

## Programme on Operational Risk Management

**Objectives:** The objective of the programme is to have a thorough discussion on operational risk management looking to the business environment and sustainability.

This programme is specifically designed and targeted at the Chief Risk Officers of banks and their senior level team, who are responsible for management of Operational Risk in the banks.

**Date: June 27 and 28, 2013**

**Venue: Hotel Trident, Nariman Point, Mumbai**

Time	Session	Speaker
9.35 am to 9.45.00 am	Welcome and Introduction	Director CAFRAL
9.45.00 am to 11.15 am	Advanced Approaches in Operational Risk - Regulatory Perspective	Anupam Sonal, GM , RBI
11.15 am to 11.30 am	Tea Break	
11.30 am to 12.45 am	Challenges in Operational Risk Management within the first line  The differentiated role of the second line in Operational Risk Control  •	Srinivasan Iyengar, Group Head Operational Risk, Functions  Standard Chartered Bank
12.45 pm to 01.30 pm	Lunch Break	
01.30 pm to 03.00 pm	Operational Risk Management (ORM) Framework: <ul style="list-style-type: none"> <li>• Qualitative requirements: TSA and AMA</li> <li>• ORM process (RCSA, KRI, Incident Management and Insurance)</li> </ul>	Ashvin Parekh Partner Ernst &Young
03.00 pm to 03.15 pm	Tea Break	
03.15 pm to 04.30 pm	Internal Loss data: <ul style="list-style-type: none"> <li>• Setting up a comprehensive system and process for ensuring completeness</li> <li>• Treatment of specific issues (recoveries, accounting losses, legal provisions, fixed assets write-offs, various dates)</li> </ul>	Srinath M, Head Operational Risk Management , Axis Bank
04.30 pm to 06.00 pm	Case study and Group discussion on bank specific strategies for Internal Loss data collection and modeling	Bharan Kumar, DGM ICICI
<b>Day 2</b>		
09.45am to 11.00am	Scenario analysis and external loss data: <ul style="list-style-type: none"> <li>• Identification, quantification and benchmarking of scenarios</li> <li>• External loss data availability and</li> </ul>	B Banerji, GM, RBI

	<p style="text-align: center;">modeling</p> <ul style="list-style-type: none"> <li>• Consideration of external loss data and macro-economic factors in scenario building</li> </ul>	Bharan Kumar, DGM ICICI
11.00 am to 11.15 am	Tea Break	
11.15 am to 12.00 pm	<p style="text-align: center;">Business Environment and Internal Control Factors (BEICF):</p> <ul style="list-style-type: none"> <li>• Identifying BEICFs</li> <li>• Modelling and measuring BEICFs</li> <li>• ICFs and Use Test Criteria</li> </ul>	Ashvin Parekh Partner Ernst &Young
12.00pm to 01.30 pm	<p>Operational Risk Measurement System (ORMS):</p> <ul style="list-style-type: none"> <li>• Integration of the four AMA elements</li> <li>• Methodologies, policies, process and governance</li> <li>• AMA model</li> <li>• Correlation and dependency modeling</li> <li>• Model validation</li> </ul>	Bharan Kumar, DGM, ICICI Bank  Sandipan Ray, AGM ICICI Bank
01.30 pm to 02.30 pm	Lunch	
02.30 pm to 03.45 pm	Group presentation on operational risk capital allocation framework and use test criterion implementation	Participants
03.45 pm to 04.00pm	Tea Break	
4.00 pm to 5.15 pm	<p>Role of Internal audit:</p> <ul style="list-style-type: none"> <li>• In ORMF and ORMS</li> <li>• Three lines of defence</li> <li>• Evaluating effectiveness and placing reliance on ORM (2<sup>nd</sup> line of defence)</li> </ul>	V. Murali, DMD, SBI