

Online Programme on RISK MANAGEMENT UNDER BASEL REGIME

(For First Time Risk Managers)

March 1 – 6, 2021

(Online course duration 25 hours)

Coordinators

Dr Kedar nath Mukherjee

Dr Tasneem Chherawala

(Faculty Members, NIBM)



National Institute of Bank Management
Pune, India

Who should Attend?

The programme intends to reach out to the Credit, Market and Operational Risk Managers, who have recently joined the Risk Management department / Zonal Offices / Treasury Mid-Office, Analysts, Relationship Managers, Bank Regulators and Supervisors, and Auditors. Any official, not necessarily a risk management specialist, but interested in risk management practices in banks is also welcome to participate.

Nominations and Enquiries

Nominations are invited from both Institutions and Individuals from India and Abroad. Executives working in banks/financial institution/consulting firms/technology firms in the banking and financial services domain can apply for the programme.

Please address your enquiries and nominations to:

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**Last Date for Receiving Nominations:
February 26, 2021**

Programme Fee (per participant) for 25 hours programme

US \$ 1000 for foreign participant

	Fee	GST	Fee+GST	TDS
Member Banks :	21000	3780	24780	2100
Non-Member Banks :	24500	4410	28910	2450
Individual Nominee :	24500	4410	28910	---

The fee includes the cost of tuition, access to reading material and recorded videos, etc. (Central 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 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*

1. Name & Address of our Bankers	: Punjab National Bank C-2, Shop No. 4-5, Bramha Estate Kondhwe Khurd, Pune 411 048 Maharashtra, India
2. Name of the Beneficiary	: National Institute of Bank Management
3. NIBM's Bank Account No. with Punjab National Bank	: 11281131004402
4. Bank's Swift Code	: PUNBINBDDIB
5. Preferred Currency	: USD
6. Correspondent Bank of Punjab National Bank	: WELLS FARGO BANK NA
7. Punjab National Bank A/c No. with Correspondent Bank	: 2000193007918
8. Swift Code with Wells Fargo Bank	: PNBUS3NNYC
9. IFSC	: PUNB0108810

*** 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.

Programme Background

Increasing internationalization of banking operations, followed by poor risk management standards and practices in banks and FIs have threatened financial market stability on numerous occasions. The Basel Committee initiatives in this direction insist on setting up rigorous risk and capital management requirements by the banks to ensure their soundness and thereby protect the global financial system. Basel II aimed to align regulatory capital requirements to banking risks and also promoted sophisticated approaches to risk management. However, the capital adequacy rules of Basel II did not adequately capture risks posed by certain exposures and also failed to take into account the systemic risks associated with the build-up of leverage in the banking sector. Accordingly, the Basel III Framework was developed in response to the deficiencies in financial regulation as revealed by the global financial crisis.

In line with Basel II, the Reserve Bank of India (RBI) has issued guidelines on the adoption of advanced risk measurement approaches for Pillar I risks by banks in India. Migration to the advanced approaches is expected to incentivize banks to improve their risk management processes and systems and enhance their stress testing and capital planning capabilities under Pillar 2. Concurrently, the adoption of Basel III, introduced by RBI in 2013, has improved the ability of banks to withstand periods of economic and financial stress through more stringent capital and liquidity requirements.

Given this background, the captioned online training programme has been designed to provide newly inducted risk managers of Banks and FIs, with an overall understanding of the risk management framework for Credit, Market, Operational and Liquidity Risks under Basel II and Basel III.

Training Pedagogy

The entire training programme will be conducted through online mode. The online delivery is designed in such a way that the programme participants will get most of the benefits of classroom training plus the additional benefits and flexibilities of online classes.

The training pedagogy proposed to be followed here includes online classes (Video Lectures), focusing on class presentations and interactions, case analysis, Excel based Hands-on sessions through screen sharing, etc. All participants will be provided with advance reading materials (soft copies) before the training starts. All quantitative models and analysis will be discussed in a lucid manner so as to make the programme content equally relevant for participants with varying technical backgrounds. Besides programme coordinators and other NIBM Faculty members, a pool of Senior and Top-level Industry Experts (Heading Risk Management Desk in various Banks) Top Executive from Regulatory Bodies) will be involved to augment the learning experience of the participants.

Content Highlights

- ❑ **Overview of Risk Management under Basel II and III**
- ❑ **Basel II: Pillar I and II Risk**
- ❑ **Credit Risk**
 - Credit Rating Models
 - Credit Risk Drivers (PD, LGD and EAD)
 - Portfolio Credit Risk Management
 - Credit Risk Capital Charge under the Standardized and IRB Approaches
 - Stress Testing Credit Risk
- ❑ **Market Risk and Asset Liability Management**
 - Interest Rate Risk in Trading Book
 - Value-at-Risk (VaR) and Expected Shortfall
 - Managing Interest Rate Risk in Banking Book
 - Liquidity Risk (Measurement: LCR & NSFR and Stress Testing)
 - Market Risk Capital Charge under SMM and IMA
- ❑ **Operational Risk Management**
 - Approaches of Capital Charge computation under Basel II and Basel III
- ❑ **Capital Planning**
- ❑ **Economic Capital and RAROC**

Programme Dates

The Online programme will be open to the participants over a period of 6 days (March 1 – 6, 2021).

Training Modalities

This online course will have 25 hours of engagement time, spread over a maximum of 6 days, which includes several self-paced study and live interactions of participants. The courseware will include the following:

- I. Online Reading Materials for self-study (Teaching Notes, PPTs, other Reference Materials, Excel Sheets, etc., to be provided to all the registered participants in advance)
- II. Online Video sessions comprising of:
 - i. Pre-recorded Video Sessions (covering major topics)
 - ii. Interactive Video Sessions (for discussions, clarification of doubt, etc.)
- III. Self-assessment to track progress in the course

Participants enrolled to the programme will be provided with log-in id and password to enter into the learning platform of the institute. Guidance will be provided for navigating through the various activities in the platform such as accessing courseware, viewing video sessions, participating in live sessions, taking quizzes, etc. The programme window will be open for maximum 6 days from date of commencement. Schedule for live session will be provided at the start of the programme. Executives attending the programme would need internet access on a desktop or laptop with Google Chrome to enable access to live and recorded sessions. Participants are also expected to be conversant with MS-Excel for solving Cases, Numerical and practical Hands-on.