenges faced in their banking business and realign their business strategies such that they can appropriately respond to the regulatory concerns and gain market confidence.

Workshop Coverage

Risk and Capital Management under Basel III

- Managing Credit Risk, Market Risk and Operational Risk
- Risk Weight Optimization and Capital Management
- Capital Planning and Capital Raising Strategies
- Credit Planning and Establishing a Risk-Rating Based Lending Culture

Managing Non-Performing Assets

- Measuring Provisioning Requirements under IFRS
- Recovery Strategies, Including the Adoption of the Insolvency and Bankruptcy Code (IBC), 2016

Managing Liquidity

- Asset Liability Management
- Fund Transfer Pricing
- Management of Liquidity Risks

Profitability

- Strategies to Enhance Revenues
- Customer Orientation
- Portfolio Planning
- Setting RAROC-Based Business Strategies

Leverage

- Management of Leverage Ratio under Basel III
- Strategies for non-fund-based Business

Human Resource Management

- Improving Work Culture and Motivating Staff
- HR Role, Optimal Allocation of Skilled Resources

Futuristic outlook

- Business Planning and Ensuring Future Sustainability

Speakers

Industry experts from banks and rating agencies, Regulatory perspective from Senior Executives of RBI, NIBM Faculty and others.

Target Audience

**Senior Management of Banks and
Business Heads of Public & Private
Sector Banks**

Dates

June 13 – 15, 2019

The Workshop will begin at 9.00 am on June 13 and will conclude by 5.00 pm on June 15, 2019.

Venue

NIBM Campus, Kondhwe Khurd
Pune, India.

Accommodation

The workshop 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 appropriate clothes/gear.

Workshop Coordinators

Dr Arindam Bandyopadhyay
Associate Professor &
Associate Dean (Consultancy)

Dr Tasneem Chherawala
Assistant Professor

(Finance Area Group)

Last Date for Receiving Nominations:

June 3, 2019

Last Date for

Availing Early Bird Incentive of 5%:

May 29, 2019

(See fee structure on
home page of the website)

Nominations and Enquiries

Please address your enquiries and
nominations to:

Dr Arindam Bandyopadhyay
Dr Tasneem Chherawala
Workshop Coordinators

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Website : www.nibmindia.org

Workshop Fee (per participant)

US \$ 1200 for foreign participant

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

	Fee	GST	Fee+GST	TDS
Member Banks	: 26400	4752	31152	2640
Non-Member Banks	: 31200	5616	36816	3120

The fee includes the cost of tuition, board and lodging facilities, teaching material, etc. (Goods and Services Tax (GST) @ 18% 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 GSTIN No. 27AAATN0040P1ZJ.
- National Institute of Bank Management
NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

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