



## Operational Incidents Socializations

### Ashwin 2075

Following incidents are reported to Operation Risk Management Department in the Month of **Ashwin 2075** (September 2018 – October 2018). Some of the cases have already been resolved and some are under scrutiny. With the approval, the issues shall be circulated to the branches for their information and precautions in future.

#### 1. Teller Cash Excess / (Short)

S.N.	Incident / Report Date	Incident	Amount	Details	Risk Level	Status
1.	2018-09-25 2018-09-26	Cash Excess	9,896.00	At the time of reviewing the cash position by teller, it is found that the cash is excess by Rs. 9,896.00. Branch checked the entire transaction list of teller, counted teller cash & vault cash and reviewed the CCTV footage of the day, however, could not found the cause of excess cash and booked Teller Excess of Rs. 9,896.00 and closed the transaction of the day.	Medium	Open
2.	2018-10-02 2018-10-07	Cash Excess	10,000	At the time of reviewing the cash position by teller, it is found that the cash is excess by Rs. 10,000.00. Branch checked the entire transaction list of teller, counted teller cash & vault cash and reviewed the CCTV footage of the day, however, could not found the cause of excess cash and booked Teller Excess of Rs. 10,000.00 and closed the transaction of the day.	Medium	Open
3.	2018-10-08 2018-10-09	Cash Excess	134,107	Branch has found cash excess of Rs. 134,107.00 & booked in teller excess	Medium	Closed



S.N.	Incident / Report Date	Incident	Amount	Details	Risk Level	Status
				cash (9161302010100). It was due to taking both voucher by client during declaration of source as there was rush in teller. It was identified later on and settled while client came for withdraw & same has been accepted by client.		

## 2. Damage of Physical Assets

S.N.	Incident / Report Date	Details	Risk Level	Status
1	2018-09-25 2018-09-27	The UPS of the branch is not functioning properly. Branch is providing service through direct line. Branch called the technician and repaired it however it is not functioning properly even after charging more than 24 hours. Concerned department has been already informed about the incident and branch will make follow up for prompt repair / replaced of the UPS.	Medium	Open
2	2018-10-12 2018-10-12	Branch has two cash vaults however key of big cash vault did not work properly while closing the vault. Branch tried to close the vault using spare key however it does not work properly. Branch kept high denomination cash in small cash vault with working lock system and remaining cash in big cash vault whose lock system is not working properly. Branch has locked main door of the vault room with dual keys system as a safety measure.	Medium	Open

## 3. Accounting Error

S.N.	Incident / Report Date	Details	Risk Level	Status
1	2018-09-21 2018-09-27	NPR 6,000 was needed to be deposited on the account of one customer. However, the teller mistakenly deposited the amount in the account of another customer. Since, first	Medium	Closed



S.N.	Incident / Report Date	Details	Risk Level	Status
		customer has also maintained salary account of their 160 staffs and the branch can be exposed to huge reputation risk, branch have passed the reversal entry immediately after identification.		

#### 4. System Failure

S.N.	Incident / Report Date	Details	Risk Level	Status
1	2018-09-30 2018-09-30	CCTV of the Branch is not working due to power supply failure in the CCTV. Branch has called the technician and solve the problem.	Medium	Closed

##### Recommendation:

As CCTV is very essential for security purpose, branch must regularly review all the electricity supply network (wiring, power supply box, switch, cable etc.) Further, all old and non-functioning assets must be replaced on timely manner.

#### 5. Fake Document on Account Opening reported by Client

S.N.	Incident / Report Date	Details	Risk Level	Status
1	2018-10-12 2018-10-12	As per branch report, client reported to the branch that account was opened by another group providing fake document and fake minute of Biratnagar Jute Mills Ltd to the branch. Branch immediately blocked the account after complaint received from client. Branch has already forwarded memo to CEO and seek advice from legal department to resolve the issue.	High	Open

##### Recommendation:

Branch has to initially scrutinize the documents and make sure whether it has prima facie fake document or genuine in the part of Bank. Bank has to ensure that account had been opened with the valid and authorized documents with complete documents as required. Bank should not be in between of their two's conflicts. Branch must be sure on this issue that Bank has opened with valid documents.



### Risk Matrix

Ashwin 2075		SEVERITY				
		Negligible	Minor	Moderate	Significant	Severe
FREQUENCY	Very Likely					
	Likely					
	Possible			3		
	Unlikely				4	1
	Very Unlikely					

### Comment from CRO

- The overall incidents reported by the branch indicates that Bank has still not solved the issue of CCTV recording
- There are some instances of the assets maintenance. It has to be resolved from Head Office level on systematic way.
- Cash short / excess are also seen frequently.
- A serious case in one Branch about account opening has to be resolved on top priority.

### Comment from CEO to DCEO/COO/BOD

- Note the remarks of CRO and instruct the respective Branch to correct the issues and avoid such incidents in future.