



प्रेस प्रकाशनी PRESS RELEASE



भारतीय रिज़र्व बैंक  
RESERVE BANK OF INDIA

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## RBI's Platinum Jubilee Celebrations: Symposium on Changing Dynamics of Legal Risks in the Financial System

Dr. D. Subbarao, Governor, Reserve Bank of India urged the legal community in banking and financial sector to determine the reforms required on the legal side to make the financial sector healthy, resilient and growth promoting. Stating that the global financial crisis had thrown up a number of issues relating to the regulation of the financial sector, Dr. Subbarao pointed out that a lot of analysis and thinking was going into the ways of preventing mistakes and excesses that led to the crisis. The legal aspects of the proposed reforms were an important dimension of the whole exercise and it was necessary to determine the reforms required on the legal side to make the financial sector healthy, resilient and growth promoting. Dr. Subbarao said this in his message to the legal fraternity in banking and financial sector who had gathered in Kochi on October 30, 2009 to attend a symposium on "Changing Dynamics of Legal Risks in the Financial System".

The Reserve Bank of India had organised the international symposium on "Changing Dynamics of Legal Risks in the Financial System" in Kochi, Kerala. The symposium is part of the Reserve Bank's Platinum Jubilee celebration. The Reserve Bank commenced its operations in 1935 and is in its 75<sup>th</sup> year (2009-2010). The celebrations include symposia and seminars on issues concerning central banking, outreach programmes to reach out to external audience and cultural and sports events for internal staff of the Reserve Bank.

Smt. Shyamala Gopinath, Deputy Governor, Reserve Bank of India inaugurated the symposium. In her [inaugural speech](#), Smt. Gopinath dealt with in detail, the causes for the recent global financial crisis and called upon the legal community to deliberate on the various aspects of the crisis and try to arrive at some practical solutions to avoid or mitigate legal risks for the financial sector.

Mr. Deigo Davaos, General Counsel of the Bank for International Settlements (BIS) in his key-note address dealt with various aspects of legal risk, its management and shared his thoughts on mitigating them. He emphasised the need for proper documentation and legislative changes with respect to cross-border insolvency issues.

The inaugural function was followed by three technical sessions. Mr. Mikael Stenström from European Central Bank, spoke on "Systemic risk and macro-prudential supervision in the European Union". Shri M.R. Umarji from the Indian Banks' Association, explained in detail, the need for modernising commercial laws in the context of legal risks with which banks in India are exposed to. Prof. Sandeep P. Parekh from the Indian Institute of Management, Ahmedabad analysed in his talk, the changing profile of legal risks in the securities markets. Mr. Michael Held from

the Federal Reserve Bank of New York spoke on the "Lessons learned from financial crisis". The technical sessions were chaired and moderated by Executive Director of the Reserve Bank Shri Anand Sinha and the Vice-Chancellor of ....(NUALS), Kochi, Dr. N.K. Jayakumar.

Heads of legal departments of other regulatory bodies, law officers of the Reserve Bank and senior officials of the Reserve Bank dealing with regulation and supervision of banks and financial institutions and the financial markets attended the symposium. Heads of the legal departments of various banks and financial institutions also submitted papers on various legal issues concerning banks and financial institutions.

The symposium was organised by the Legal Department of the Reserve Bank.

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