

Coordinators
Dr S V Kuvalekar
Dr K Ramesha

International Programme in **Bank Financial Management**

(Focus: Risk Management and Basel II & III Accord)

January 9 – 21, 2017



National Institute of Bank Management
Pune, India

For the Attention of Programme Participants

- Date of Arrival at NIBM Campus : On or before January 8, 2017
- Date of Commencement of the Programme : January 9 2017
- Duration of the Programme : Two weeks
- Date of Departure from Pune : On or after January 21, 2017 (Evening)
- Last Date for Receiving Nominations : December 30, 2016

Class-room Sessions

Monday to Friday : 09.00 hrs. – 17.00 hrs.

Nominations and Enquiries

Enquiries, if any, and nominations may be sent to:

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Programme Coordinators
National Institute of Bank Management
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Website : www.nibmindia.org

Last Date for Receiving Nominations: December 30, 2016
Last Date for Availing Early Bird Incentive: December 24, 2016

**International Programme in
Bank Financial Management**
(Focus: Risk Management and Basel II & III Accord)

Duration : Two Weeks

Dates : January 9 – 21, 2017

Level of Participation : Senior and Middle Management

Coordinators : Dr S V Kuvalekar & Dr K Ramesha

In the recent past, significant changes have taken place in the financial markets and banking industry in several countries on account of reforms and deregulation of financial markets. As a result, banks and financial institutions are faced with myriad challenges in managing their businesses. In view of the growing competition and consequent fall in spreads, banks and financial institutions are also facing the challenge of business expansion with risk mitigation. Increasing globalisation of the financial system in these countries has made the banking business much more complex and challenging.

Further, with active participation in various segments of the financial markets, banks and financial institutions are exposed to a variety of risks such as credit risk, interest rate risk, operational risk, and so on. Against this backdrop, banks and financial institutions have to develop and implement an appropriate risk management system which will facilitate effective financial management. With the introduction of Basel III Accord norms by central banks in most of the countries, banks and financial institutions are required to raise their financial resources and manage assets in line with the requirements of achieving capital adequacy norms under the Basel III Accord.

Keeping this in view, NIBM has designed a two-week International Programme in Bank Financial Management with focus on risk management and compliance requirements under the Basel II Accord. It is proposed to debate the global financial scenario and the capital requirement under Basel III Accord as well.

Objectives

- To identify a suitable framework for managing finances in banks.
- To understand various risks in the business of banks and management of the same by applying advanced techniques, including derivatives.
- To study the implementation of the Basel II Accord and related issues.
- To understand the Basel III Accord and its implications on the banking and financial system.

Programme Content

First Week

- ❑ Developments in Financial Markets and Banking Sector.
- ❑ Structuring and Pricing of Deposit Products.
- ❑ Management of Corporate and SME Loan Assets:
 - (a) Cash Flow-Based Approach for Lending.
 - (b) Appraisal of Term-Loan and Working Capital Finance.
 - (c) Lease Products.
 - (d) Monitoring, Follow-up and Review of Advances.
- ❑ Management of Retail Loan Products.
- ❑ Pricing of Loan Assets.
- ❑ Due Diligence in Credit Management and Credit Monitoring.
- ❑ Non-Fund Based Business.
- ❑ Factoring and Forfaiting Services.
- ❑ Distribution Finance.

Second Week

- ❑ Management of Domestic and Forex Treasury.
- ❑ Asset Liability Management.
 - (a) Management of Liquidity Risk.
 - (b) Management of Interest Rate Risk.
 - (c) Management of Currency Risk.
 - (d) Use of Interest Rate and Currency Derivatives.
 - (e) Funds Transfer Pricing Mechanism.

- ❑ Management of Credit Risk.
 - (a) Sources of Credit Risk.
 - (b) Credit Risk Management at Individual Borrowers as well as Portfolio Level.
 - (c) Various Models of Credit Risk Management.
 - (d) Use of Credit Derivatives.
- ❑ Asset Securitization.
- ❑ Basel II Accord.
 - (a) Introduction to Basel II Accord: Characteristics and Dimensions.
 - (b) Approach for Credit Risk: Standardised Approach vs IRB Approach.
 - (c) Capital Charge for Credit Risk, Market Risk and Operational Risk.
 - (d) Risk-Adjusted Performance Measures.
 - (e) Implementation of Basel II Accord: Issues and Solutions.
- ❑ Basel III Accord and its Impact on Banking Business.
- ❑ IFRS and its Impact on Bank's Financial Statements.

Pedagogy

Apart from lectures, various teaching methods including group discussion, exercises, case discussion, role plays, audio-visual presentations, computer-aided exercises, panel discussion, hands-on experience on PCs, etc., will be employed to make the programme highly participative in nature. Field visits will be arranged to select leading banks and financial institutions in Mumbai.

Faculty

The faculty for the programme will largely be drawn from NIBM. Senior bank executives, professionals from financial services' industry and eminent academicians will also be invited as guest faculty to interact with participants.

Eligibility

- (a) Middle and senior level executives working in Risk Management Department/Treasury Department/Asset-Liability Management Cell and Credit Management Department of commercial banks and financial institutions.
- (b) Middle and senior level executives working with central banks and senior officers working with the concerned departments of the governments of various countries.

Organisational sponsorship is essential for all participants. They should also have adequate working knowledge of the English language.

Venue

NIBM Campus, Kondhwe Khurd, Pune, India

Programme Fees (per participant)

US \$ 4800 for foreign participant

	<i>Fee</i>	<i>ST</i>	<i>SBAC</i>	<i>KKC</i>	<i>Fee+ST+ SBAC+KKC</i>	<i>TDS</i>
Mem. Banks :	84000	11760	420	420	96600	8400
Non-Mem. Banks :	98000	13720	490	490	112700	9800

(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).

Please visit NIBM website www.nibmindia.org for fee structure and mode of remittance.

The fee covers the cost of tuition, teaching materials, books, computer time, full board and lodging at NIBM for the entire duration of the programme and internal travel for field visits. However, it does not include excess baggage, embarkation charges at the airport, etc. The fee does not cover the participant's out-of-pocket expenses. In case any sponsoring authorities/organisations are desirous of defraying these expenses or giving any other allowance, they may do so directly to the participant(s). The sponsoring organisations are requested to provide

funds for 5 kilos of extra baggage to carry back the reading materials, books, etc. They may also provide for embarkation fees.

Medical Care

Medical care by the Resident Medical Officer (RMO) will be available on the campus including cost of medicines. But this does not cover: (a) cost of spectacles; (b) hearing aids and orthopedic appliances; (c) cost of antidiabetic drugs; (d) cost of treatment of venereal diseases, sterility, impotency, obesity, TB, etc.; and (e) cost of dental treatment and artificial dentures.

Nominations under Sponsorship by the Ministry of External Affairs, Government of India

Participants of this programme are eligible for sponsorship by the Ministry of External Affairs under the ITEC/SCAAP programme. Therefore, the above mentioned fee structure does not apply to participants sponsored by the Ministry of External Affairs under the Government of India fellowships, viz. ITEC, SCAAP programmes, etc.

Possible Sources of Funding

Some national/international agencies have schemes for giving financial support for participation of nominees to the programme. Participating institutions, if they so desire, may approach the following organisations for funding:

1. Embassy of India in their country for assistance under Colombo Plan (CP), Special Commonwealth African Assistance Plan (SCAAP), and Indian Technical and Economic Cooperation Programme (ITEC). These are Government of India scholarships.
2. United Nations Development Programme (UNDP), World Bank (WB), International Labour Organization (ILO), and Food and Agriculture Organization (FAO). For support from these organisations, the institutions may approach the field agencies of these organisations in their country or region through their respective governments.
3. Commonwealth Fund for Technical Cooperation (CFTC).

4. Secretary General, Afro-Asian Rural Reconstruction Organization, C-117-118, Defence Colony, New Delhi - 110 001, 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/gear.

Visa Requirements

Participants are advised to obtain visa for two weeks stay in India.

Last Date for Receiving Nominations

December 30, 2016

Last Date for Availing Early Bird Incentive

December 24, 2016

About the Institute

The NIBM is a premier academic-cum-training institute for providing research, training and consultancy services to the banking industry and financial institutions both in India and abroad. The institute was established in 1969 as an autonomous body by the Government of India and is supported by the Reserve Bank of India, commercial banks and financial institutions in India.

The institute aims at promoting professionalism in the management of banks and other financial institutions by carrying out the following functions:

1. Imparting **training** and **education** to bankers both in general and functional management areas.
2. Conducting fundamental and applied **research** on problems concerning the banking industry.
3. Providing **consultancy** and other **advisory services** to the industry in their problem-solving endeavours.

The NIBM currently has 30 faculty members working in the following area groups (multi-disciplinary approach): (a) Finance, (b) Human Resource Management, (c) Information Technology, (d) Money, International Banking and Finance, (e) Rural Finance and Development, (f) Strategic Planning, Marketing and Control.

The institute conducts the following major education and training programmes:

- Top management conferences and seminars on policy issues.
- Training programmes in functional and general management areas for senior bank executives from India and other countries.
- Programmes for development of faculty at the banks' training establishments.
- In-company programmes for meeting organisation-specific requirements of banks and financial institutions both in India and abroad.

- ❑ Conducting AICTE-approved Post-Graduate Diploma in Management (PGDM) - Banking and Financial Services to provide to the financial system a pool of talented young executives on a regular basis.

The institute has been actively involved in research on various subjects concerning the banking and financial system. It has brought out more than 100 publications in the form of books and monographs. The institute also brings out the following quarterly journals in English:

- (a) ***Prajnan***: Journal of Social and Management Science (launched in 1972).
- (b) ***Vinimaya***: Presents conceptual and practical viewpoints of both the bankers and management educationists on issues of bank management in an informal style (launched in 1976).

The institute has contributed significantly to the development of banking and financial sector in India and other developing countries through its consultancy and policy research activities in diverse areas. It has an excellent library with more than 65,000 books, 10,000 bound volumes of journals and 2,000 reports of various committees. The library receives more than 240 Indian and foreign academic journals on various subjects of management, information technology, banking and finance.

The institute also has a modern, well-equipped Computer Service Centre to support its academic activities. It has excellent administrative support facilities for carrying out its activities. These include reprographic services, internet and e-mail facilities, travel booking arrangements, entertainment facilities, etc. Medical facilities are also provided within the campus. The supporting administrative staff is efficient and well-organised.

The NIBM campus is situated in sylvan surroundings with well-maintained gardens, lawns and trees. Its buildings are spread over an area of 60 acres in a valley situated about 9 km from Pune railway station and 16 km from the airport. 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.

City of Pune

NIBM is located within central Pune, a metropolitan city in Maharashtra state about 170 km to the south-east of Mumbai (3.5 hours by car). The city is well-connected by air, rail and road to all the major cities and business centres of the country. Pune, considered to be the educational and cultural capital of the state, is endowed with a number of renowned institutions. Besides, it has a prominent place in the historical map of the country. The city also houses a variety of large and medium-sized industrial units and IT companies.

Climate

The city being situated on the eastern hills of the Sahyadri range of mountains of the Western Ghats, the climate is generally pleasant. Day time temperature during the scheduled programme will be a maximum of 29° C and a minimum of 12° C at night.

Reaching NIBM Campus

A relevant road map of Pune to guide the arriving participants is given on the back cover of this booklet. The Chhatrapati Shivaji Maharaj International Airport at Mumbai is the nearest international airport. Pune is connected by air and rail from major metros like Mumbai, New Delhi, Kolkata, Chennai and Bangalore. The city is also approachable by road from Mumbai and the shared taxi service, luxury (AC Volvo) and semi-luxury (ASIAD) buses are regularly available from the Mumbai airport and Dadar TT (about 15 kilometres from the airport). The taxi and bus charges are about Rs 450 and Rs 250-550 per head respectively. The road journey of 200 kilometres from Mumbai to Pune normally takes around 3.5 hours.

Participants will be received at the Pune railway/bus station/taxi stand/airport only if a request is made in advance indicating confirmed arrival timings. In case of any requirements on arrival at Mumbai, participants may contact the **NIBM Mumbai Office, Tel.: +91-022-23534782, +91-09867885332. Contact Person: Mr Sanjay Redkar.**

Please visit our website: www.nibmindia.org for further details.



**Executive Complex
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