

# Governing Council



D. Subbarao Governor, RBI Chairman



K.C. Chakrabarty Deputy Governor, **RBI** Member



**Urjit Patel** Deputy Governor, **RBI** Member

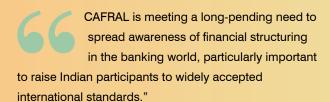


Ashok Ganguly Member



J.J. Irani Member

CAFRAL is rapidly evolving into a world class institution of financial learning. Its initiative in leading edge research in finance and banking will become its core contribution." Ashok Ganguly, Member, Governing Council



Jamshed J. Irani, Member, Governing Council



M.D. Mallya, Member, Governing Council



Y.H. Malegam Member



M.D. Mallya Member



T.V. Mohandas Pai Member



**Usha Thorat Director** 

Dr. Urjit Patel was nominated to the Governing Council by RBI in place of Dr. S.V. Gokarn, who demitted office as of 31 December 31 2012.

# Chairman's Message

Next month, we will be marking the fifth anniversary of the collapse of Lehman Brothers which will go down in popular perception as the final trigger for the global financial crisis. Five years on, the crisis is still with us; only the geography, the immediate concerns and pressure points have changed. Nothing evidences the continuing impact of the crisis more than the developments, over the last two months, when the mere possibility of a 'taper' of Quantitative Easing (QE) by the US Federal Reserve has destabilised financial markets around the world, denting the prospects for growth and welfare, especially in emerging economies.

The crisis has taken policy-making into uncharted territory, testing the limits of our understanding of the

dynamics of the financial sector, the power of globalisation and the interlinkages between the financial and real sectors of the economy. Improving our understanding in this regard is going to be vital for managing this crisis and preventing future crises. This puts everyone, particularly policy makers, on a steep learning curve. Many things are necessary to help us traverse that learning curve including research, learning and training. It is here that institutes such as CAFRAL can add immense value.

I am glad to note that, over the last two years, CAFRAL has made impressive progress in establishing its USP through its learning, training and research activities. In the learning area, CAFRAL has made a credible beginning in developing and nurturing leadership in the banking and finance sectors and in promoting a dialogue between the various stakeholders. Through its outreach to foreign experts in its programme, CAFRAL has brought an international perspective to its learning programme.

The highlight of CAFRAL's training activities last year was its maiden CAFRAL Advanced Leadership Programme (CALP), a unique three-week leadership programme with bespoke design for whole time directors of



Over the last two years, CAFRAL has made impressive progress in establishing its USP through its learning, training and research activities

#### Duvvuri Subbarao

Chairman, Governing Council CAFRAL and Governor, RBI



CAFRAL's niche areas of research could well be cross country studies from emerging economies on current international issues in the financial sector

**Duvvuri Subbarao** Chairman, Governing Council CAFRAL and Governor, RBI

India's commercial banks. The programme covered a wide range of subjects including strategy, governance, technology, people management and risk management. Interactions with iconic figures from the industry, group exercises, case studies and role plays enriched the sustainable learning content of the programme. The feedback from the participants was indeed encouraging. I am hopeful that this will become a prized flagship programme of CAFRAL in the years ahead.

In the research area, CAFRAL's first task has been to bring in team leaders to build up research expertise and catalyse research in the identified fields of financial regulation, risk management, financial markets, financial stability and financial inclusion. Building a network of fellows and expert panels who can assist and collaborate with CAFRAL researchers has been a critical focus area in the year. CAFRAL has also constituted an impressive Research Advisory Council (RAC) to provide guidance on its research activities. Given RBI's own research agenda, and that of its associate institutions such as NIBM, IGIDR and IDRBT, CAFRAL's niche areas of research could well be cross country studies from emerging economies on current international issues in the financial sector. CAFRAL should build comparative advantage in researching issues that are of common interest to emerging economies and to the world at large with the aim of helping policy makers take informed and well-articulated positions in international meetings.

I want to take this opportunity to commend the Director, faculty and staff of CAFRAL for the leadership role they have played and for the reputation they have already established for the quality of their work, and wish them every success in all future endeavours.

**Duvvuri Subbarao** 

Chairman, Governing Council, CAFRAL and Governor RBI



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# Abbreviations

ALM Asset Liability Management

BCBS Basel Committee on Banking Supervision

CAFRAL Centre for Advanced Financial Research and Learning

CALP CAFRAL Advanced Leadership Programme

EBRD European Bank for Reconstruction and Development

EME Emerging Market Economy

FSB Financial Stability Board

HR Human Resources

ICWA Institute of Cost and Work Accountants

IGIDR Indira Gandhi Institute of Development Research

IDRBT Institute for Development & Research in Banking Technology

IIM Indian Institute of Management

IT Information Technology

NABARD National Bank for Agriculture and Rural Development

NIBM National Institute of Bank Management

NPA Non-Performing Assets

PRMIA Professional Risk Managers International Association

QE Quantitative Easing

RAC Research Advisory Council

RBI Reserve Bank of India

RBWC Reinventing Bretton Woods Committee

SME Small and Medium Enterprises

USP Unique Selling Point

# **About CAFRAL**

The Centre for Advanced Financial Research and Learning has been set up by the Reserve Bank of India against the backdrop of India's evolving role in the global economy, in the financial services sector and its position in various international fora, to develop into a global hub for research and learning in banking and finance.

CAFRAL is a not-for-profit organisation established as a Society and a Trust; it is an independent body fully funded by RBI.

CAFRAL became operational in January 2011 with Usha Thorat, former Deputy Governor, RBI taking over as Director. It is engaged in conducting seminars, conferences and other learning programmes for central banks, regulators, senior management in the financial sector, industry and government on matters related to banking and finance. CAFRAL undertakes research in areas of interest to the financial sector. It aims to provide a platform for academics, researchers and practitioners to explore issues in banking and finance so as to develop relevant policy and strategies. In carrying forward its objectives, CAFRAL also explores collaboration with other institutions and academics for its research and learning programmes.

# Mission

To evolve as a global centre of excellence for policy research and advanced learning in banking and finance



- → Enhance our understanding of how the financial sector contributes to real sector growth through in-house and collaborative research that is useful and relevant
- → Enhance professional capabilities in the banks, financial sector, and among central bank regulators and policy makers through learning events and programmes
- → Provide a platform for dialogue between policy makers, regulators, financial sector practitioners and academics on issues of topical relevance and systemic importance
- → Communicate and disseminate the conclusions and results of the research and learning activities of CAFRAL to policy makers, central banks, regulators and public at large
- → Collaborate and network with domestic and global institutions with similar mandate for mutually beneficial arrangements







# Formation of the Research Advisory Council

During the year 2012-13, CAFRAL constituted a Research Advisory Council to guide and steer the institution's research agenda on current and emerging areas of research in banking and finance. The members of RAC are:



**CAFRAL** is uniquely positioned to do research based on advanced country studies and methodology and adapt them to India's own financial sector needs to serve the real economy in an inclusive, sustainable and efficient manner."

Sheng, Andrew



The central attractive power of CAFRAL will be if it can give researchers across the world access to Indian data."

Rajan, Raghuram



CAFRAL could get comparative advantage by focusing on systemic risk, structure of financial sector, credit risk and global market developments."

Gopinath, Shyamala

CAFRAL has made good progress by putting in place the backbone for a research team and embarking on interesting projects. With further partnership with RBI on data issues and support from the international research community, it needs to build on this foundation and fulfil its immense potential." Acharya, Viral



I look forward to seeing CAFRAL focussing on the key issues for building India's financial sector, which needs inputs for risk management, managing conflicts and sustainability. It can also add value to the regulators on financial stability and enable them get the balance between protection of consumer interest and risks of regulatory activism."



Kotak, Uday

**CAFRAL** should focus on research related to central banking in the context of globalisation and economic interconnectedness."



Turner, Philip

The impact of Basel-III guidelines on the financial institutions of emerging markets and GDP growth rate, impact assessment of quantitative easing on emerging economies, causes/effects for the financialisation of commodities, segment-wise credit intensity and corresponding determinants that strengthen it are some critical areas for CAFRAL research."



Kochhar. Chanda

I think the positioning of CAFRAL should be truly differentiated, which is to take up issues that will resonate internationally and are relevant across countries."



Kudva, Roopa



Key specific issues confronting developing countries today are international transmission of financial impulses and shocks from advanced countries, notably the U.S. and the Eurozone."

**Akyüz**, Yilmaz



Cafral should have a signature research programme on a theme that strikes a reasonable balance between intellectual depth and practical application."

Duan, Jin-Chuan



CAFRAL should play to its strengths as it has a formidable network of researchers and wellwishers."

Ranade, Ajit



CAFRAL should play the role of a platform institution and not a research institution in the classic sense since the number of topics are very large and will keep growing."

Mor, Nachiket



CAFRAL can be a catalyst to achieve multiple objectives. It is important for the institution to have quality research papers to attract other credible researchers. A web-based open access research portal, project-based funding and conferences for dissemination of grant-based research output will invoke interest in India specific research."

Puri, Manju

DIRECTOR'S REPORT
Activities 2012-13



## **Speaker Sound Bytes**

"The CAFRAL Advanced **Leadership Programme was** a commendable initiative to equip senior managers from the public sector banks for larger leadership roles. As a speaker at the Programme, I found the combined banking experience gathered in the room to be a unique feature of the programme, facilitating meaningful discussion on the topic."

Chanda Kochhar Managing Director and Chief Executive Officer, ICICI Bank

"CAFRAL did a masterly job in designing this comprehensive programme for Executive Directors of public sector banks, which is a strategic group for the banking sector. A rigorous pre-training research helped in designing the inputs that really were extremely useful. For my two sessions on HR, I had two meetings with the Director and faculty to have an understanding about the contents, methodology and delivery. I really enjoyed associating with this programme."

> Anil K. Khandelwal former CMD, Bank of Baroda

# Learning

A key aspect of CAFRAL's learning programmes is to bring in experts and regulators with rich practical experience in the subject to interact with senior functionaries in the banking and financial sector so as to promote more informed thinking and decision making.

The highlight of the year was the CAFRAL Advanced Leadership Programme (CALP) for Executive Directors and senior General Managers, predominantly in the public sector banks. The programme represented a combination of behavioural, management, strategy and governance inputs apart from specific inputs on IT, HR and risk management. Interaction with a galaxy of top leaders in the industry provided an opportunity to understand different leadership styles and strategies. The overseas visit covering mass retail banking in Indonesia and infrastructure financing in Singapore gave the participants an opportunity to get a direct feel of the practices at the field/ project sites. Case studies and role plays were very popular and helped in internalising the learning process. In all, 60 experts helped in conducting the programme in India and overseas.

## CAFRAL Advanced Leadership Programme

November 26 to December 15, 2012

Lonavala, Jakarta, Singapore











Interaction with leaders



Stakeholder expectations



Personal mastery: Prasad Kaipa



Gobal challenges: Gunit Chadha



Role play: Board meeting on IT strategy



Some particiants

#### **Speaker Sound Bytes**

"You thought through what makes leaders and banks successful and brought together participants and faculty to make it happen. Your design, ideas and commitment were bold .... was deeply touched by the quality of participation by attendees. They were eager, interested, engaged and I know some of them tried to apply what they learned because I got e-mails and messages from them and their colleagues."



"CAFRAL's programme on advanced leadership has so very aptly addressed the importance of IT in banking by having a full-fledged exercise to get the participants to work as groups .... and present a very thorough IT strategy for the bank they were representing as a team."

Sudhir Rao, Indusage

## **Participant Sound Bytes**

"The capability to put together such a galaxy of eminent speakers and the unswerving commitment of the CAFRAL team ... was truly remarkable. The programme served as a mirror for me and has left a lasting impression on my leadership style."

> B.K. Batra DMD, IDBI Bank

"CAFRAL is going to become a prime centre for research in the area of banking and finance. I would be proud to be a part of any of the studies undertaken by CAFRAL in future."

> Sanjay Arya Executive Director, United Bank of India

## Speaker Sound Bytes

"A very comprehensive and wellorganised programme, with a level of attendance and participation well above the standards."

> Aristobulo de Juan Former Director General. Banco De Espana

"The theme of the programme was very timely and the content was well thought out, thereby resulting in the diversity of the participants who were attracted to the programme. The programme approach of theory and group participation was appreciated by the participants."

**Chris Cardoza** Programme Director, Toronto Centre

## **Participant Sound Bytes**

"The programme is by far the most interactive, informative, and practical. I learn a lot from speakers and fellow participants who have extensive experiences in the financial sector."

> Nu Kanokwan, Bank of Thailand, Thailand

Another extremely well received programme was on Supervisory Effectiveness in the Post Crisis World organised for the senior supervisors from central banks/regulators around the world. Supervisors from Bangladesh, Ghana, Indonesia, Kenya, Malaysia, Malawi, Mauritius, Nepal, Oman, Philippines, Sri Lanka, Sudan, Taiwan, Thailand, Uganda and Zimbabwe participated. The faculty included very senior former regulators from France, Spain, Canada, Singapore and India with rich experience and expertise in handling banking stress and crisis. They provided practical inputs, generating high quality discussions and exchange of experiences among the participants.

The programmes conducted in the year 2012-13 included those with focus on governance such as for non-executive directors (including audit committee members), those that provided a platform for exchange of views on topics of policy and current interest such as those on Non Performing Assets (NPAs), restructured accounts and dynamic provisioning as also those on technical subjects such as risk management, Asset Liability Management (ALM) and balance sheet management. In addition, seminars and conferences on agriculture and Small and Medium Enterprises (SMEs) provided insight into recent innovations in these sectors.

#### Programme on Supervisory Effectiveness in the Post Crisis World

February 4 and 5, 2013 Mumbai







#### Conference of Directors on the Boards of Commercial Banks

June 29, 2012 and October 4 and 5, 2012

#### Mumbai









# Programme on Financing Agricultural Growth and Conference on Small and Medium Enterprises

May 25, 2012 and September 7, 2012

#### Mumbai







Roundtables on Management of Problem and Distressed Loans and Report of Mahapatra Working Group on Debt Restructuring

**April 19, 2012 and September 13, 2012** 

#### Mumbai









Risk management, in its various ramifications, is an area where capacity building in the banking sector at all levels is critical. In meeting the gaps, CAFRAL conducted seven programmes during the year: three on treasury, balance sheet management and risk management, respectively, in Mumbai; and four ALM programmes at the instance of the Government of India (Department of Financial Services) for 26 public sector banks in Mumbai, Delhi, Kolkata and Chennai.

The international presence of CAFRAL was reinforced with the Director making presentations at conferences organised by EBRD and RBWC in London, PRMIA in New York, Toronto Center in Toronto and First GPFI annual conference on standard setting bodies and financial inclusion by BIS and FSI in Basel.

The complete details of the learning and research programmes and events conducted during the year are given in the Annex 1.

## Programme on Strategic Management of Bank's Balance Sheet and Risk Management

July 27 and 28, 2012 and August 24 and 25, 2012 Mumbai





# **Speaker Sound Bytes**

"I have been associated with a few learning programmes of CAFRAL over the last year or so. I have found that the unique aspect of CAFRAL programmes is that the structure of the sessions and the choice of experienced and expert speakers ensures that those attending the programme are able to get valuable and practical takeaways for performing their increasingly complex jobs more effectively."

**Shyamala Gopinath** 

## Programme on Asset Liability Management

January 19 and 20; February 9 and 10; February 16 and 17; February 23 and 24, 2013

Delhi, Chennai, Mumbai and Kolkata









# Research

During the year, the research activities gained some momentum after the Head of Research, Dr.Sabri Oncu, joined in January 2012 and later when one more researcher moved from RBI to CAFRAL in May 2012.

The formation of the RAC and its first meeting in January 2013 was a milestone towards CAFRAL's research goals. Governor Subbarao and all members of the Governing Council participated in the first meeting of the RAC. The Governor set the tone by spelling out the areas of research where CAFRAL could add value:

- Cross country research across emerging market economies (EMEs) on issues in the financial sector dealt with by for a such as G20, Financial Stability Board (FSB), Basel Committee on Banking Supervision (BCBS), etc.
- Size, scope and shape of the financial sector in the light of the global financial crisis.
- How EME markets deal with the impossible trinity as also the new trilemma, viz., price stability, financial stability and sovereign debt sustainability in the context of globalisation.
- Regulatory standards and implications for EMEs, especially for trade, SME and infrastructure.
- Financial inclusion from the supply side as well as demand side to understand the incentive framework that drives it.

RAC members agreed that CAFRAL would have a relative advantage in focusing on regulatory and cross country issues in EMEs. They suggested that specialising on a few themes would give CAFRAL more traction. Some of the topics for research suggested were:







- Impact of under- and over-regulation
- Role of microfinance as a critical link between real and financial sector
- Impact of policy interventions and responses to existing regulations
- Externalities of foreign capital flows
- Systemic risk impact on account of "systemically important corporates"
- Liquidity management and maturity mismatch in context of globalisation
- Consumer finance
- Impact of Basle 3 on EMEs
- Implication of "too big to fail' in systems where the financial sector in relation to GDP was itself small
- Forecasting credit needs for growth based on credit intensity of different sectors
- Relation between state and private ownership of financial institutions
- Bank-based vs. market-based systems
- Modelling of SME risk
- Role of foreign banks in globalisation and capital account liberalisation

## Staffina

On staffing and attracting talent, RAC members' view was that there should be a compact but strong in-house research team which could undertake research itself and also collaborate with outside institutions and researchers. CAFRAL could thus provide a research platform for a network of researchers.

#### Data

RAC members felt that one way to attract talent and ensure that good credible research is undertaken on the Indian financial sector was to develop CAFRAL as a data hub for user-friendly data sets on various segments of the Indian financial sector. This way CAFRAL could carve out a niche for itself.

## Research Papers

- Acharya, V.V. and T.S. Oncu, "A Proposal for the Resolution of Systemically Important Assets and Liabilities: The Case of the Repo Market", International Journal of Central Banking, January 2013 http:// www.ijcb.org/journal/ijcb13q0a14.htm
- II. Ananth, S. and T.S. Oncu, "Challenges to Financial Inclusion in India: The Case of Andhra Pradesh", Economic and Political Weekly, February 2013 http://www.epw.in/special-articles/challenges-financial-inclusionindia.html
- III. Acharya, V.V., H. Khandwala and T.S. Oncu, "The Growth of a Shadow Banking System in Emerging Markets: Evidence from India", Journal of International Money and Finance, forthcoming http://www.cafral.org.in/ docs/Paper%20-%20NBFC Revision13.pdf

- IV. Dhal, S. "Industry Effects of Monetary Transmission Mechanism in India: An Empirical Analysis of Use-based Industries", RBI Occasional Papers, October 2012 http://rbidocs.rbi.org.in/rdocs/Publications/PDFs/OPM 26102012F.pdf
- V. Ansari, J., S. C. Dhal(2013), "Interest Rate Pass-through and Determinants of Commercial Banks' Loan Pricing Decisions in India: Empirical Evidence from Dynamic Panel Data Model" Vol 5, No 1 (2013): Banking and Finance Review

## Reports

- I. A. Nag, "A Study on the Empirical Estimation of Probability of Default (PD), Loss Given Default (LGD) and Exposure at Default (EAD) for Some Selected Indian Banks", 2013
- II. S. Ananth, "Financial Inclusion: A look from the demand side", 2013
- III. Rajeev, M. and B. P. Vani "Financial Exclusion in Urban Regions", in progress

### Research Events

## Workshop on Measuring Financial Inclusion

June 8, 2012

Mumbai



# Conference on Contemporary Issues in Banking and Finance

July 19, 2012

Mumbai



# Symposium on Market Liquidity January 10, 2013

Mumbai





#### Conference Presentations

- Acharya, V.V. and T.S. Oncu, "A Proposal for the Resolution of Systemically Important Assets and Liabilities: The Case of the Repo Market", Washington, Istanbul and Singapore, 2012
- II. Ananth, S. and T.S. Oncu, "Challenges to Financial Inclusion in India: The Case of Andhra Pradesh" in Hyderabad, 2012
- III. Oncu, T.S. "Measuring Financial Inclusion from the Demand Side" in Kuala Lumpur, 2012
- IV. Acharya, V.V., H. Khandwala and T.S. Oncu, "The Growth of a Shadow Banking System in Emerging Markets: Evidence from India", Neemrana and London, 2012

## Research Fellowship Programme

CAFRAL initiated a Research Fellow Programme to create, develop, and promote a sustainable network of bright scholars and researchers in the field of economics, banking and finance. The Research Fellows are expected to participate in CAFRAL-based networks aimed at discussing current research topics, undertake collaborative research projects, and facilitate communication within the academic community to enrich the institute's intellectual and research activities. The currently nominated research fellows are:

Dr. S. Ananth (independent researcher) is a Ph.D. in History and his doctoral thesis was on business culture in the financial sector in Andhra Pradesh. As an independent researcher, he focuses on the areas of economic sociology of credit and savings and has published in various journals.

Dr. Gangadhar Darbha (Nomura Securities) holds a Ph.D. in Economics from IGIDR, Mumbai and a post doctorate in Finance from The Wharton School, University of Pennsylvania. His research interests cover global financial markets and central banking. He has been a regular columnist in Financial Express, Economic Times and Business Standard.

Dr. Venky Panchapagesan (IIM Bangalore) holds a Ph.D. from the University of Southern California, a post-graduate diploma in management from the Indian Institute of Management (IIM) Calcutta and is an Associate Member of the Institute of Cost and Work Accountants (ICWA). His research interests include market microstructure (including issues on market design, liquidity, transaction cost modelling and analysis, execution algorithms and high-frequency trading strategies), mutual funds and Indian real estate.



# Administration and HR

During the year, systems and procedures were further fine-tuned and strengthened. Special efforts were made to comply with all the regulatory and statutory requirements. To ensure continued compliance and bring in more professionalism, a Chartered Accountant has been appointed as Accounts Officer.

An important pending issue of change in our name from CAFL (Centre for Advanced Financial Learning) to CAFRAL (Centre for Advanced Financial Research And Learning) in the records of the Charity Commissioner was approved.

To strengthen our research team and provide adequate manpower to learning activities, CAFRAL hired staff during the year. As at the end of March 2013, CAFRAL had 12 staff on contract and 7 from RBI compared to 5 and 9 the previous year.

In the research wing, four research associates were hired in June 2012, and three research interns in January 2013. Besides this, Samita Sareen has joined as Research Director in July 2013. A Junior Economist is expected to join very soon. Sarat Dhal, who joined CAFRAL as assistant advisor from RBI in May 2012, left for IIM Rohtak in June 2013.

Steps to strengthen the learning wing were initiated during the year and two Programme Directors, Smita Aggarwal and V.G. Venkatachalapathy, have joined in July-August 2013. For filling in some other positions approved by the Governing Council, the process is underway. B. Banerji, General







Manager, RBI, after serving at CAFRAL for more than two years, was relieved for RBI in April 2013.

The names of staff attached to CAFRAL are listed in Annex 2.

With a view to integrate new staff members and reenergise current employees, a two-day retreat was organised at Kolhapur in February 2013. Several team building exercises and sessions were conducted for better understanding of the diverse strengths of the team members and appreciation of team work.

#### **Acknowledgements**

We would like to acknowledge the valuable guidance given to us by our Governing Council and Research Advisory Council members. We are also thankful to the management and officials of the Reserve Bank of India, various financial services institutions, consulting organisations, academics and professionals from various fields for their support to our activities. Without their unstinted support and encouragement, we could not have been able to go far in our journey to achieve our objectives

We also acknowledge the contribution of M/s Sarda Pareek & Company, our internal auditors, M/s Mukund M Chitale & Company, our statutory auditor, Ms. Ananda Swaroop who conceptualised our Annual Report and other service providers.

UshaThorat

Director, CAFRAL

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Balance Sheet 2012-13





# Independent Auditor's Report

To The Trustees of Centre for Advanced Financial Research And Learning

#### **Report on the Financial Statements**

We have audited the accompanying financial statements of Centre for Advanced Financial Research And Learning (The Trust), which comprise the Balance Sheet as at 31st March, 2013, the statement of Income and Expenditure of the Trust for the year ended on that date, and a summary of significant accounting policies.

#### Management's Responsibility for the **Financial Statements**

The Trust's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Trust in accordance with the section 32 of Bombay Public Trust Act 1950. This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Trust's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by trust's management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

#### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us the financial statements give the information required by the Act in the manner so required:

- 1. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit:
- 2. In our opinion, proper books of account as required by law have been kept so far as appears from our examination of those books;
- 3. The Balance Sheet and Statement of Income and Expenditure dealt with by this report are in agreement with the books of account.
- 4. The financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:
- (a) in the case of the Balance Sheet, of the state of affairs of the Trust as at 31st March, 2013; and
- (b) in the case of the Statement of Income and Expenditure, of the income and expenditure of the Trust for the year ended on that date;

For Mukund M. Chitale & Co. Chartered Accountants Firm Reg No. 106655W

> (K. H. Kanade) Partner

M. No.: 106952

Place: Mumbai Date: 26/07/2013



#### The Bombay Public Trusts Act, 1950

## SCHEDULE - VIII [(Vide Rule 17 (1)]

Name of the Public Trust : CENTRE FOR ADVANCED FINANCIAL RESEARCH AND LEARNING

Balance Sheet as at: 31st March, 2013

FUNDS & LIABILITIES	As at 31st March 2013	As at 31st March 2012	
	₹ P.	₹ P.	
Trusts Funds or Corpus:-			
Balance as per last Balance Sheet	5,000,000.00	5,000,000.00	
Other Earmarked Funds:-	-	-	
(Created under the provisions of the Trust Deed			
or Scheme or out of the Income)			
Loans (Secured/Unsecured):-	-	-	
A Marian			
Liabilities:-			
As per Schedule "A"	10,249,121.03	7,699,624.23	
1 4-1-			
Income And Expenditure Account:-			
Balance as per last Balance Sheet	-	-	
Add : Surplus/(Deficit) as per Income and Expenditure A/c			
TOTAL	15,249,121.03	12,699,624.23	

Notes to Accounts - Schedule 'F' As per our report of even date For MUKUND M. CHITALE & CO. CHARTERED ACCOUNTANTS FIRM REG NO.106655W

(K.H.KANADE) PARTNER

M. NO.: 106952

Place: Mumbai Date: 26/07/2013

PROPERTY & ASSETS	As at 31st March 2013	As at 31st March 201	
	₹ P.	₹F	
Immovable Properties:- (At Cost)	-		
Balance as per last Balance Sheet			
Add: Additions during the year			
Less: Sales during the year			
Less: Depreciation up to date			
Investments:-			
 Fixed Deposit with Bank	5,000,000.00		
 Mouselle Dramarties (At east) (Calculus D)			
 Movable Properties (At cost) (Schedule B):-	4 004 007 00		
 Balance as per last Balance Sheet	4,824,227.62	4 004 007 0	
 Add: Additions during the year	2,925,137.80	4,824,227.6	
 Less: Deduction/Sales during the year	114,190.00		
 Less: Depreciation up to date	4,079,790.23	1,607,915.0	
	3,555,385.19	3,216,312.5	
Unsecured and Good			
Sundry Debtors	16,854.00		
Advances:-	3,635,613.55	405,809.0	
As per Schedule "C"			
 Income Outstanding :			
 - Interest Accured on Fixed Deposit	21,262.31		
Cash And Bank Balances :-			
(a) Cash Balance	-		
(b) Bank Balance			
Bank of India	3,020,005.98	9,077,502.6	
Saving Accounts			
 TOTAL	15 040 101 00	10 600 604 0	
 TOTAL	15,249,121.03	12,699,624.2	

CENTRE FOR ADVANCED FINANCIAL RESEARCH AND LEARNING

and of the Property and Assets of the Trust.

TRUSTEE TRUSTEE TRUSTEE

# Income and Expenditure Account for the period ending 31st March, 2013

Expenditure	For the Year Ended 31st	For the Period Ended 31st	Income	For the Year Ended 31st	For the Period Ended 31st
	March 2013	March 2012		March 2013	March 2012
	₹ P.	₹ P.		₹ P.	₹ P.
To Expenditure in respect of	-	-	By Contribution From RBI	38,238,723.38	17,376,357.77
Properties					
To Establishment Expenses					
As per Schedule "D"	2,882,387.17	1,519,174.70	By Bank Interest	402,163.31	151,408.00
			-		
			By Dividend	-	-
To Audit Fees	70,000.00	33,708.00	By Donations in Cash or Kind	-	-
			By Grants:	-	-
To Contribution and Fees	-	-			
			By Income from Other	-	-
To Amount written off	_		Sources		
(a) Bad Debts					
(b) Loan Scholarship					
(c) Irrecoverable Rents					
(d) Other Items					
(d) Other items					
To Depreciation	2,509,934.69	1,607,915.07	By Transfer from Reserve	-	-
As per Schedule "B"					
To Expenditure on the object of					
the trust	00.470.504.00	11,000,000,00			
- Educational	33,178,564.83	14,366,968.00			
As per Schedule "E"					
To Surplus carried over to	-	-			
Balance Sheet					
Total	38,640,886.69	17,527,765.77	Total	38,640,886.69	17,527,765.77
		•			

For MUKUND M. CHITALE & CO. CHARTERED ACCOUNTANTS FIRM REG NO.106655W

CENTRE FOR ADVANCED FINANCIAL RESEARCH AND LEARNING

(K.H.KANADE) PARTNER

TRUSTEE

TRUSTEE

TRUSTEE

M. NO.: 106952

Place: Mumbai Date: 26/07/2013

# Schedule 'A' - Liabilities

Particulars	As at 31st March 2013	As at 31st March 2012	
	₹ P.	₹ P.	
Expenses Payable	507,771.18	796,918.20	
Advances recevied from Reserve Bank of India	8,647,684.85	6,886,408.23	
Advance recevied for Programmes	180,000.00	-	
Service Tax payable	125,667.00	-	
Tax Deducted at Source	774,798.00	16,297.80	
Profession Tax Payable	13,200.00	-	
Total	10,249,121.03	7,699,624.23	



# Schedule B: Movable Properties

Name of the Asset	Rate of	COST				
	Depreciation	As on	Additions	Deletions	As on	
		1st April 2012			31st March 2013	
			₹ P.	₹ P.	₹ P.	
Tangible						
Computer Hardware Including Printers	33.33%	871,535.72	1,255,657.00	114,190.00	2,013,002.72	
Other Electrical Equipment	33.33%	318,492.50	134,133.00	-	452,625.50	
Furniture	20.00%		261,585.00		261,585.00	
Intangible						
Computer Software	33.33%	3,634,199.40	1,273,762.80	-	4,907,962.20	
Total		4,824,227.62	2,925,137.80	114,190.00	7,635,175.42	
4						
Previous Year		-	4,824,227.62	-	4,824,227.62	

# Schedule 'C' - Advances

Particulars	As at 31st March 2013	As at 31st March 2012
	₹ P.	₹ P.
Advance to Employees	17,066.00	150,000.00
Advance against Research Project	1,198,680.00	245,000.00
Service Tax Input Credit	364,655.05	-
Advance to Creditors	174,750.00	-
Other Receviables	5,618.00	7,309.00
TDS for AY 2013-14	1,556,842.50	-
Prepaid Expenses	318,002.00	3,500.00
Total	3,635,613.55	405,809.00

DEPRECIATION				W	/.D.V.
Up to	During the	Deletions	As on	As on	As on
1st April 2012	Year		31st March 2013	31st March 2013	31st March 2012
₹ P.	₹ P.	₹ P.	₹ P.	₹ P.	₹ P.
290,482.86	670,933.81	38,059.53	923,357.14	1,089,645.58	581,052.86
106,153.55	150,860.08		257,013.63	195,611.87	212,338.95
-	52,317.00		52,317.00	209,268.00	-
1,211,278.66	1,635,823.80		2,847,102.46	2,060,859.74	2,422,920.74
1,607,915.07	2,509,934.69	38,059.53	4,079,790.23	3,555,385.19	3,216,312.55
-	1,607,915.07	-	1,607,915.07	3,216,312.55	-

# Schedule 'D' - Establishment Expenses

Particulars	For the Year Ended 31st March 2013	For the Period Ended 31st March 2012
	₹ P.	₹ P.
Administrative Expenses	2,449,124.77	1,421,646.70
Sitting Fees paid to Council Members	100,000.00	60,000.00
Facilities Management Expenses	333,262.40	37,528.00
Total	2,882,387.17	1,519,174.70

# Schedule 'E' - Expenditure on Object of the Trust - Educational

₹ P.	
	₹ P.
-	
3,275,217.80	110,856.00
35,485.00	1,099,309.00
6,624.00	-
30,203.00	-
3,457,228.00	2,509,332.00
-	910,672.00
3,685,863.00	-
2,038,095.00	229,821.00
864,945.00	301,606.00
8,037,045.65	1,962,499.00
4,440,813.00	1,749,896.00
31,740.00	149,148.00
-	31,065.00
2,489,315.88	791,962.00
303,382.50	-
17,062,989.00	4,509,037.00
2,894,194.00	418,965.00
48,653,140.83	14,774,168.00
15,474,576.00	407,200.00
	8,037,045.65 4,440,813.00 31,740.00 - 2,489,315.88 303,382.50 17,062,989.00 2,894,194.00 48,653,140.83

<sup>\*</sup>Salaries includes remnueration to Director of Rs 36,12,865/- (P.Y. Rs 18,05,810/-) who is also one of the trustees of the trust.

#### Schedule 'F'

## Centre for Advanced financial Research And Learning

Notes on Accounts annexed to and forming part of the Balance Sheet as on 31st March, 2013 and Income and Expenditure Account for the year ended 31st March, 2013.

Centre for Advanced Financial Learning was registered as a society on 19.04.2007 and was registered as a trust on 08.10.2007. The name of the Trust was changed to Centre for Advanced Financial Research and Learning and the change was approved by Charity Commissioner on 1st March, 2013.

#### 2. SIGNIFICANT ACCOUNTING POLICIES

#### 2.1. Basis of preparation of financial statement:

The financial statements have been prepared as a going concern under the historical cost convention in accordance with generally accepted accounting principle.

#### 2.2. Recognition of Income / Expenditure:

Income and Expenditure are accounted on accrual basis. The contribution received from Reserve Bank of India has been recognized as income.

Training Program fees are recognized as income on conducting of programmes and these are shown as recovery towards cost of conducting of programs. Expenses on outsourced Research Projects are recognized on completion of research and submission of final report.

#### 2.3. Fixed Asset and Depreciation:

Fixed Assets are stated at cost less depreciation. All costs relating to acquisition and installation of Fixed Assets are capitalized. Assets costing less than Rs 10,000/- are not capitalized.

Depreciation on assets is charged on the Straight Line Method for the full year as follows:

Name of the Assets	Rate of Depreciation (%)
Computer Hardware Including Printers	33.33
Other Electrical Equipments	33.33
Furniture	20.00
Computer Software	33.33



- 3. The activities of the Trust have been funded by Reserve Bank of India. The deficit arising from the activities of the trust is agreed to be contributed by Reserve Bank of India.
- 4. The Income and Expenditure account does not reflect the cost of accommodation and staff provided by Reserve Bank of India to CAFRAL. The cost of such staff was Rs. 1,66,79,981/- in 2012-13.
- 5. Previous year figures have been regrouped wherever necessary.

Signature to Notes A to F

For Centre for Advanced Financial Research and Learning

For Mukund M. Chitale& Co. **Chartered Accountants** Firm Reg No. 106655W

(Trustee)

(Trustee)

(Trustee)

(K.H. Kanade)

Partner

M No.: 106952

Place: Mumbai Date: 26/07/2013

# Annex 1

# Programmes 2012-13

# Roundtable on Management of Problem and Distressed Loans

**Date:** April 19, 2012 **Venue:** IIBF, Kurla, Mumbai **Participants:** More than 40

**Objective:** To discuss the issues around management of NPAs from the point of view of enhancing the efficiency of the productive assets and conserving bank capital so as to learn from each other's experiences and arrive at constructive suggestions from the regulatory policy and legal perspective.

#### SPEAKERS/PANELISTS

- B Mahapatra, Executive Director, RBI
- Siby Antony, Executive Vice President, Edelweiss Capital Ltd.
- K M Jayarao, Senior General Manager, ICICI Bank Ltd.
- P Krishnamurthy, former Chief General Manager, RBI
- Birendra Kumar, Managing Director & Chief Executive Officer, International Asset Reconstruction Company Pvt. Ltd.
- M D Mallya, Chairman and Managing Director, Bank of Baroda
- Anish Modi, Partner, Arth Capital
- K R Ramamoorthy, former Chairman & Chief Executive Officer, Corporation Bank and ING Vysya Bank Ltd.
- P H Ravikumar, Managing Director & Chief Executive Officer, Invent Assets Securitisation and Reconstruction Pvt. Ltd.
- Narayan K Seshadri, Chairman, Tranzmute Capital & Management Pvt. Ltd.
- M V Tanksale, Chairman and Managing Director, Central Bank of India
- M R Umarji, Chief Advisor Legal, Indian Banks' Association

# Roundtable of Chief Executive Officers on Implementation of Advanced Approaches of Basel 2 – Why, What, How?

**Date:** May 3, 2012

Venue: Conference Room, Central Office, RBI, Mumbai

Participants:16

**Objective:** To discuss the challenges in implementation of advanced approaches of Basle 2.

#### SPEAKERS

- Anand Sinha, Deputy Governor, RBI
- Kumar Dasgupta, Partner, PricewaterhouseCoopers
- Paul Harrald, Global Head of Portfolio Risk, Standard Chartered Bank
- A.K. Nag, Risk Management Consultant



# Financing Agricultural Growth

**Date:** May 25, 2012

Venue: Conference Room, NABARD, Head Office, Mumbai

Participants: 43

Objective: To provide a platform for interface between industry, financial institutions, banks and government officials to explore the opportunities and challenges in financing agricultural growth.

#### SPEAKERS/FACILITATORS/PANELISTS

- Prakash Bakshi, Chairman, NABARD
- M Balachandran, Director, Institute of Banking Personnel Selection
- R Chandramogan, Chief Executive Officer, Hatsun Agro Product Ltd.
- Satish Chandra, Director, Indian Society for Agribusiness Professionals
- Rikin Gandhi, Chief Executive Officer, Digital Green
- Kaushlendra, Founder, Kaushalya Foundation
- D N Kulkarni, President, Jain Irrigation Systems Ltd.
- T Nanda Kumar, Member, National Disaster Management Authority
- P R Patil, Professional Animal Husbandry and Dairy
- Dinesh Rai, Chairman, Warehousing Development and Regulatory Authority
- Dilip Rath, Managing Director, National Dairy Development Board
- S Baskar Reddy, Additional Director, Federation of Indian Chambers of Commerce and Industry
- D N Satpathy, Deputy General Manager, Union Bank of India
- V Shankar, Managing Director, Rallis India Ltd.
- Pravesh Sharma, Managing Director, Small Farmers' Agri-Business Consortium
- Rajesh Srivastava, Chief Executive Officer, Rabo Equity Advisors India Ltd.

# Workshop of Measuring Financial Inclusion -Demand Side

Date: June 8, 2012

Venue: National Institute of Bank Management, Pune

Participants: 13

Objective: To initiate a discussion and brainstorm on the measurement of financial inclusion from the demand side, i.e. from the point of view of households and small businesses and to develop an index in this context.

#### SPEAKERS/FACILITATORS

- Bindu Ananth, President, Institute for Financial Management and Research Trust
- S Ananth, an independent expert in the field of microfinance
- Veena Mankar, founding Managing Director of a Non-Banking Financial Company
- Renuka Sane, Research Economist, Indira Gandhi Institute of Development Research
- Mandira Sarma, Jawaharlal Nehru University
- Rama Pal, Indira Gandhi Institute of Development Research
- Rupayan Pal, Indira Gandhi Institute of Development Research
- Mava Vengurlekar, CRISIL
- Mahesh Vyas, Centre for Monitoring Indian Economy Pvt. Ltd.

## Conference for Directors on the Boards of Commercial Banks

Date: June 29, 2012 and October 4 -5, 2012

Venue: Hotel Four Seasons, Mumbai and Hotel Trident, Nariman Point, Mumbai

Participants: 60

**Objective:** To sensitise the directors to the key issues they need to raise on matters that come to the Board to improve the level of corporate governance and to facilitate their interaction with experts with practical experience.

#### SPEAKERS/FACILITATORS/PANELISTS

- K C Chakrabarty, Deputy Governor, RBI
- P Vijaya Bhaskar, Executive Director, RBI
- Shankar Acharya, Hon. Professor, Indian Council for Research on International Economic Relations
- Ananthakrishna, Chairman, Karnataka Bank Ltd.
- S N Ananthasubramanian, Proprietor, S N Ananthasubramanian & Co., and Vice President, The Institute of Company Secretaries of India
- B Banerji, General Manager, CAFRAL
- O P Bhatt, former Chairman, State Bank of India
- Rajendra Chitale, Managing Partner, M P Chitale & Co.
- Haseeb Drabu, former Chairman & Chief Executive Officer, Jammu and Kashmir Bank Ltd.
- Salim Gangadharan, Regional Director, RBI, Thiruvananthapuram
- A Krishna Kumar, Managing Director and Group Executive, National Banking, State Bank of India
- P Krishnamurthy, former Chief General Manager, RBI
- R M Malla, Chairman and Managing Director, IDBI Bank Ltd.
- Nupur Mitra, Chairman and Managing Director, Dena Bank
- Murli Radhakrishnan, Chief General Manager, Department of Banking Operation and Development, RBI
- N Raja, Chief Executive Officer, The Banking Codes and Standards Board of India
- G J Rao, Chief General Manager-in-Charge, Department of Banking Supervision, RBI
- M V Tanksale, Chairman and Managing Director, Central Bank of India
- N S Viswanathan, Regional Director, RBI, Chennai
- Kamlesh Vikamsey, Senior Partner, Khimji Kunverji & Co.
- Pravir Vohra, former President and Group Chief Technology Officer, ICICI Bank Ltd.

# Conference on Contemporary Issues in Banking and Finance

**Date:** July 19, 2012

Venue: Hotel Trident, BKC, Mumbai

Participants: 42

**Objective:** The Seminar was designed to facilitate discussion on a wide range of topics, covering the diverse nature of academic enquiry in banking and finance

#### PAPER PRESENTERS AND DISCUSSANTS

- Viral Acharya, New York University
- V Ravi Anshuman, Indian Institute of Management, Bangalore
- Rajesh Chakraborty, Indian School of Business
- Gangadhar Darbha, Nomura Structured Finance
- Venky Panchapagesan, Indian Institute of Management, Bangalore
- Manju Puri, Duke University
- Ajit Ranade, Aditya Birla Group



## Programme on Strategic Management of Banks' Balance Sheet

Date: July 27 and 28, 2012

Venue: Hotel Trident, BKC, Mumbai

Participants: 27

Objective: To give an overview of the different dimensions of strategically managing the bank's balance

sheet so as to ensure liquidity, sustainability and profitability.

#### **SPEAKERS**

B Mahapatara, Executive Director, RBI

- V Ravi Anshuman, Professor, Indian Institute of Management, Bangalore
- R. K. Bakshi, Executive Director, Bank of Baroda
- Jaimin Bhatt, President & Chief Financial Officer, Kotak Mahindra Bank Ltd.
- Sarat Chandra Dhal, Assistant Advisor, CAFRAL
- Diwakar Gupta, Managing Director and Chief Financial Officer, State Bank of India
- Himanshu Joshi, Director, Department of Economic and Policy Research, RBI
- S Raman, Chairman and Managing Director, Canara Bank
- Amit Tandon, Founder and Managing Director, Institutional Investor Advisory Services India Limited
- K N Vaidyanathan, Chief Risk Officer, Mahindra & Mahindra
- Kamlesh Vikamsey, Senior Partner, Khimji Kunverji & Co.
- S Vishwanathan, Managing Director, SBI Caps

## Programme on Treasury Management

Date: August 10 and 11, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 42

Objective: To give an overview of the major issues that those heading/ managing treasury operations in commercial banks would need to address in the context of the evolving macro-economic and regulatory

### **SPEAKERS/ PANELISTS**

- HR Khan, Deputy Governor, RBI
- C E S Azariah, Chief Executive Officer, Fixed Income Money Market and Derivatives Association of India
- N. S. Kannan, Executive Director and Chief Financial Officer, ICICI Bank Ltd.
- Arun Kaul, Chairman and Managing Director, United Commercial Bank
- P Krishnamurthy, former Chief General Manager, RBI
- G Mahalingam, Chief General Manager-in-Charge, Financial Markets Department, RBI
- Ananth Narayan, Managing Director, Standard Chartered Bank, South Asia.
- Arvind Sethi, Cap-M Consulting
- Shvam Sunder, Advisor, Kotak Mahindra Bank Ltd.
- Srinivasan Vardarajan, Executive Director, Axis Bank Ltd.
- S Viswanathan, Managing Director, SBI Caps

## Programme on Risk Management

Date: August 23 and 24, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 42

**Objective:** To have a thorough discussion on all aspects of risk management looking to the business environment and sustainability. The target group was the Chief Risk Officers of banks and their senior level team.

### SPEAKERS/PANELISTS

- V. Ananthanageswaran, Financial Consultant, formerly CIO, Bank Julius Baer
- Kumar Dasgupta, Partner, PricewaterhouseCoopers
- K M Jayarao, Senior General Manager, ICICI Bank Ltd.
- P Krishnamurthy, former Chief General Manager, RBI
- K Ram Mohan, General Manager, Integrated Risk Management Division, Punjab National Bank
- Sanjay Nayyar, Chief Executive Officer, KKR Financial Services
- M Ranganath, Chief Risk Officer, Infosys Technologies
- Sushil K Sharma, Consultant, Stratadigm

## Conference on Small and Medium Enterprises

Date: September 7, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 44

Participants: To deliberate on opportunities in the SME sector from a strategic perspective to add value

to the banks overall business.

#### SPEAKERS/FACILITATORS

- Rajendra Adsul, President, Axis Bank Ltd.
- R K Das, General Manager, SIDBI
- Alok Kshirsagar, Partner, McKinsey & Co.
- Sushil Muhnot, Chairman and Managing Director, SIDBI
- Sachin Nigam, Director, CRISIL
- Parag Patki, Chief Executive Officer, SME Rating Agency of India
- Vineet Rai, Chief Executive Officer, Aavishkaar
- Srikant Rao, Chief Executive Officer, Affordable Business Solutions
- G. S. Sundararajan, Managing Director, Shriram Capital
- Arun Thukral, Managing Director, Credit Information Bureau (India) Limited.

# Roundtable on the Report of Mahapatra Working Group on Debt Restructuring

Date: September 13, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 44

**Objective:** To discuss the various issues emerging from the report on the Working Group, chaired by B Mahapatra, Executive Director, RBI, to review the existing prudential guidelines on restructuring of

advances by banks/ financial institutions was put in public domain by RBI.

#### SPEAKERS/FACILITATORS

- B Mahapatra, Executive Director, RBI
- B K Batra, Deputy Managing Director, IDBI Bank Ltd.
- Rajendra Chitale, Managing Partner, M P Chitale & Co.
- A R Gokulakrishnan President, Axis Bank Ltd.
- Ashish Kashive, Joint General Manager, ICICI Bank Ltd.
- Soundara Kumar, Deputy Managing Director, State Bank of India
- P H Ravikumar, Managing Director & Chief Executive Officer, Invent Assets Securitisation & Reconstruction Pvt. Ltd.
- K S Raju, Chairman, Nagarjuna group
- Adesh Saxena, Advisor, Ernst and Young
- M R Umarji, Chief Advisor Legal, Indian Bankers' Association

## Conference on Discussion Paper on Introduction of Dynamic Provisioning Framework

Date: September 21, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 36

**Objective:** To provide a platform to the bankers, rating agencies, academics and regulators for a thorough discussion of the various issues, to understand various aspects of the RBI discussion paper on the "Introduction of Dynamic Provisioning Framework for Banks in India" seeking to evolve a countercyclical provisioning framework with parameters calibrated based on credit history of Indian banks.

### SPEAKERS/FACILITATORS

- Anand Sinha, Deputy Governor, RBI
- B Mahapatra, Executive Director, RBI
- Amarjeet Chopra, Chartered Accountant
- Kumar Dasgupta, Partner, PricewaterhouseCoopers
- D R Dogra, Managing Director, CARE
- Benjamin Frank, HDFC Bank Ltd.
- M K Jain, General Manager, Syndicate Bank
- Ravi Mohan, Regional Director, RBI, Bhopal
- PR Ramesh, Chairman, Delloitte, India

## Conference of Heads and Members of Audit Committee of the Boards of Banks

Date: November 5, 2012

Venue: Hotel Taj Lands End, Bandra (W), Mumbai

Participants: 25

Objective: To equip Chairmen/members of the banks' Audit Committee to effectively play their role for enhanced governance standards, and also gave them an opportunity to share their experiences and interact with experts in the field.

#### SPEAKERS/FACILITATORS

- Usha Thorat, Director, CAFRAL
- G Gopalakrishna, Executive Director, RBI
- N S Kannan, Executive Director, ICICI Bank Ltd.
- P Krishnamurthy, former Chief General Manager, RBI
- K Narasimha Murthy, Chartered Accountant
- M G Sanghvi, Chairman and Managing Director, Syndicate Bank

## CAFRAL Advanced Leadership Programme

**Date:** November 26-December 15, 2012 **Venue:** Lonavala, Jakarta, Singapore

Participants: 22

**Objective:** To provide present and prospective Executive Directors of the commercial banks with the broader perspective and familiarity with the critical areas/issues to enable them to handle their enhanced responsibilities with confidence. The programme was aimed at facilitating the participants to develop a more comprehensive, multifunctional perspective and the ability to think, act and lead differently

### SPEAKERS/FACILITATORS/PANELISTS

- D Subbarao, Governor, RBI
- K C Chakrabarty, Deputy Governor, RBI
- Anand Sinha, Deputy Governor, RBI
- G Padmanabhan, Executive Director, RBI
- G K Agarwal, Professor, Strategic Management, International Management Institute, New Delhi
- V Ravi Anshuman, Professor, Indian Institute of Management, Bangalore
- Tamal Bandyopadhyay, Deputy Managing Editor, Mint (HT Media Limited)
- Michael Barrow, Director, Private Sector Infrastructure Operations, Asian Development Bank
- S Bhandare, President, All India Bank Depositors' Association
- Gautam Bhardwaj, Managing Director, Invest India Micro Pension Services
- Raghu Cavale, Vice-President, India Business Unit, Infosys Technologies
- Y M Deosthalee, Chairman and Managing Director, L & T Finance Holdings
- Bharat Doshi, Executive Director & Group Chief Financial Officer, Mahindra & Mahindra Ltd.
- Diwakar Gupta, Managing Director and Chief Financial Officer, State Bank of India
- Akhil Gupta, Senior Managing Director & Chairman, Blackstone India
- A P Hota, Managing Director & Chief Executive Officer, National Payments Corporation of India
- Tabassum Inamdar, Managing Director, Goldman Sachs (India)
- Prasad Kaipa, Executive Director, Centre for Leadership, Innovation and Change
- K V Kamath, Chairman, ICICI Bank Ltd.
- Kamran Khan, Programme Director, Global Infrastructure Finance Centre of Excellence, The World Bank Group
- Anil K Khandelwal, former Chairman and Managing Director, Bank of Baroda
- Manish Khera, Chief Executive Officer and Managing Director, Financial Inclusion Network and Operations
- Chanda Kochar, Managing Director, ICICI Bank Ltd.
- P Krishnamurthy, former Chief General Manager, RBI
- Roopa Kudva, Managing Director & Chief Executive Officer, CRISIL
- Ranjana Kumar, former Chief Vigilance Commissioner
- Anil Kumar S G, Chief Executive Officer, IFMR Rural Channels and Services
- Suryakant Mahadik, General Secretary, All India Reserve Bank Workers' Federation
- M D Mallya, Chairman and Managing Director, Bank of Baroda
- Kalpana Morparia, Chief Executive Officer, J. P. Morgan, India
- S S Mundra, Executive Director, Union Bank of India
- R K Murthy, Chief Research Scientist, Indian Institute of Science
- C N Ram, Group Chief Information Officer, Essar Group
- K Ramkumar, Executive Director, ICICI Bank Ltd.
- P Sudhir Rao, Director, International Institute of Information Technology
- Anil Sachdev, Founder and Chief Executive Officer, Grow Talent Co. Ltd. and the School of Inspired Leadership
- Shikha Sharma, Managing Director and Chief Executive Officer, Axis Bank Ltd.
- J K Sinha, former Chief General Manager, State Bank of India
- G Sivakumar, Professor, Indian Institute of Technology, Bombay
- R Sridhar, Managing Director and Chief Executive Officer, Shriram Capital
- V Srikanth, Joint Chief Financial Officer, Reliance Industries Ltd.

- Shobhana Subramanian, Assistant Managing Editor (News), The Financial Express
- Neeraj Swaroop, Chief Executive of South East Asia, Standard and Chartered Bank
- Renny Thomas, Partner, McKinsey & Company
- Saurabh Tripathi, Partner and Director, Boston Consultancy Group
- Pravir Vohra, Former Group Chief Technology Officer, ICICI Bank Ltd.

## Presentation on Regulatory Regime for Mortgage Finance and Risk

Date: December 20, 2012 Venue: Taj Lands End, Mumbai

Professor Tarun Ramadorai (Said Business School, University of Oxford) made the presentation in Mumbai. The panel comprised G Gopalakrishna, Executive Director, RBI, Diwakar Gupta, Managing Director, State Bank of India, Keki Mistry, Vice Chairman and CEO, HDFC Ltd., NareshTakkar, MD and CEO, ICRA Limited, and Mythili Bhusnurmath, Editor, Economic Times.

## Programme on Asset Liability Management

Date & Venue: January 19 and 20, 2013 at New Delhi, February 9 and 10, 2013 at Chennai, February 16 and 17, 2013 at Mumbai and February 23 and 24 at Kolkata

**Participants:** 26+26+31+23=106

Objective: These four programmes were specifically designed and targeted at the senior and middle level officers handling Asset Liability Management related functions in the commercial banks. The objective of the programme was to have a thorough discussion on all aspects of ALM framework, for their better understanding and application

#### SPEAKERS/FACILITATORS

- Usha Ananthasubramanian, Executive Director, Punjab National Bank
- B Banerji, General Manager, RBI
- Abheek Barua, Chief Economist, HDFC Bank Ltd.
- R Bhaskaran, Chief Executive Officer, Indian Institute of Banking and Finance
- Pradeep Bhuyan, Director, RBI
- Pratip Chaudhuri, Chairman, State Bank of India
- M M Dawla, Under Secretary, Ministry of Finance
- Haseeb Drabu, former Chairman & Chief Executive Officer, Jammu and Kashmir Bank Ltd.
- Ashok Gautam, Head, Markets and Treasury, Axis Bank Ltd.
- Brinda Jagirdar, General Manager, Head Economic Research, State Bank of India
- Rakesh Jha, Dy. Chief Financial Officer, ICICI Bank Ltd.
- Vasudeva Konda, Joint General Manager and Head ALM Group, ICICI Bank Ltd.
- P Krishnamurthy, former Chief General Manager, RBI
- Alok Nigam, Joint Secretary, Ministry of Finance
- M Narendra, Chairman and Managing Director, Indian Overseas Bank
- C V R Rajendran, Executive Director, Bank of Maharashtra
- A S Ramasastri, Chief General Manager, RBI
- A C Reddi, Head Capital Markets Group, Stratadigm
- Sushil Sharma, Consultant, Stratadigm
- Arun Tiwari, Executive Director, Allahabad Bank
- N S Venkatesh, Chief General Manager, Treasury and Operations, IDBI Bank Ltd.

## Symposium on Market Liquidity

**Date:** January 10, 2013 **Venue:** IIBF, Kurla, Mumbai

CAFRAL and FIMMDA collaborated to organize the research seminar in Mumbai. The key note lecture was delivered by Yakov Amihud (Stern School of Business, New York University). The seminar which emphasised the effect of market liquidity on asset pricing was attended by people from banks, financial institutions, and academic institutions and research institutes

## Programme on Supervisory Effectiveness in the Post Crisis World

Date: February 4-8, 2013

Venue: Hotel Trident, Nariman Point, Mumbai

Participants: 35

**Objective:** The programme was designed to sharpen the skill sets of bank examiners of various central banks to match the rapid innovations in the market, particularly in the wake of global interconnectedness and the explosion of new standards and guidance from numerous regulatory bodies. The idea was to help the supervisor to face challenges by equipping them with effective tools to enhance the effectiveness of their on site and off site supervision.

#### SPEAKER/FACILITATORS

- Anand Sinha, Deputy Governor, RBI
- Y H Malegam, Member, Central Board, RBI
- G Gopalakrishna, Executive Director, RBI
- David Bergeron, Oliver Wyman
- Chris Cardoza, Program Director, Toronto Centre
- Meena Hemchandra, Chief General Manager, RBI
- Shyamala Gopinath, former Deputy Governor, RBI
- Aristobulo De Juan, former Director General, Banco de España
- G Mahalingam, Chief General Manager, RBI
- Justin Teo, Monetary Authority of Singapore
- Pierre Yves Thoraval, former Deputy Head of Supervision, Bank of France



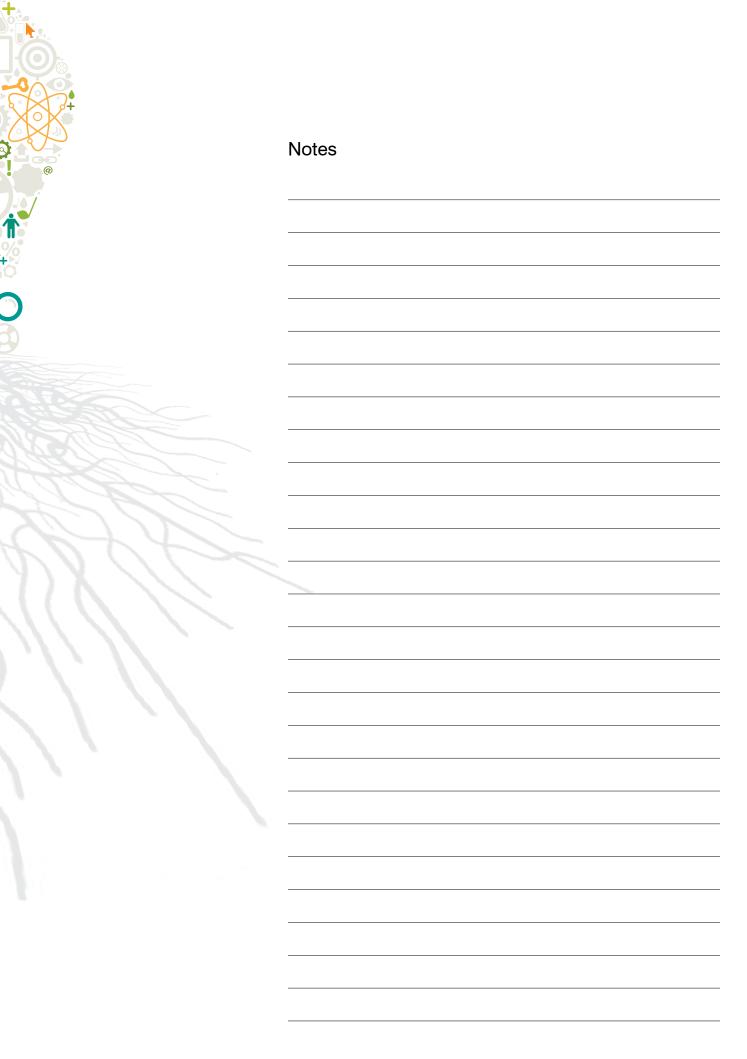
## Annex 2

## **CAFRAL Team as on August 1, 2013**

- Usha Thorat, Director
- Ashok K Garg, Chief General Manager 2.
- 3. Sabri Oncu, Head of Research
- 4. Smita Aggarwal, Program Director
- 5. Samita Sareen, Research Director
- 6. V G Venkata Chalapathy, Program Director
- 7. Sunita S Ratanpal, General Manager
- 8. Anurag Awasthi, Deputy General Manager
- Sekhar N Chattopadhyay, Assistant General Manager
- 10. R Sridharan, Private Secretary to Director
- C Pushparaj, Private Secretary to CGM / PD 11.
- 12. Jugnu Ansari, Assistant Adviser (Research)
- 13. S Purushothaman, Manager
- 14. Reeta Bose, Assistant Manager
- 15. Audrey Alfonso, Assistant Manager
- Swati P Garge, Assistant Manager 16.
- 17. Vasudevan Nair, Administration Officer (Research)
- 18. Nimesh Gopiyani, Accounts & Admin Officer
- 19. Reshmi Kurup, Accounts & Admin Assistant
- 20. Purnima Kanther, Research Associate
- 21. Surekha Nagabhushan, Research Associate
- 22. Vikas Kumar, Research Associate
- 23. Manasi Phadnis, Research Associate
- 24. Srujan Routhu, Research Associate
- 25. Hemal B Khandwala, Research Associate

Notes	







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