

Risk Management Advisory & Consulting Broker Dealer Industry



Risk Pro
Connect with Risk Professionals

Riskpro, India

Company level

- Define Risk Appetite
- Risk Scorecard
- Risk Heat maps
- Reputation Risk Scorecards
- IT Governance
- New Product Approval Policy
- Scan of Emerging Risks

Governance

- Align Corporate Governance to global practices
- Board Committee reviews
- Review and enhance Risk Governance
- Policy and Process Framework
- IT Governance
- Whistle Blowing Framework

Risk management

- Risk assessment
- Process and Control Review
- Insurance & Loss Alignment
- Incident Reporting Process & Tool
- Implementation of 20-30 top Key Risk Indicators (KRI)
- Fraud Risk Management Services

Compliance

- Compliance Risk Policy & Framework
- Regulatory reviews and audits
- Global regulation compliance
- Compliance Reporting
- Contractual Risk
- 3rd party audits of units
- Internal Control testing Tools

Support Processes

- GRC Technology Implementation – Provide recommendations and select vendor for GRC Tool
- HR Policies and Processes to minimize people risk, frauds and strengthen succession planning
- Training and Awareness build up – Targeted and Ongoing training in areas of concern.
- E Learning Courses in Risk Management, Fraud Risk Management, Governance etc

Unique Services Offering for Stock Broker Companies

- ▲ Comprehensive review of risks relating to Broker Dealer industry
- ▲ Enhanced Account Opening processes and stronger KYC processes
- ▲ Reduced regulatory risks relating to Anti Money Laundering
- ▲ Operational Risk Management frameworks for improved settlement process with minimal process lapses and settlement errors
- ▲ Customer exposure management and margining process
- ▲ Franchise buildup risk and reputation risk
- ▲ Regulatory risk management framework and compliance risk management
- ▲ Technology Risk Management
- ▲ Fraud detection and prevention programs
- ▲ People risk and staff training programs
- ▲ Minimizing settlement risks. Improving the settlement cycle process
- ▲ Development of Risk Management systems and policies to comply with Exchange regulations, SEBI and other regulatory requirements

Examples of Risk Management Solutions

Risk Factor	Risk Details	Our solutions
Account opening and KYC risks	<ul style="list-style-type: none"> •Accounts opened for potentially fraudulent clients •Client financial info not captured 	<ul style="list-style-type: none"> ✓ Review of account opening process ✓ Design of effective KYC checklist and review of Client ID/Address proof ✓ Design of exception approval process
Money Laundering Risks	<ul style="list-style-type: none"> •Non compliance with regulatory requirements •Suspicious transactions not reported 	<ul style="list-style-type: none"> ✓ Implementation of AML reviews on customer fund flows (in and out), suspicious transactions ✓ Effective process to monitor client fund flows that meet regulatory requirements
Trade risks and insider trading risks	<ul style="list-style-type: none"> •Trade entry errors •Unauthorized trading •Trading in client accounts •Insider trading / Front running risks 	<ul style="list-style-type: none"> ✓ Data and Risk Analytics/ Reports designed to identify insider trading, front running risks ✓ Training and awareness to employees of the risks of insider trading ✓ Limit and escalation process reviews to minimize unauthorized trading.
Client Exposure risks	<ul style="list-style-type: none"> •Client over exposure •Delayed margin calls •Close- out of client trades 	<ul style="list-style-type: none"> ✓ Design of credit and risk management policy ✓ Practical margining process that considers client exposures and types of clients
Settlement Risk	<ul style="list-style-type: none"> •Failure to settle in time •Technology Failure •Reconciliation items not reviewed and accounted 	<ul style="list-style-type: none"> ✓ Improved settlement process ✓ Back up / BCM / BCP / DR plans ✓ Design of BOD/EOD process checklists that comply with regulatory & exchange requirements

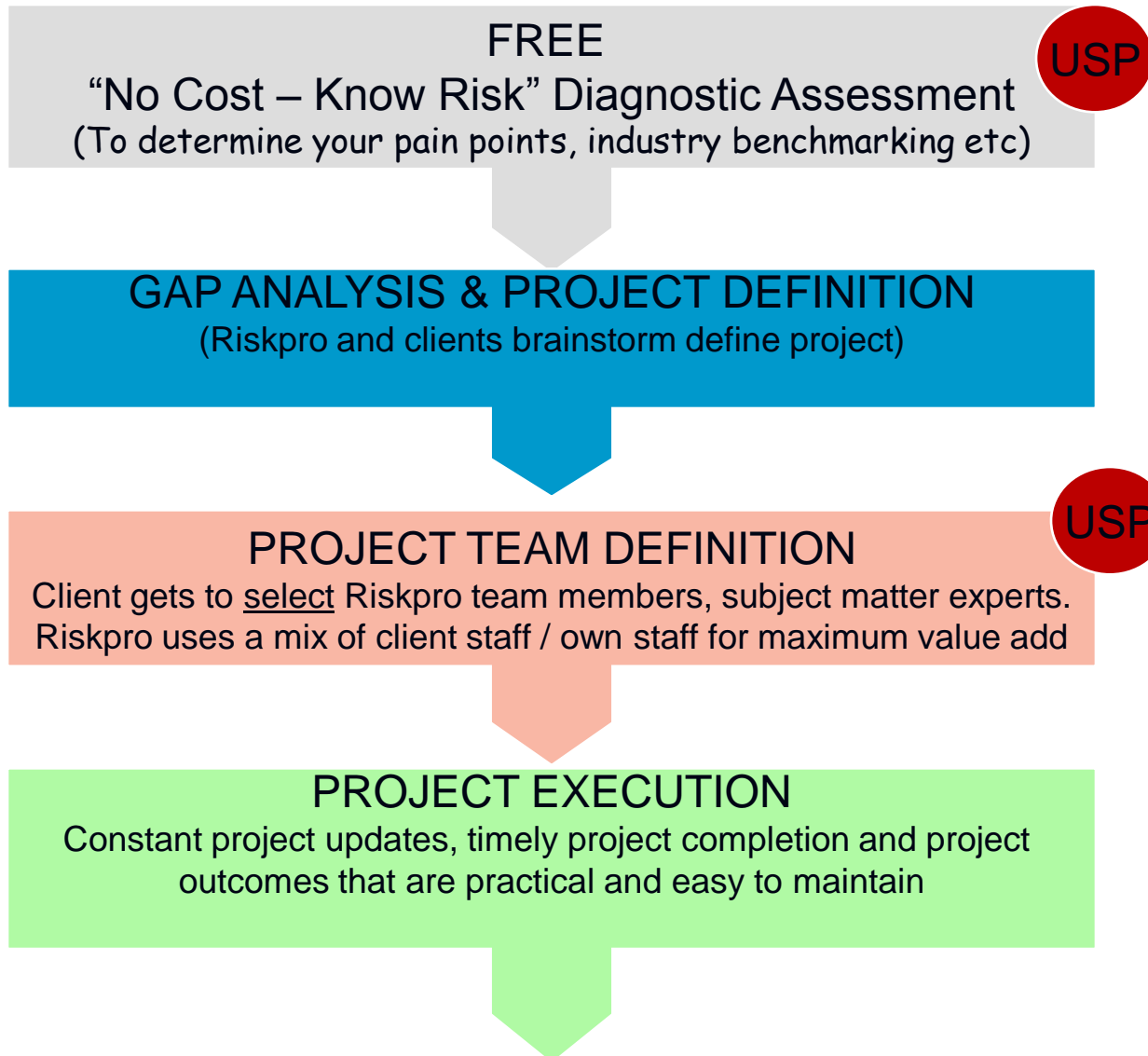
Govern risk & compliance with business benefits

- Riskpro helps organisations adapt to change, manage risk, and effectively comply with the risks and regulations which effect their businesses.
- Helps in successfully managing risk and achieving compliance in an ever-changing environment while reducing costs and improving corporate performance every day.

Riskpro Partnerships with GRC Vendors

- Riskpro has several partnerships with world leaders in implementation of GRC software solutions.
- (BPS Resolver, Methodware, Bwise, Odondo, Rocsys)
- Riskpro is also actively interacting with other Leading vendors for GRC Technology rollout (Bwise, Oracle)
- Riskpro can review the company's circumstances and provide an unbiased opinion n the best product for the circumstances.

Our Delivery Methodology





TrainingCentral



Any trademarks or logos used throughout this presentation are the property of their respective owners



Any trademarks or logos used throughout this presentation are the property of their respective owners

Who is Riskpro... Why us?

ABOUT US

- ❑ Riskpro is an organisation of member firms around India devoted to client service excellence. Member firms offer wide range of services in the field of risk management.
- ❑ Currently it has offices in three major cities Mumbai, Delhi and Bangalore and alliances in other cities.
- ❑ Managed by experienced professionals with experiences spanning various industries.

MISSION

- ❑ Provide integrated risk management consulting services to mid-large sized corporate /financial institutions in India
- ❑ Be the preferred service provider for complete Governance, Risk and Compliance (GRC) solutions.

VALUE PROPOSITION

- ❑ You get quality advisory, normally delivered by large consulting firms, at fee levels charged by independent & small firms
- ❑ High quality deliverables
- ❑ Multi-skilled & multi-disciplined organisation.
- ❑ Timely completion of any task
- ❑ Affordable alternative to large firms

DIFFERENTIATORS

- ❑ Risk Management is our main focus
- ❑ Over 200 years of cumulative experience
- ❑ Hybrid Delivery model
- ❑ Ability to take on large and complex projects due to delivery capabilities
- ❑ **We Hold hands, not shake hands.**

Client Centric approach – Riskpro & Clients



- Precise understanding of your requirements
- Integrated deployment of our service offerings
- Willingness to partner with you for long term relationships
- Ability to keep pace with new developments
- Wide geographic spread in 3 major cities and alliance offices in several other cities

Risk Management Advisory Services

Basel II/III Advisory

- Market Risk
- Credit Risk
- Operational Risk
- ICAAP

Corporate Risks

- Enterprise Risk Assessment
- Fraud Risk
- Risk based Internal Audit
- Operations Risk
- Forensic services

Information Security

- IS Audit
- Information Security
- IT Assurance
- IT Governance

Operational Risk

- Process reviews
- Policy/ Process Review
- Process Improvement
- Compliance Risk

Governance

- Corporate Governance
- Business Strategic risk
- Fraud Risk
- Forensic Accounting

Other Risks

- Business/Strategic Risk
- Reputation Risk
- Outsourcing Risk
- Contractual Risk

Training

- Banking – E Learning
- Corporate Training
- Regular Risk Management Training
- Online Training material
- Workshops / Events

Recruitment

- Virtual Risk Managers
- Full Time Risk Professionals
- Part time Risk Professionals
- Risk Managers on call – free

Manoj Jain

- ▲ **Founder - Riskpro**
- ▲ CA, CPA, MBA-Finance (USA), FRM (GARP)
- ▲ Over 10 years international experience – 6 years in Bahrain and 4 years USA
- ▲ 15 years exp in risk consulting and internal audits
- ▲ Sox Compliance project for Fannie Mae, USA (\$900+ Billion Mortgage Company)
- ▲ Specialization in Operational Risk, Basel II, Sox and Control design
- ▲ Led medium to large engagement teams

Rahul Bhan

- ▲ **Co- Founder - Riskpro**
- ▲ CA (India), MBA (Netherlands), CIA (USA)
- ▲ Over 15 years of extensive internal and external audit experience in India and abroad.
- ▲ Worked with KPMG United Arab Emirates, PKF South Africa, Ernst and Young Kuwait, Deloitte Netherlands and KPMG India.
- ▲ Worked with clients in a wide variety of industries and countries including trading, retail and consumer goods, NGO, manufacturing and banking and finance. Major clients include banks, investment companies, manufacturing organizations, aviation etc.

Casper Abraham

- ▲ **Co-Founder - Riskpro**
- ▲ PGD (Electrical & Electronics & Computer Programming)
- ▲ 30 years of experience in Information & Communications Technology (ICT) Solutions for Retail, Garments, Manufacturing, Services Industries.
- ▲ Has created Companies, Divisions, Products, Brands, Teams & Markets.
- ▲ Consulting in Business, Technology, Marketing & Sales & Strategic Planning.
- ▲ Advisory, Training, Workshops & Implementation in Systems Thinking, Systems Modeling & Balanced Scorecard
- ▲ Worked with TIFR, Mahindra, Ambience, Communico-Graphique & Ionidea Inc, USA,

Kumar Bhukhanwala

- ▲ **Co-Founder - Riskpro**
- ▲ B.Com, CA
- ▲ 30 years of accounting, finance and risk management experience
- ▲ Most recent employment with Emerson, a USA Fortune 500
- ▲ Worked for Hinduja, Pidilite, Excel Industries and internationally
- ▲ Strong Financial Process and internal controls experience

Anjay Agarwal

- ▲ **Co-founder- Riskpro**
- ▲ LLB, CA, CISA, CWA, CS, CFE and others
- ▲ Over 15 years of experience in the field of Audit, Taxation, Investigations.
- ▲ Specializing in the field of Systems Audit, Cybrex Audit, Computer Crime Investigations, IS Forensics
- ▲ International Committee Member of Governmental and Regulatory Agencies Board and Academic Relations Committee of ISACA, USA

Piyush Kumar

- ▲ **Co-founder- Riskpro**
- ▲ Founder of PMG, a TQM Consulting Co in Delhi
- ▲ Mechanical Engineer
- ▲ 20+years experience in TQM concepts.
- ▲ Strong skill set in various productivity & quality improvement projects including Six Sigma offerings
- ▲ Past experiences include reputed organizations like Andersen Consulting, Eicher Consulting & Nathan & Nathan consultants

Rajesh Jhalani

- ▲ **Co-founder- Riskpro**
- ▲ B.Com, FCA
- ▲ Senior Partner with 48 year old Delhi based Chartered Accountant firm, Mehrotra and Mehrotra
- ▲ Over 19 years of experience in the field of Audit, Taxation, Company law matters.
- ▲ Major clients served are NTPC, BHEL, Bank of India, PNB, Airport Authority of India etc.

Saurabh Kumar

- ▲ **Co-founder- Riskpro**
- ▲ CPA (USA), MBA (India)
- ▲ Founder of SRM Forensic Accounting and investigations
- ▲ 14+ years experience in Forensic accounting and investigations in India, Middle East and USA.
- ▲ Expert in carrying out risk reviews, fraud investigations, litigation support etc.
- ▲ Past experiences include reputed organizations like PWC, KPMG, Moore Stephens etc.

Mr. MP Mehrotra

- ▲ **Founder partner of Mehrotra and Mehrotra, a 48 year old CA firm in India**
- ▲ Bcpm, FCA, LLB
- ▲ Over 48 years of experience in audits, taxation, legal matters, loan syndication etc.
- ▲ Trustee of Cochin Port Trust, Member of Task Force for MOUs, Ministry of Heavy Industries & Public Enterprises, Govt. of India, Ex- Member of Central Board of Trustees, Employees' Provident Fund Organisation (EPFO), Ministry of Labour, Govt. of India, New Delhi.
- ▲ Ex - Director, Canara Bank

Mr. PK Gupta

- ▲ **Practicing chartered accountant in Delhi**
- ▲ CA, ICWA
- ▲ Over 35 years of professional experience.
- ▲ Trustee, Kargil Shaheed Smarak Samiti
- ▲ Hony. Treasurer, World Academy of Spiritual Sciences (WASS).
- ▲ Panel Arbitrator, International Centre for Alternative Dispute Resolution
- ▲ Arbitrator, Cement Corporation of India
- ▲ Arbitrator, Bombay Stock Exchange Limited
- ▲ Arbitrator, Central Depository Services (India) Limited
- ▲ Arbitrator's Panel of Indian Council of Arbitration

RESUMES - PARTNERSHIPS

Andrew Hiles

- ▲ **Specialist Risk Consultant – Business Continuity**
- ▲ Founder and 15-year Chairman of Survive, the first international user group for Business Continuity professionals
- ▲ Founding director and first Fellow of the Business Continuity Institute
- ▲ Over 25 years international consulting expertise in Risk, Crisis, Emergency, Incident, and Business Continuity and ICT Disaster Recovery Management
- ▲ Multi-sector experience including Banking, Insurance, Finance, Oil, Gas, Energy, Manufacturing, Retail, Hi-Tech & Telecom
- ▲ Western Press Award for services to business, 1994; BCI/CIR nomination for lifetime achievement in BC, 1999, London; inducted into BC Hall of Fame by CPM magazine, 2004, Washington DC.

Contacts

MUMBAI

Manoj Jain, Director

B-44 Glaxo Building, Near
Mt. Mary's Steps, Bandra
(W), Mumbai 400050

M- 98337 67114

E- manoj.jain@riskpro.in

DELHI

Rahul Bhan, Director

C-561, Defence Colony,
New Delhi-110 024

M- 99680 05042

E- rahul.bhan@riskpro.in

BANGALORE

Casper Abraham, Director

No. 62/B Modi Residency
Millers Road, Benson Town
Bangalore 560 046

M- 98450 61870

E- casper.abraham@riskpro.in

Email : info@riskpro.in



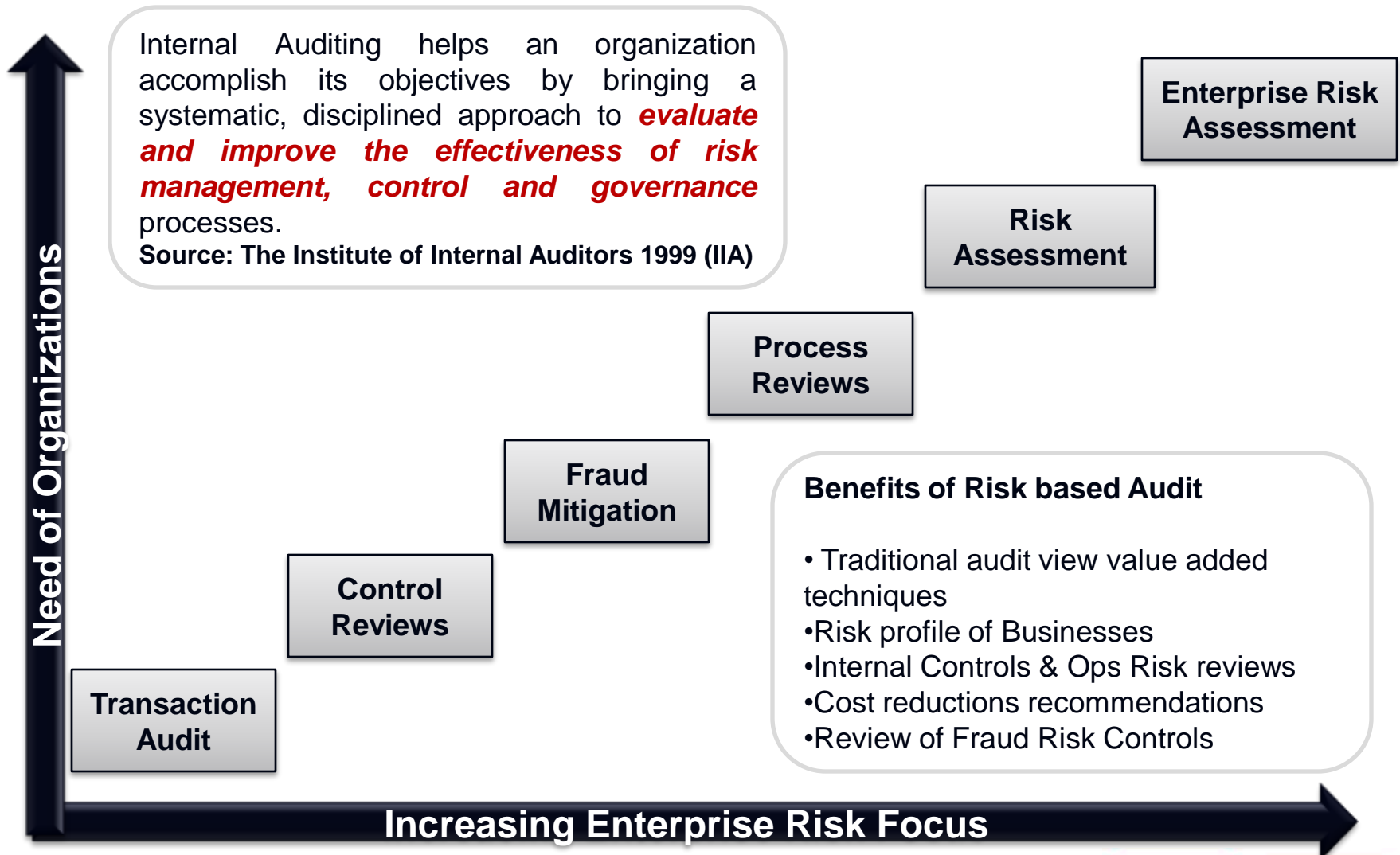
Web: www.riskpro.in



THANKS

Examples of our Services





Scope of Risk based Internal Audit Services

- ▲ Corporate Governance Framework → Enhance shareholder value
- ▲ Business Strategies and Risk Appetite → Is your direction right?
- ▲ Policy and Process Framework → ensure processes are well defined.
- ▲ Risk Management Framework → enhance risk mitigation efforts
- ▲ Fraud Risk Management Initiatives → Minimize fraud incidents
- ▲ Internal Control Framework → Minimize Operational Risks
- ▲ Financial Statement Closing Process → Minimize Accounting Errors
- ▲ Transactional Review → Are your transactions correct

UPGRADE FROM TRADITIONAL AUDITING

ADOPT RISK BASED AUDITING.... USE RISK EXPERTS

You select the level and size of ERM efforts to suit your needs and budget.

1 Foundation

- ERM vision
- Goals and objectives
- Policies
- Organization structure
- Alignment to strategies

2 RISK IDENTIFICATION

- Risk Assessment
- Gap Analysis
- Risk Mapping

3 BASIC ERM

Risk Identification

Foundation

- FOUNDATION TASKS
- RISK ASSESSMENT TASKS
- Risk Mgmt for 2-3 critical risks
- Evaluate existing RM structures
- Enhanced management reports
- Dashboards
- Monitoring tools
- Risk based Communication

4 ENHANCED ERM

Risk Identification

Foundation

- Foundation Tasks
- RISK Identification
- Enhanced Framework

IS AUDIT

- Operating Systems Audit
- Database Audit
- Networking Audit
- Firewall Audit
- IDS Audit
- Web Application, Data Center Audit
- Internet Banking, Core Banking Audit
- Performance & Forensic Auditing
- Application Systems - Functional review
- Compliance with IS Policies & Procedures

INFORMATION SECURITY

- Penetration Testing
- Application Systems - Security review
- Review of IS Controls
- BS 7799 / (ISO 27001) Implémentation
- Formation of IS Security Policy
- Compliance with IS Policies & Procedures

IT GOVERNANCE

- COBIT
- ValIT
- Balanced Scorecard
- IT & Business Maturity Models

IT ASSURANCE

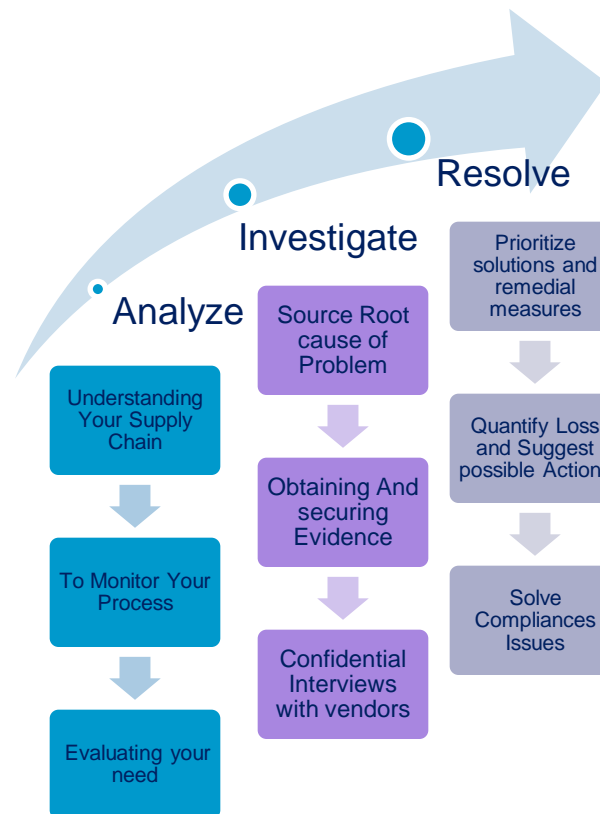
- Business Continuity Planning
- Computer Crime Investigations
- Training in IT
- Compliance with IS Policies & Procedures

Based on our understanding of your requirements, we have customized a package of our solution offerings to meet your needs, which is detailed in the ensuing slides.

To detect and prevent fraud and evaluate Code Of Conduct Compliance on following parameters :-

- ✓ Fraud Detection
- ✓ Fraudulent Vendor
- ✓ Recruiting new dealers, suppliers, franchisees or distributors
- ✓ Anti-Fraud Measures
- ✓ Monitoring Compliance and Authorization
- ✓ Workplace Practice
- ✓ Background check for employees
- ✓ Background check for customers
- ✓ Prevent default of high value bills

Our Solution for you



Benefits To You

- Protects you from any Monterey or Reputational damage
- Code Of compliance establishment
- Enables you to identify risks / control gaps
- Helps you identify any undisclosed production
- Risk Mitigation

Governance, Risk and Compliance (GRC)– Need of today

Global regulatory Driven

- Increasing complexity in the regulatory and compliance requirements
- Global reach of companies and related compliance issues
- HITECH- Health industry, Solvency II-Insurance

Compliance E.g. Clause 49

- All Listed companies required to comply with SEBI
- Regulatory intervention in role of Independent Directors
- Investors expectations and protection

Best Practices

- Stepping stone to Enterprise Risk Management
- Competitive Pressures
- Operational Risk Management
- Manage internal scams and external frauds
- Quality conscious