

FIMCIR/2017-18/16

3rd October, 2017

To All FIMMDA Members/ Non Members

Dear Sir/ Madam,

Awareness Programme - Operational Risk Management Program on 26th -27th October, 2017

FIMMDA in co-ordination with Dun & Bradstreet Information Services (India) Pvt Ltd (D&B) is **hosting a new two day training programme on “Operational Risk Management Program” on 26th -27th October, 2017.**

The programme is designed to help market participants understand the implementation issues of Operational Risk Management in their organisations especially keeping in mind the Basel guidelines. The workshop will include Measurement, Validation, Stress Testing, Scenario Analysis, , Monitoring, Best Practices and other relevant topics. The programme is generic and includes all operational risks including Treasury related. Case studies will be taken up for better understanding of the issues involved.

The training is aimed at middle level executives in the operational Risk management Area. The brief details of the program are as under:

Program title : Operational Risk Management Program

Course handled by : Faculty from D&B

Course Fee : Members : Rs 17,000 + 18% GST Rs 3,060 =Rs.20060
: Non Members : Rs 19,000 + 18% GST Rs 3,420 =Rs.22420

Period : 26th -27th October, 2017 (Thursday & Friday)

Timing : 10.00 am to 05.00 pm including lunch break

Venue : FIMMDA
2nd Floor, United India Building,
Next to RBI Amar Building - Monetary Museum
P.M. Road, Fort,
Mumbai - 400 001



Nurturing Markets,
Widening Horizons

Regd. Office: 2nd Flr, United India Bldg, Sir P.M. Marg,
Next to RBI Amar bldg. - Monetary Museum,
Fort, Mumbai - 400 001.
Tel: 022-22690321 - 26
Fax : 022-22626454

E-mail: training@fimmda.org

Phone No : 022-22690326

Training coordinator: Tejas Rane

E-mail Id : training@fimmda.org

Laptops will be provided by FIMMDA

A tentative time - table (Annexure I) of the course is enclosed for your perusal. This is a non - residential course.

The registration will be confirmed only on receipt of payment along with registration form.

Please send your registration forms by mail/fax, mentioning names of candidates you are sponsoring, followed by your detailed letter along with payment

Due to logistic reasons, we can accept up to a maximum of 20 candidates on first come first serve basis

Yours faithfully,

D.V.S.S.V Prasad
Chief Executive Officer

Enclose: Registration Form

Annexure I (Program Schedule / Contents for Operational risk management)



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REGISTRATION FORM

Operational Risk Management Program on 26th-27th October, 2017

Organization:

Office Address:

Telephone Number:

Fax Number:

Name of Participant/Designation	Department	Mobile No	E-mail ID

AUTHORISED SIGNATORY: _____

Date:

UTR NO:

Date:

Offline	Online	
Cheque /Demand Draft in Favor of "FIMMDA"	Account No	30782076282
	Name of Bank & Address	State Bank of India Gresham House, Sir P.M. Road Fort, MUMBAI-400001
	IFSC CODE	SBIN0060113



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Payment to be made along with registration form.

(Annexure 1)

Operational Risk Management

Course Structure (Duration - 2 days)

Methodology:

- Presentation and discussions
- Cases/ exercises/ examples
- Excel based case studies as and when required

Key Takeaways:

- Concept of Operational Risk, its measurement and management
- Considerations of Basel II and Basel III
- Operational Risk Framework
- ORM Principles
- Internal and External Loss Data
- ORM Assessment and Controls
- Scenario Analysis
- KRI determination
- Operational Risk Capital Modeling : BIA, TSA and AMA as per Basel guidelines
- Best practices and implementation issues

Contents

- Concept of Operational Risk
- Operational Risk Management and Measurement
- Operational Risk examples in treasury
- Drivers of Operational Risk Management
- Considerations of Basel II and Basel III
- What are the Basel regulatory expectations
 - ✓ The first pillar – Minimum capital requirements
 - ✓ The second pillar – Supervisory review
 - ✓ The third pillar – Market discipline
- Overview of Basel Operational Risk Management Approaches : BIA, TSA, AMA
- Modeling Operational Risk Capital



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- ✓ Economic Capital
- ✓ Regulatory Capital

- Operational Risk Framework overview
 - Loss Data Collection
 - Risk and control self-assessment
 - Scenario Analysis
 - Key Risk Indicators
 - Reporting
- Principles for Operational Risk Management as per Basel Guidelines
- Case study of Barings Bank collapse
- Creating an operational risk policy boilerplate
- Operational Risk Loss Data Collection Process
 - Internal Data
 - External Data
- BASEL-II Detailed Loss Event Type Classification
- Challenges in Loss Data collection
- Case study of Societe Generale and External Event
- Near miss, Types of recovery & losses
- Risk and Control Assessments(RCSA)
 - RCSA Questionnaire Approach
 - RCSA Workshop Approach
 - Hybrid RCSA Method
 - RCSA Scoring Methods
 - Usage of Frequency and Severity Distribution
- Scenario Analysis in Operational Risk
 - Methods



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- Biases
- Scenario Analysis Output
- Key Risk Indicators
 - Selecting KRIs
 - KRI Standards o KRI examples
 - KRI Challenges
- Reporting Framework of Operational Risks
 - Loss Data Reporting of Internal and External events
 - Action Tracking Reporting
- Operational Risk Capital Modeling & Capital calculation : Detailed Quantification as per Basel Guidelines
 - Basic Indicator Approach
 - Standardised Approach
 - Advanced Measurement Approach
- Stress testing and back testing of models
- An overview of Standardized Measurement Approach – BASEL III
- Excel based case studies for operational risk capital modelling
- Implementation issues
- Best practices of operational risk management

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