

Programme on Liquidity Risk Management for NBFCs

(Focus: Draft RBI Guidelines)

September 18 – 20, 2019

Coordinator
Prof Sanjay Basu



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

Programme on Liquidity Risk Management for NBFCs (Focus: Draft RBI Guidelines)

Introduction

The ILFS crisis has shown how liquidity problems can trigger off solvency concerns at NBFCs. It has also demonstrated how funding constraints can spill over into securities markets and spread fast from one institution to another. As a result, RBI has issued draft Liquidity Risk Management Guidelines in May 2019. These guidelines propose stringent methods for liquidity risk estimation, supervision and control, at NBFCs. Strict liquidity stress tests have also been advised. Even the Liquidity Coverage Ratio (LCR) has been prescribed, to address short-term funding concerns.

In this context, a sound, effective and comprehensive Liquidity Risk Management framework is vital for NBFCs. It provides them a clear indication of the sources of shocks and their impact on inflows and outflows. It enables them to estimate requisite liquidity buffers, under normal and stressed conditions. It allows them to study risk interactions, fix liquidity risk limits and design conservative strategies for bank-specific and systemic liquidity events. Finally, it helps them price the costs and benefits of liquidity risk, for loans and deposits. To equip NBFCs with the tools and concepts, to appreciate the nuances of liquidity risk in volatile markets, we offer a programme on Liquidity Risk Management.

Training Methods

Discussion of concepts and techniques, lab sessions, case studies and sharing of experience.

Faculty

In addition to NIBM faculty, professionals and practitioners from leading banks and NBFCs will participate as guest faculty.

Outline

1. Overview

- ❑ Need for Liquidity Risk Management at NBFCs
- ❑ Recent challenges and initiatives in Liquidity Risk Management

2. Prerequisites

- ❑ Liquidity Gap Statements
- ❑ LCR

3. Behavioural Analysis for Non-Maturity Products

- ❑ Simulation Models
- ❑ Optimization models

4. FTP for Liquidity Risk

5. Stress Testing for Liquidity Risk

- ❑ Scenario analysis
- ❑ Risk interactions and Macroeconomic models
- ❑ Estimation of Tail losses
- ❑ Contingency Funding Plans

6. Applications

- ❑ Liquidity Risk Appetite Statement.
- ❑ Liquidity Risk Governance Framework

Who should Attend?

The programme is intended for middle and senior level executives of NBFCs in ALM, Treasury and Risk Management, who need to know about Liquidity Risk Management.

Dates

September 18 – 20, 2019

The programme will commence at 9.00 am on September 18 and conclude by 5.00 pm on September 20, 2019. Participants are expected to reach NIBM Campus positively by the evening of September 17, 2019.

Venue

NIBM Campus, Kondhwe Khurd
Pune, India.

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 appropriate clothes/gear.

Programme Coordinator

Prof Sanjay Basu
Associate Professor &
Associate Dean (Research)
(Finance Area Goup)

Last Date for Receiving

Nominations:

September 7, 2019

Last Date for

Availing Early Bird Incentive of 5%:

September 3, 2019

(See fee structure on
home page of the website)

Nominations and Enquiries

Please address your enquiries and
nominations to:

Dr Sanjay Basu
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Pune 411 048, INDIA

Tel. : 0091-20-26716000 (EPABX),
0091-20-26716129 (Direct)

Fax : 0091-20-26834478

E-mail : sbasu@nibmindia.org

Website : www.nibmindia.org

Programme Fee (per participant)

Fee	GST	Fee+GST	TDS
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.
- **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 and mode of remittance, Pune City route map and local conveyance.

