



Bridgepoint Learning Bytes

Learning Bytes are short (around two hours), virtual classroom sessions on specific topics in banking presented in an institutional neutral but India-specific manner. The modules are listed below with details of coverage as well as the target audience.

The purpose is to provide a remote learning opportunity especially for work from home employees.

Methodology

The delivery will be through a virtual meeting hosted on Microsoft Teams or any other platform the client prefers and wishes to host. All the sessions will be instructor led by an expert faculty from Bridgepoint allowing not only for interactive coverage but also opportunity for specific questions and answers.

The session will contain in themselves illustrations, exercises and caselets allowing for as best an interactive learning experience as allowed by the portal for instructor-led sessions. The courseware will be adapted to allow for this form of training delivery.

The courseware will comprise of a short learning aide which will be sent in advance and the participants will be expected to have them for reference during the session. This will include brief learning points as well as, where relevant, samples and exercises.

At the end of the session, participants will be required to take a small learning quiz. While this will be non-evaluative (that is no pass or fail), we will monitor performance and help feedback.

List of modules

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Operational risk Management

We have two modules that we believe will be very useful.

1. An Introduction to operational risk

This module introduces operational risk concepts for staff in operations and serves as a useful preamble for them to understand operational risk issues in their own area of operations such as Retail, Trade, CMS etc. It also provides a linkage to the other risks of the bank such as Credit Market and Liquidity risk.

The module covers:

- a. Risks in banking - an overview
- b. Definition of operational risk per Basle and exclusions
- c. Impact of operational risk on other risks
- d. Types of operational risk - controllable and uncontrollable
- e. Steps in the operational risk Management process and regulatory guidelines
- f. Capital requirements for operational risk
- g. An introduction to RCSA (Risk Control Self-Assessment)

This module is for Operations Managers in Wholesale Banking and Retail Banking

2. An Introduction to Financial Crime Control Risk

This module provides an overview of Financial Crime Control (FCC) Risk and its importance in modern day banking.

The module covers:

- a. Understanding Financial Crime Control Risk
- b. Types of Financial Crimes
- c. Understanding Money Laundering and Terrorist Financing
- d. Understanding Sanctions Evasion
- e. Regulatory guideline: FATF and RBI
- f. Important aspects of PMLA

This module is for Operations Managers in Wholesale Banking and Retail Banking as well as front line staff in Branches - both Wholesale and Retail

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FEMA Regulatory Modules

These modules cover the essentials and latest guidelines from the Reserve Bank focusing on the responsibilities of Authorized Dealers. There are separate modules for each of the following topics.

1. External Commercial Borrowings

- a. Automatic Route
- b. Eligible borrowers and eligible lenders
- c. Amount and maturity, All-in-cost ceilings and End Use
- d. Reporting Arrangements and Dissemination of Information
- e. Delegated authority to ADs

2. Overseas Direct Investments

- a. Automatic route requirements
- b. Reporting – ODI
- c. Post investment changes in existing JV / WOS
- d. Divestment and winding up

3. Foreign Direct Investments

- a. Foreign Direct Investments – Equity, DRs, LLP, downstream
- b. Type of instruments – FDI compliant, partly paid instruments
- c. Reporting - SMF
- d. Transfer of shares and convertible debentures

4. Imports

- a. Import payments
- b. Handling direct import payments
- c. IDPMS – process and AD's responsibilities
- d. Transactions in involving trade credits – latest guidelines on trade credits
- e. Merchanting trade – Latest revised guidelines Jan 2020

5. Exports

- a. Advance Payments against Exports including long term advances - AD's responsibilities
- b. Consignment Exports
- c. Direct dispatch of documents by the exporter
- d. EDPMS process and AD's responsibilities
- e. Third party documents
- f. Export Remittances

6. FEMA for consumer banking – Residents and retail remittances

- a. Liberalized Remittance Scheme
- b. Investments and asset acquisition through LRS
- c. Borrowing from and lending to NRs
- d. Resident foreign nationals
- e. Acquisition of Assets and transfer of balances on account closures
- f. RFC (domestic) accounts

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7. FEMA for consumer banking – Non-Residents accounts and remittance facilities

- a. FCNR, NRE and NRO Accounts – permissible transactions
- b. Remittance of current income
- c. Remittance of assets by NRI/PIO
- d. Loans to NRs from resident sources
- e. Non-Resident Investment in India
- f. Investment in property

All these modules are for supervisors and specialist staff in trade and remittances operations required to process transactions relating to the above specific areas.

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Trade Finance Operations

These modules cover specific operation relating to the topic requirements and ICC rules There are three modules.

1. Trade collections

- a. Sight and usance key operational issues
- b. Roles and responsibilities of banks
- c. Key provisions of URC 522
- d. Avalisation - risks and operational control

2. Letters of credit

- a. LC confirmations and role of the confirming bank
- b. LC availability and drafts
- c. Negotiation – responsibilities and rights of the negotiating bank
- d. Issuing banks responsibility and rights
- e. Reimbursements – URR provisions and implications
- f. Emphasis on what care should we take as a confirming bank/ negotiating bank/ issuing bank

3. Guarantees and Standbys

- a. Review of general features and application of guarantees and types of bank guarantees
- b. Uniform Rules for Demand guarantees – key provisions and their practical application
- c. SBLCs – features Similarities/distinctions from Bank guarantees
- d. International Standby Practices 1998 - key provisions and their practical application
- e. Claims – roles and responsibilities

The modules are intended as refresher session and hence attendees will be working in related trade operations. We will hence use the session to review as well as raise and respond to specific operational issues.

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Balance Sheet Scoping for RMs

This module covers exploring product and service opportunities for the offering of the full suite of banking products to reasonably gauge the wallet size of the customer. The module will address the difference in approaches for a small business/ private limited company with limited information in the public domain as well as medium to large corporates - both private and public limited.

The module covers:

- a. RMs' role as the face of the bank and the CEO of the relationship
- b. Understanding Corporate Strategy / vision and big picture
- c. CSR opportunities
- d. Remittance opportunities (Utility, Taxes, Dividend, Royalty, Import, Exports)
- e. Lending - both short and long term
- f. Opportunities in the supply chain: Vendors, Distributors, Related party transactions: Associate/Subsidiaries
- g. Trade opportunities, including contingent products such as guarantees
- h. Opportunities in Liabilities and investments including Trust/ PF accounts
- i. Opportunities in Salaries, Retail products - cards, wealth management, Keyman Insurance and WM for promoters/directors, Fleet management, corporate cards etc.

These modules are for corporate relationship managers who have responsibility for identifying and scoping related opportunities of their clients.

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Product Round Up for RMs

These modules cover corporate banking products, knowledge refreshers and learning for front line sales staff. There are two modules under this. Whilst it is recommended that they both be attended as they cover different product suites, there is no sequencing; the modules are stand-alone and can be attended in any order.

1. Working Capital Financing

- a. Gross and Net Working Capital, Working Capital Gap, Quick and Current Ratio. Importance of Working Capital margin
- b. Importance of Cash Flow statements: Operating, Investing and Financing Cash flows. Understanding Free Cash Flows
- c. The working Capital cycle and linkages with lending and trade products: Understanding Inventory and receivable financing products

2. Trade and non-funded products

- a. Trade and Payment methods and financing products
- b. Role of Guarantees, Types of Bank Guarantees, Opportunities for banks
- c. Cash Management products: Payments, Collection and Liquidity management products/opportunities

These modules are for corporate relationship managers who have responsibility for identifying and scoping related opportunities of their clients.

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Forex exposure management

This module covers:

- a. Basics of FX rates
- b. Typical sources of exposures:
 - a. Trade and non-trade transactions
 - b. Translation exposures from assets and liabilities
- c. Scoping from financial statements and approaches to their management

This module is specifically for corporate relationship managers who have responsibility for identifying and scoping forex opportunities of their clients, Coverage will be restricted to exposure identification.

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Introduction to Derivatives

There are three modules under this topic.

1. Forex forward cover

- a. Forward rates and how they are determined
- b. Forward contracts and their application
- c. Regulations on forward cover
- d. ERL and credit risk measures

2. Currency Options

- a. Basics
- b. Application of options strategies

3. Currency swaps

- a. Basics and structure
- b. Application
- c. Credit risk and its measure

This module is specifically for corporate relationship managers who have responsibility for identifying and derivative opportunities of their clients. The coverage will be introductory and not intended for treasury dealers.

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