



Operational Incidents Socializations Bhadra 2074

Following incidents are reported to Operation Risk in the Month of **Bhadra 2074** (August-September 2017). Some of the cases have already been resolved and some are under scrutiny which have to be taken care by all the Branches.

Incident- 1

No longer backup of CCTV

Some of the Branch have CCTV backup less than 90 days which is against the standard norms and practices. Because of no longer CCTV backup Branches have been facing difficulty to trace out the incidents.

Risk Factor:

As per the Bank's operational policy and current practice, it is mandatory to have at least 90 days CCTV backup. It is the indication of high level of operation risk. Concerned Department has to take immediate initiations on the matter. It has to be taken on high priority.

Risk Frequency- Possible;

Risk Severity- Severe;

Risk Level- High

Existing Status: Open

Incident- 2

Cash short Rs 23,000/-

Teller Cash short committed in a Branch. The cash short amount could not been traced after the verification of transaction list as well as CCTV footage. However, the shortage amount has been deposited by the Teller. The proper control in the teller- counter has to be applied to minimize this kind of errors.

Risk Factor:

This kind of risk directly exposes the Bank and the user as well. However, some operational lapses have been observed at the branch. Cash handling must be done carefully and it requires proper attention while handing such sensitive cash activities.

Risk Frequency- Likely;

Risk Severity- Minor;

Risk Level- Medium

Existing Status: Open

Incident- 3

Cash Excess Rs. 10,000/-

Teller cash was excess in a Branch. As per the branch report, the cash excess amount could not be traced after the verification of transaction list. This deviated cash was unable to find and recorded in Teller Cash over Account.

Risk Factor:

The risk directly affects the Bank both operationally and reputational. If it is the case of none depositing the customers' money, impair the customers' faith. Cash handling must be done carefully and required giving proper attention.

Risk Frequency- Possible;

Risk Severity- Minor;

Risk Level- Low

Existing Status: Open



Risk Matrix

2074 Bhadra		SEVERITY				
		Negligible	Minor	Moderate	Significant	Severe
FREQUENCY	Very Likely					
	Likely		1			
	Possible		1			1
	Unlikely					
	Very Unlikely					

Other General Issues

1. Old and Discolored Signboards

It has been observed that almost of the Branches having old signboards. Signboards of some Branches are not clear, dusty and fully damaged condition. Some of the Branches have no signboard for ATM. Dusty Signboards required cleaning time to time by the Branches itself. Concerned Department has to take immediate initiations to repair and replacement of unclear and old signboards with a high priority.

2. ATM functionality

In some instances, ATMs were found not working and out of order. Frequent system problem occurring has been observed in almost ATM's. Branch Managers/Operation In-charges required to assure for the functionality of ATM.

3. CCTV Functionality

It has been observed that CCTV of almost Branches is not functioning properly and CCTV backup of 90 days is also not available in almost of the Branches. A detailed review report on CCTV functioning has submitted by Operational Risk Department indicating current status of CCTV functionality and the Management has instructed to the concerned Departments for its necessary execution and implementation.

4. Wrong entries and their Reversal:

In some instances, it has been observed that wrong entries passed by some branches and rectified after some time but no report of the reversal transaction submitted to the Operation Risk. Branch Managers/Operation In charges are strictly instructed to stop this practice and verify the transactions with supporting documents/advice before validating the stack in computer system. Report of Reversal transaction must be submitted to the Operation Risk on next date.