

Committed to
professional excellence

IIBF VISION

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Top Stories

Cheque payments get costlier from 1st April

Making payments through cheques could become costly with the RBI allowing banks to levy higher service charges for their clearing, especially of high value and outstation cheques. Banks are now free to fix service charges from April 1, 2011, on speed clearing of cheques of value above ₹1 lakh. Presently, RBI does not allow banks to charge more than ₹150 per cheque for speed clearing of cheques worth over ₹1 lakh. Speed clearing of cheques with value up to ₹1 lakh would remain exempt of any service charges. Besides, RBI has also allowed banks to decide on the service charge on outstation cheques of over ₹1 lakh, as against a maximum limit of ₹150 per cheque allowed currently. However, RBI has decided to lower the service charge for outstation cheques up to ₹5,000 by allowing a levy of ₹25, as against ₹50.

IDBI to take up issue with RBI on 'White-Label' ATMs

IDBI Bank is planning to create a separate entity in partnership with private ATM service providers for running 'White-Label ATMs' - not tied to any bank in the country. The bank intends to soon approach the RBI with this plan. Customers from any bank can deposit or withdraw money from 'White-Label ATMs'. Their banks then pay for the service. Also, such ATMs are invariably owned by a third-party; not a bank.

Banking Policies

Rabobank gets RBI nod to set up branch in India

Netherlands - based Rabobank has received RBI's approval to set up a branch in India. The bank will open its first branch in Mumbai. With the banking licence, Rabobank will be able to accept deposits and provide working capital financing to clients. It'll also be able to deal in foreign exchange, domestic fixed income products

The mission of the Institute is "to develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy / counselling and continuing professional development programs."

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and trade finance. Rabobank's foray into banking comes at a time when the RBI is finalizing the norms for the presence of foreign banks in India - either through a wholly-owned subsidiary or through the branch route.

Roadmap for introduction of holding company soon

RBI is likely to soon present a road map for introducing a holding company structure for banks. The roadmap will help conglomerates in the finance sector to generate funds for subsidiaries. A working group, headed by Ms. Shyamala Gopinath, Deputy Governor, RBI has almost finalized the discussion paper on this and it would be out soon for public comments. The holding company would be regulated by the RBI and all the entities - including the new and the old - in the banking sector will follow the holding structure model once it is put in practice. A holding company can usually have a bank, life insurance and an asset management company as its subsidiaries.

RBI launches 63-day cash instrument

On April 19, 2011, RBI conducted an auction of a new instrument in the form of 63-day Government of India cash management bills for a notified amount of ₹8,000 crore. The auction was conducted using the "multiple price auction" method. The cash management bills will be repaid at par on June 22, 2011. The new instrument, known as cash management bills, is non-standard, discounted instruments issued for maturities of less than 91 days. The tenure, notified amount and date of issue of the proposed cash management bills depend upon the temporary cash requirement of the government.

RBI asks banks to create special buffer to cover NPAs in downturn

RBI has asked banks to create special buffers to be used for making specific provisions for bad loans during system wide down-turns. RBI wants the cushion, called the "counter-cyclical provisioning buffer" - to be set up out of any surplus available after complying with the stipulated 70% Provision of Coverage Ratio (PCR) of the gross NPAs, as on September 2010. PCR is the ratio of provisioning to gross NPAs and indicates the extent of funds a bank has kept aside to cover loan losses.

RBI asks banks to implement 1% interest subsidy on home loans

RBI has directed banks to implement the 1% interest subsidy scheme on housing loans up to ₹15 lakh announced in the Budget with immediate effect. To help increase the demand for low-cost housing, Finance Minister, Mr. Pranab Mukherjee, had liberalised the existing scheme of 1% interest subvention on housing

loans up to ₹15 lakh, where the cost of house does not exceed ₹25 lakh. The RBI has directed banks to ensure that these guidelines are implemented immediately.

RBI asks banks to assess Basel-II readiness

RBI has asked those banks intending to migrate to advanced approach for computing capital charge for operational risk under Basel-II, to assess their preparedness to shift to the new approach. RBI has reiterated that banks can apply for migrating to the advanced approach from April 1, 2012 onwards. RBI will then perform a detailed analysis of the bank's risk management system and proposed model prior to giving approval.

Banking Developments

Bank Credit to NBFCs soared in February

Bank credit to Non-Banking Finance Companies (NBFCs) seems to be increasing by leaps and bounds. Credit growth to NBFCs at 46.4% on a y-o-y basis in February 2011 was significantly higher than the growth of 19.8% during the corresponding period of the previous year. NBFCs operating in segments like gold loans, commercial vehicles, and housing are tapping banks for credit in a big way to grow business - thus, the spectacular growth in credit.

Central registry to prevent home loan frauds, becomes functional

The government operated central registry, which will help prevent frauds in loan cases involving multiple lending from different banks on the same immovable property, has become functional. Mr. R. V. Verma, CMD, National Housing Bank (NHB) has been accorded additional charge as the Central Registrar for three months. Mr. Pranab Mukherjee, Hon'ble Finance Minister had announced the creation of such a registry in Budget 2011-12. A government company Central Registry of Securitisation Asset Reconstruction And Security Interest of India, licensed under Section 25 of the Companies Act, 1956, has been incorporated for the purpose of operating and maintaining the central registry under provisions of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002.

Demand for home loans slackening

Banks and housing finance companies are experiencing a slack in demand for home loans. Prospective home-buyers, expecting the high property prices to cool off, are postponing their decision to invest. The gradually rising interest rates are also acting as a demand dampener. The slack is more pronounced in metros like Mumbai and Delhi where property prices have touched unrealistic

peaks. The Executive Vice President (EVP) and Head of Retail Finance, Edelweiss, has said “The demand for home loans has declined in the past three months. Although the runaway increase in property prices has taken a breather, it has not declined. Hence, home buyers probably feel it is worth waiting before taking the plunge”.

Cash withdrawals happen mainly through ATMs

ATMs, as an alternative channel for branch-based banking, have come a long way. A top functionary from the Indian Banks Association (IBA) avers “At present about 60-80% of individual transactions for withdrawals are being handled by ATMs”. This trend is also pronounced in individual banks. Managing Director, State Bank of Hyderabad (SBH) says “Retail customers now rarely come to a branch for withdrawals. In our banks, 87-90% withdrawals happen through ATMs”.

Liquidity surplus banks park ₹31,000 crore with RBI

The beginning of the new financial year 2011-12 has witnessed some radical improvements in the system's liquidity scenario. For the first time almost over a year, banks have parked surplus liquidity to the tune of ₹31,000 crore in the reverse repo window of Reserve Bank of India (RBI). RBI's reverse repo window pays 5.75% to the banks. The rates for Certificate of Deposits (CDs) have also softened. 1-year CD fell by almost 30 basis points (bps) from 9.70% to 9.40%. Till March-end, banks had been borrowing consistently from the RBI's repo window, which has moved between ₹50,000 to ₹1,000 crore. Banks have raised resources through high cost deposits and CDs in the past.

No easy banking entry for NBFCs as Finance Ministry seeks tougher norms

The Finance Ministry has sought tougher norms for NBFCs wanting to convert into banks or promote banks. The ministry has suggested that only those NBFCs having a minimum balance sheet size of ₹10,000 crore and gross NPAs of less than 5%, should be allowed to convert into banks or set up new banks. Reports suggest that the apex bodies want only those NBFCs that have a strong capital base and smooth operations to participate in the process.

Banks take road less travelled in fund chase

Indian private and public sector banks with over 14-15% of their balance sheet off-shore, are exploring non-traditional markets to raise money, in order to diversify their investor and lender base. Year-on-year, there has been a spurt in banks and institutions looking to raise money through international bonds from markets other than G3, like Switzerland or even Taiwan. Of the 14-15

Indian private and public sector banks with off shore branches, seven have tapped the international bond route this year, with three tapping markets outside G3.

Bank loans grow 21.4% in 2010-11, deposits rise 15.8%

As per RBI's data, bank loans registered a growth of 21.38% in 2010-11, while deposit growth stood at 15.84%. While credit growth was higher than RBI's projection of 20% in 2010-11, deposit growth fell short of the 18% projection. Deposit growth for 2009-10 was 17%, while the growth in credit was 16%. The growth in loans came off sharply in the last fortnight of the financial year ended March 25, *vis-a-vis* the previous fortnight, in which credit growth was 23.20%. In the fortnight ended March 25, banks disbursed loans worth ₹82,593 crore. Deposits grew by ₹64,333 crore in the fortnight.

Steep rise in bank deposits in Q4

In a bid to bulk up their balance-sheets for the financial year end, banks seem to have accelerated the process of garnering deposits even while becoming bit cautious in pushing credit in the Q4. In Q4, bank deposits jumped by ₹2,33,312 crore *vis-a-vis* ₹2,22,034 crore in the same period last year.

SBI to continue consolidation drive

Banking behemoth State Bank of India (SBI) intends to continue with the consolidation drive within the SBI Group. This fiscal, it'll initiate steps to merge an associate bank fully owned by it. The preference would be to consolidate associate banks where SBI holds 100%, as stated by Mr. Pratip Chaudhuri, Chairman, SBI. Both State Bank of Hyderabad (SBH) and State Bank of Patiala are under the 100% ownership of SBI.

Farm lending steps

The Finance Ministry has urged public sector banks (PSBs) to step up agricultural credit and has reviewed their progress on the financial inclusion front. The government has reviewed financial performance of the banks up to December 31, 2010 and deliberated upon issues including education loan, financial inclusion and agriculture credit and human resources.

Coins of 25 Paise and below-Withdrawal from Circulation

Government of India has decided to withdraw coins of denomination of 25 paise and below from circulation with effect from June 30, 2011. Reserve Bank of India has instructed the banks maintaining small coin depots to arrange for exchange of coins of denomination of 25 paise and below for their face value at their branches. Coins of denomination of 25 paise and below will not be accepted for exchange at the bank branches from July 1, 2011 onwards.

RBI asks banks to set up committees to protect IT data

To deal with problem of cyber crimes in the banking sector, Reserve Bank asked banks to set up committees to focus exclusively on information security management. "For banks, as purveyors of money in physical form or in bits and bytes, reliable information is even more critical and hence information security is a vital area of concern," an RBI working group said. The recommendations are on information security, e-banking, technology risk management and cyber frauds. The data and other information are vital assets for banking operations. RBI said that the banks need to ensure implementation of basic IT organisational framework and put in place policies and procedures which do not require extensive budgetary support, infrastructural or technology changes, by October 31, 2011. "The rest of the guidelines need to be implemented within period of one year unless a longer time-frame is indicated," it said.

RBI asks banks to use technology to cut costs, improve service

RBI has asked banks to use technology more effectively with a focus on scaling down costs and improving customer services in its information technology (IT) vision document for 2011-17. The vision document, prepared by the high-level committee headed by Dr. K. C. Chakrabarty, Deputy Governor, RBI, has directed banks to work towards implementation of technology in achieving cost efficiency in small value transactions, improved customer services and effective flow of information within the banks and the regulator.

Regulators Speak...

Accounting norms for insurers relaxed

Insurance Regulatory & Development Authority (IRDA) has relaxed the accounting norms for insurance companies to take care of higher liability arising out of enhanced out-go towards gratuity for their employees. Insurance and reinsurance companies have been allowed to amortise the additional liability on account of gratuity over a period of five years starting from financial year 2010-11.

Cautions on e-banking

RBI has cautioned banks that though e-banking as a new technology has many capabilities, it also has many problems; due to which, users are hesitant to use the system. Mr. R. Gandhi, ED, RBI states "The use of e-banking has brought forth many concerns from

different stake holders. Security is the primary concern. As more and more people are getting exposed to the information super highway, security and privacy that goes hand in hand with this information is crucial to the growth of electronic transactions. In order to provide effective and secure banking transactions, there are four technology issues that need to be resolved. The key areas are security, privacy and authentication."

New policy to tackle inflation

Despite corrective measures, rising inflation continues to remain a "matter of concern" for the RBI. As revealed by Ms. Shyamala Gopinath, Deputy Governor, RBI, the apex bank is likely to furbish new steps to tackle inflation in its annual monetary policy review scheduled for May 3. Inflation in March stood at 8.98%, almost one percentage point higher than the RBI's prediction. Ms. Gopinath says "We will have our own policy very soon. Inflation remains a matter of concern and we need to evaluate and underline the inflationary pressures."

Global rebalancing will require deficit economies to save more

According to RBI, global rebalancing will require deficit economies to save more and consume less while depending more on external demand. Dr. D. Subbarao, Governor, RBI opines that "surplus economies will need to mirror these efforts; save less & spend more; and shift from external to domestic demand for sustainable growth. Managing rebalancing will require a shared understanding on conducting macroeconomic policies to minimize disruptions to macroeconomic stability".

Guidelines for distance marketing of products

The sale of insurance products through telemarketing, SMS, Internet or through any other modes of distance marketing will soon be more reliable. In the new guidelines on distance marketing of insurance products, Mr. J. Hari Narayan, Chairman, IRDA has mandated that every tele-caller should be trained by any institute accredited by the Authority.

Forex

Forex reserves rise \$2.71 billion to \$308.20 billion

The country's foreign exchange reserves went up by \$2.717 billion to \$308.203 billion for the week ended April 8. The reserves had been rising for two consecutive weeks. In the previous week ending April 1, forex reserves were up \$2.004 billion to \$305.486 billion; and foreign currency assets increased by \$2.662 billion to

\$277.681 billion. The increase in reserves was mainly due to currency revaluation. Foreign currency assets expressed in US dollar terms include the effect of appreciation or depreciation of non-US currencies such as the Euro, Sterling and Yen held in reserves.

Benchmark Rates for FCNR (B) / NRE Deposits applicable for month of May 2011					
LIBOR / SWAP For NRE Deposits					
Currency	LIBOR			SWAPS	
	1 Year	2 Years	3 Years		
USD	0.76100	0.7730	1.2640		
LIBOR / SWAP For FCNR (B) Deposits					
Currency	LIBOR			SWAPS	
	1 Year	2 Years	3 Years	4 Years	5 Years
USD	0.76100	0.773	1.264	1.733	2.149
GBP	1.59156	1.6520	2.1020	2.4810	2.7860
EUR	2.09688	2.367	2.659	2.887	3.066
JPY	0.56313	0.369	0.415	0.486	0.585
CAD	1.92817	1.948	2.256	2.523	2.753
AUD	5.59250	5.260	5.400	5.640	5.760

Source : FEDAI

Foreign Exchange Reserves		
Item	As on	As on
	April 22, 2011	April 22, 2011
	₹Crore	US \$ Mn.
Total Reserves	13,72,801	309,705
a) Foreign Currency Assets	12,36,499	279,119
b) Gold	1,02,572	22,972
c) SDRs	20,505	4,629
d) Reserve Position in the IMF	13,225	2,985

Source : RBI

Microfinance

₹1,200 crore scheme being considered for MFI

To meet the credit requirements of Self-Help Groups (SHGs) hit by the microfinance institution (MFI) crisis in Andhra Pradesh, a ₹1,200 -crore credit scheme is under consideration by banks. The credit is sought to be extended through the bulk finance model to the Mandal Mahila Samakhya (MMS).

International News

ECB raises interest rates by 25 basis points

European Central Bank (ECB) has raised interest rates by 25 bps to 1.25%, announcing its first hike since

July 2008 to counter firming inflation pressures in the 17 country Euro zone. The Euro was steady after the decision, which ECB policy makers had flagged heavily in advance. All but four of 80 economists polled by Reuters earlier had expected this rise. The increase in the ECB's benchmark refinancing rate marks a gentle exit from the central bank's policy response to the global financial crisis. It had held the refi-rate at a record low 1% since May 2009. The ECB also raised its deposit rate by 25 bps to 0.5%, and increased its marginal lending rate by the same amount to 2%.

New lending norms for home loans

Federal Reserve is seeking comment on a measure that would require mortgage lenders to verify borrowers' income and debt before issuing loans, as part of an effort to rein in predatory lending. The proposal would set minimum underwriting standards for most residential mortgages as part of the Fed's rulemaking under the Dodd-Frank Act. It would expand regulation by applying the rules to most residential loans; not just a principal residence.

New Appointments

New Chairman of SBI

Mr. Pratip Chaudhuri has taken over as new Chairman of State Bank of India after the retirement of Mr. O. P. Bhatt. Mr. Chaudhuri was Deputy Managing Director in international banking division of SBI.

New CMD for Vijaya Bank

Mr. H. S. Upendra Kamath has taken over as the Chairman and Managing Director (CMD) of Vijaya Bank. Prior to this, he was ED of Canara Bank.

New SIDBI Chief

Mr. Sushil Munhot, ED, IDBI Bank, has been appointed as Chairman and Managing Director (CMD) of the Small Industries Development Bank of India (SIDBI). This position in SIDBI was lying vacant since early July 2010, after Mr. R. M. Malla was appointed as CMD of IDBI Bank.

Canara Bank's Executive Director

Ms. Archana S. Bhargava has been appointed as the new Executive Director (ED) of Canara Bank.

New Chairman for Federal Bank

RBI has approved the appointment of Mr. P. C. Cyriac, IAS (Retd) as part-time Chairman of Federal Bank Ltd. Mr. Cyriac is a Director on the board of the bank since September 2004.



Products & Alliances

Organisation	Organisation tied up with	Purpose
UCO Bank	Religare Securities	To offer online trading to its customers, as part of its expanding product bouquet.

Bank for International Settlement (BIS)

(continued from previous issue)

Banking services for central banks

The BIS offers a wide range of financial services specifically designed to assist central banks and other official monetary institutions in the management of their foreign exchange reserves. Some 140 customers, including various international financial institutions, currently make use of these services and on average, over the last few years, some 4% of global foreign exchange reserves have been invested by central banks with the BIS. BIS financial services are provided out of two linked trading rooms : one at its Basel head office and one at its office in Hong Kong.

The Bank continually adapts its product range in order to respond more effectively to the evolving needs of central banks. Besides standard services such as sight / notice accounts and fixed-term deposits, the Bank has developed a range of more sophisticated financial products which central banks can actively trade with the BIS to increase the return on their foreign assets. The Bank also transacts foreign exchange and gold on behalf of its customers.

In addition, the BIS offers a range of asset management services in sovereign securities or high-grade assets. These may be either a specific portfolio mandate negotiated between the BIS and a central bank or an open-end fund structure - the BIS Investment Pool (BISIP) - allowing customers to invest in a common pool of assets. The two Asian Bond Funds (ABF1 and ABF2) are administered by the BIS under the BISIP umbrella : ABF1 is managed by the BIS and ABF2 by a group of external fund managers.

The BIS extends short-term credits to central banks, usually on a collateralized basis. From time to time, the BIS also coordinates emergency short-term lending

to countries in financial crisis. In these circumstances, the BIS advances funds on behalf of, and with the backing and guarantee of, a group of supporting central banks.

The Bank's Statutes do not allow the Bank to open current accounts in the name of, or make advances to, governments. The BIS does not accept deposits from, or generally provide financial services to, private individuals or corporate entities.

A list of products and services offered by BIS to Central Banks is as under :

The BIS has developed a range of banking services specifically designed to assist central banks, monetary authorities and international financial institutions in the management of their foreign exchange and gold reserves.

Central bank customers have traditionally looked for security, liquidity and return as the three basic features of their placements at the BIS.

- To provide security, the Bank has built up a sizeable equity capital and ample reserves. It pursues an investment strategy focused on combining diversification benefits with intensive credit and market risk analysis.
- To ensure liquidity, the Bank stands ready to repurchase its tradable instruments at little cost to its customers and thus respond quickly and flexibly to their needs.
- The BIS offers an attractive and competitive return on the funds deposited by central banks and international organizations.

BIS money market instruments

- Sight / notice accounts and fixed and floating-rate deposits in most convertible currencies
- Fixed-term deposits can also be denominated in and index-linked to a basket of currencies such as the SDR
- Standard and non-standard amounts and maturities

BIS tradable instruments

- Issued in major currencies
- Available in two forms : Fixed Rate Investments at the BIS (FIXBIS) for any maturities between 1 week and 1 year and Medium-Term Instruments (MTIs) for quarterly maturities from 1 year and up to 10 years
- MTIs available also with an embedded call feature (Callable MTIs)

Foreign exchange and gold services

Services offered are :

- spot deals, swaps, outright forwards, options, FX-linked deposits

- foreign exchange overnight orders
- safekeeping and settlements facilities available loco London, Berne or New York
- purchases and sales of gold : spot, outright, swap or options

Asset management services

Fixed income portfolios are :

- invested in government bonds or high-grade credit securities
- structured as dedicated portfolio mandates or BIS Investment Pool (open-end funds)
- offered as either single currency or multi-currency mandates in the major world reserve currencies

Other services

- Short-term advances to central banks, usually on a collateralized basis
- Trustee for a number of international government loans
- Collateral agent functions

Financial Basics

Leased Bank Guarantee

A bank guarantee that is leased to a third party for a specific fee. The issuing bank will conduct due diligence on the creditworthiness of the customer looking to secure a bank guarantee, then lease a guarantee to that customer for a set amount of money and over a set period of time, typically less than two years. The issuing bank will send the guarantee to the borrower's main bank, and the issuing bank then becomes a backer for debts incurred by the borrower, up to the guaranteed amount.

Glossary

Counter cyclical

An economic or financial policy is called 'counter-cyclical' if it works against the cyclical tendencies in the economy. That is, counter-cyclical policies are ones that cool down the economy when it is in an upswing, and stimulate the economy when it is in a downturn.

Activities of IIBF

Memorial Lectures

Institute organizes 2 memorial lectures annually on various topics related to Banking & Finance sector. The lectures give insights on latest issues in the banking & finance sector.

Sir Purshotamdas Thakurdas Memorial Lecture

Sir P. T. Memorial Lecture was started in the year 1981. Sir P. T. was associated with the Indian Institute of Banking & Finance (Formerly Indian Institute of Bankers) as its founding member and served on the Council of the Institute till his death on 4th July 1961. Sir P. T. was greatly interested in the problems of money, banking, finance and exchange rates. So far the Institute has organized 27 lectures and details of the lectures are available on www.iibf.org.in.

R. K. Talwar Memorial Lecture

State Bank of India has instituted this Annual Memorial Lecture in memory of late R. K. Talwar, former Chairman of the Bank. The First R. K. Talwar Memorial Lecture was organized by the Institute in 2007 at Mumbai. So far the Institute has organized 4 Memorial lectures and details of the lectures are available on www.iibf.org.in.

News From the Institute

Inauguration of the new Corporate Office of IIBF

The Institute has shifted its Corporate Office to Kurla at Kohinoor City, Commercial-II, Tower-I, 2nd & 3rd floor, Kiroli Road, Off LBS Marg, Kurla (West), Mumbai - 400070. The new premises was inaugurated by His Excellency, Shri Kateekal Sankaranarayanan, the Governor of Maharashtra, on 11th May 2011.

11th HR Conference

The Institute had organized the 11th HR Conference in Kenya from 28th April to 1st May 2011 at Nairobi, Kenya on the theme, "Managing Transformation for achieving Growth". The conference was attended by 25 participants. The inaugural address was delivered by Prof. Njuguna Ndung'u, Governor, Central Bank of Kenya. Mr. M. V. Nair, CMD, Union Bank of India gave the keynote address. Dr. A. K. Khandelwal former CMD, Bank of Baroda and Mr. S. Shivram, Consultant, Deloitte gave special presentations on the subject. The delegates were immensely happy with the outcome of the seminar deliberations.

Webex classes

The Institute has started the Web Classes with effect from 20th April 2011 for JAIIB / CAIIB and DB&F examinations. The candidates are given access to the web classes. The Institute has, with the help of subject matter specialists (SMEs) developed tutorials (web classes) for each of the papers. On an average each module is covered in 7 to 8 hours of talk / lecture and the full subject in



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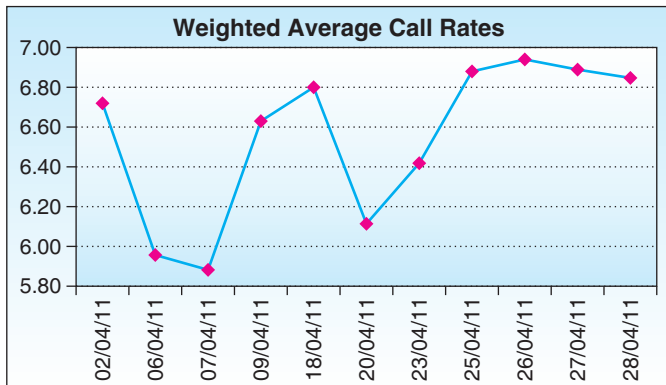
25-30 hours. The SMEs' have covered the essentials of each unit in such a manner that candidates could easily grasp the subject. The candidate will benefit by listening to the lectures and thereafter if he / she refers to the courseware it will be easy for them to grasp the finer points covered therein. Web classes will therefore help the candidate to master the subject in an easy and self paced manner.

With this, the Institute is giving dedicated courseware, workbooks, E-learning, contact classes and webex classes as academic support to the candidates while preparing for its examinations.

Annual Report

We would request all the candidates to update their e-mail address with the Institute on a priority basis, to enable us to send the Annual Report for the year 2010-11 via email.

Market Roundup



Source : CCIL Newsletters, April 2011

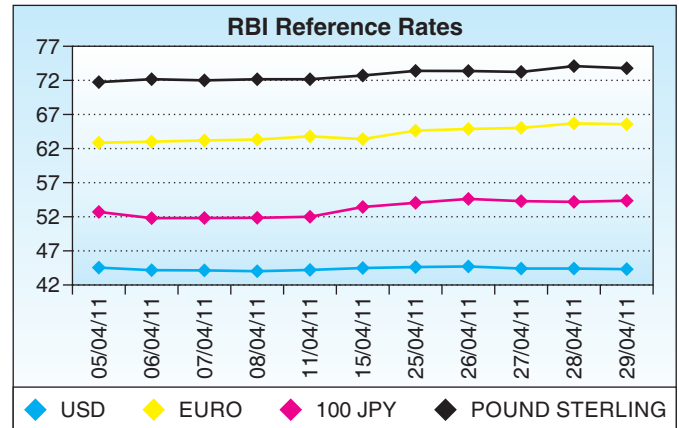
- Call rates remained largely range bound
- Rates hovered between 5.88 and 6.94
- Towards month end, slight easing of liquidity is seen

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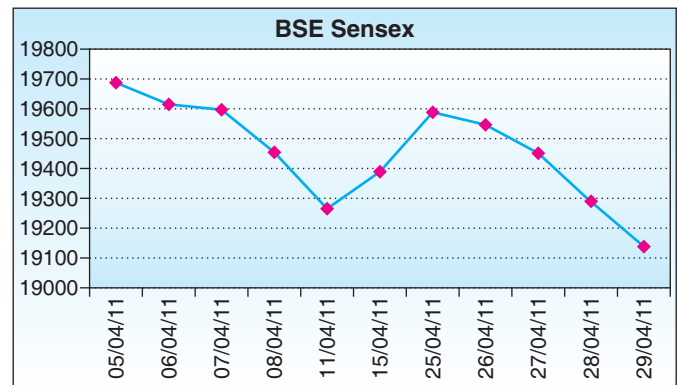
INDIAN INSTITUTE OF BANKING & FINANCE

'The Arcade', World Trade Center, 2nd Floor, East Wing, Cuffe Parade, Mumbai - 400 005.
Tel. : 2218 7003 / 04 / 05 • Fax : 91-22-2218 5147 / 2215 5093
Telegram : INSTIEXAM • E-mail : iibgen@bom5.vsnl.net.in
Website : www.iibf.org.in



Source : Reserve Bank of India (RBI)

- The Rupee completed this year's best month as overseas investors boosted holdings of Indian stocks to take advantage of the economic growth outlook. The currency climbed 1.5% this month and 0.4% in Thursday's trade to 44.5875 per dollar.
- Stock inflows take Rupee to 5-month high. The Rupee strengthened 0.4% to 44.4175 per dollar on 5th April.
- Rupee weakens on talk of Refiners buying more dollars. The Rupee lost 0.3% to 44.49 per dollar in Monday's trade (25.04.11), paring gains this month to 0.2%.
- The Rupee ended at 44.21 / 22 per dollar after touching 44.21, a level not seen since April 11. The Rupee strengthened to a near 3-week high on Friday (29.04.11), supported by global dollar weakness and inflows of greenback through robust overseas corporate borrowing.
- Euro continuously appreciated by 4.47% during the month.



Source : Reserve Bank of India (RBI)