



Committed to professional excellence

IIBF VISION

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VISION

To be premier Institute for developing and nurturing competent professionals in banking and finance field.

MISSION

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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TOP STORIES**RBI prescribes Net Stable Funding Ratio for banks**

Reserve Bank of India (RBI) has released final guidelines prescribing 100 percent Net Stable Funding Ratio (NSFR), a long-term liquidity measurement included in the Basel III liquidity standards, to ensure banks maintain adequate liquid resources for more resilience. The NSFR would be supplemented by supervisory assessment of the stable funding and liquidity risk profile of a bank.

More risk management measures for derivatives

The Securities and Exchange Board of India (SEBI) has issued additional risk management measures for the derivatives segment. These measures, which will be effective from June 1, pertain to margin collection requirement and computation of liquid net worth for the equity derivatives segment.

New framework to check non-compliance of listing rules

SEBI has initiated a stronger mechanism to check non-compliance of listing conditions, wherein exchanges will have powers to freeze promoter shareholding; delist the shares of such defaulting companies; levy fines on non-compliant companies; move their stocks to restricted trading category; and suspend trading in the shares of such entities. The new rules would come into force w.e.f. compliance period ending on or after September 30, 2018.

PFRDA okays partial NPS fund withdrawal

Pension fund regulator PFRDA has allowed NPS subscribers to partially withdraw funds from their accounts for pursuing higher education or setting up/acquire new business. The cap on equity investment in 'active choice' category has also been increased from 50% to 75%, for private sector subscribers of NPS. Further, the PFRDA board has approved a proposal on changing the investment grade rating from AA to A for corporate bonds and a proposal on adoption of Common Stewardship Code, as a measure of good corporate governance.

Banking Policies**FPIs can invest in T-bills issued by Central Govt.**

Foreign Portfolio Investors (FPIs) have now been allowed by the Reserve Bank of India (RBI) to invest in treasury bills (T-bills) issued by the Central Government. However, investment in securities with residual maturity below one year by an FPI under either category (G-secs, SDLs or corporate bonds) cannot exceed 20% of the total investment of that FPI in that category.

RBI modifies norms for establishing IFSC banking units

RBI has modified the norms for establishing IFSC banking units. Accordingly, now, the parent bank will be required to provide and constantly maintain a minimum capital of \$20 million to its IBU. Stakeholders have requested RBI to consider minimum prescribed regulatory capital at the parent level rather than at the IBU level. However, the minimum prescribed regulatory capital, including for the exposures of the IBU, will have to be maintained on an on-going basis at the parent level. Also, the parent bank will be required to provide a Letter of Comfort for extending financial assistance in the form of capital/liquidity support to IBU.

New Appointments

Name	Designation/Organisation
Mr. Subhash Chandra Khuntia	Appointed as Chairman of IRDAI
Mr. Charan Singh	Appointed as non-Executive Chairperson of Punjab & Sind Bank
Mr. Tapan Ray	Appointed as non-Executive Chairperson of Central Bank of India

Forex

Foreign Exchange Reserves		
Item	As on May 25, 2018	
	₹ Bn.	US\$ Mn.
	1	2
1 Total Reserves	28,134.8	4,12,824.1
1.1 Foreign Currency Assets	26,444.9	3,87,597.3
1.2 Gold	1,449.2	21,700.7
1.3 SDRs	102.3	1,498.5
1.4 Reserve Position in the IMF	138.4	2,027.6

Benchmark Rates for FCNR(B) Deposits applicable for June 2018					
Base Rates for FCNR(B) Deposits					
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	2.50800	2.69800	2.76900	2.79220	2.81080
GBP	0.75000	0.9516	1.0687	1.1696	1.2526
EUR	-0.21800	-0.128	0.026	0.172	0.321
JPY	0.04750	0.066	0.085	0.093	0.115
CAD	2.14000	2.298	2.422	2.491	2.543
AUD	2.01250	2.124	2.220	2.474	2.571
CHF	-0.62000	-0.549	-0.395	-0.249	-0.113

Benchmark Rates for FCNR(B) Deposits applicable for June 2018

Base Rates for FCNR(B) Deposits					
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
DKK	-0.09720	-0.0025	0.1374	0.2958	0.4565
NZD	2.10000	2.226	2.374	2.515	2.645
SEK	-0.33500	-0.146	0.058	0.275	0.468
SGD	1.78000	1.980	2.115	2.210	2.295
HKD	2.07000	2.350	2.520	2.620	2.690
MYR	3.76000	3.785	3.830	3.860	3.890

Glossary

Net Stable Funding Ratio (NSFR)

The NSFR is defined as the amount of available stable funding relative to the amount of required stable funding. The NSFR promotes resilience over a longer-term time horizon by requiring banks to fund their activities with more stable sources of funding on an ongoing basis.

Financial Basics

Net Asset Value (NAV)

The value of a mutual fund's holdings (assets minus liabilities) divided by the number of shares outstanding.

Institute's Training Activities

Training Programme for the month of June 2018

Programme	Dates	Location
Certified Credit Professional	12 th – 14 th June 2018	Virtual
Certified Credit Professional	13 th – 15 th June 2018	Bengaluru
	11 th – 13 th June 2018	Delhi
	23 rd – 24 th June 2018	
Housing Finance	18 th – 20 th June 2018	Chennai
Certified Treasury Professional	15 th – 17 th June 2018	Mumbai
	22 nd – 24 th June 2018	

News from the Institute

Change in Rule for Collecting Examination Fees

With effect from 1st July 2017, Institute has switched over to Goods & Service Tax (GST) regime from Service Tax. The earlier rule of collecting examination fees for Associate, Diploma and Blended courses stipulates that candidates have to pay examination fee for two attempts together. In order to comply with GST provisions and to simplify administration of payment of tax, the rule of collecting fees has been re-structured. Institute will now collect examination fee for each attempt separately from the candidates. Therefore, candidates have to register for each attempt separately.

Capacity Building in banks

RBI vide its notification dated 11th August 2016 has mandated that each bank should have a Board approved policy to deploy staff with adequate qualification/certification in key areas of operations. To begin with, they have identified following areas:

- Treasury Management: Dealers, mid-office operations.
- Risk Management: Credit risk, market risk, operational risk, enterprise-wide risk, information security, liquidity risk.
- Accounting: Preparation of financial results, audit function
- Credit Management: credit appraisal, rating, monitoring, credit administration.

Subsequently on the direction of RBI, IBA had constituted an Expert Group for identifying suitable institutions and courses that can provide the necessary certifications. IIBF is the only institution offering certification in the three out of the four areas.

Further, RBI vide its letter dated 31st May 2017, addressed to IBA and copy endorsed to IIBF has stated that the Certificate Course in Foreign Exchange offered by IIBF in association with FEDAI will be a mandatory certification for all bank employees who are working or desirous of working in the area of foreign exchange operations including treasury operations.

The courses offered by the Institute in the areas of Treasury Operations, Risk Management and Credit Management are blended in nature with an online examination followed by training for such of those candidates who have successfully cleared the online examination. The course on Certified Accounting & Audit is being introduced and the first examination for the same is going to be held on 15th July 2018. Please visit the website www.iibf.org.in for examination registration and more details.

Launch of 7th AMP from July 2018

IIBF conducts Advanced Management Programme (AMP), a management course for working Officers and Executives from the Banking / Financial Sector. The Sessions are conducted, principally at IIBF's Leadership Centre at Kurla, Mumbai and are held on weekends / Bank Holidays.

The course is scheduled to commence from July 2018. For details please visit our website www.iibf.org.in

Mutual Recognition Agreement with the Chartered Banker Institute, Edinburgh, U.K

The Institute is delighted to announce the signing of a Mutual Recognition Agreement with The Chartered Banker Institute, Edinburgh. Under this agreement, “Certified Associates of the Indian Institute of Bankers” (CAIIB) from India will have their qualifications recognised by the Chartered Banker Institute, and will be able to become Chartered Bankers by studying the Institute’s Professionalism, Ethics & Regulation Module, and successfully completing a reflective assignment.

MoU with Small Industries Development Bank of India (SIDBI)

The Institute entered into a partnership with SIDBI on 11th July 2017 to take forward the Certified Credit Counsellor (CCC) program for MSMEs. Eligible candidates, interested in becoming CCCs, have to pass a certificate examination on MSMEs conducted by IIBF. On successful completion of the examination and after due diligence conducted by SIDBI, a certificate shall be issued to the candidate as Certified Credit Counsellor for MSMEs.

Virtual Classroom Solution

The Institute has acquired a software for conducting training through the Virtual Classroom mode. This will enable the Institute to disseminate the training inputs to a larger audience without diluting quality. Virtual training for Certificate in Risk in Financial Services has also been introduced. For more details, please visit our website www.iibf.org.in.

Mock Test facility for Examinations

The Institute is offering mock test facility for three of its specialised courses, namely, Certified Treasury Professional, Certified Credit Professional and Risk in Financial Services, in addition to its flagship courses viz JAIIB & CAIIB. The mock test can now be taken by any bank staff.

Video Lectures now available on YouTube

The facility of video lectures, offered by the Institute for 3 compulsory papers of JAIIB and 2 compulsory papers of CAIIB, will be available on the Institute’s official YouTube Channel. The link to the same is <https://www.youtube.com/channel/UCjffIKtvEh8yLb3vwxosGow/playlists>

Examination at Institute’s own Test Centres at Mumbai & Kolkata

The Institute, earlier conducted examinations on the 2nd and 4th Saturday of every month for four of its courses namely, Micro, Small & Medium Enterprises (MSMEs), Customer Service, AML/KYC and Cyber Crimes at its own Test Centres at Mumbai & Kolkata. The Exams shall now be conducted on the 1st and 3rd Saturday of every month for the mentioned courses. Candidates can select the examination date and centre of his/her choice. Registration will be on first come first serve basis. The schedule of the examinations for the said courses is available on our website www.iibf.org.in.

Bank Quest Theme for upcoming issue

The theme for the April-June 2018 “Bank Quest” issue is “*International Banking*” and for July-September 2018 issue is “*Risk Management*”. Members are requested to contribute articles for publication in the quarterly journal of the Institute.

Cut-off date of guidelines /important developments for examinations

The Institute has a practice of asking some questions in each exam about the recent developments / guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. However, there could be changes in the developments / guidelines from the date the question papers are prepared and the dates of the actual examinations. In order to address these issues effectively, it has been decided that:

- (i) In respect of the exams to be conducted by the Institute for the period from February 2018 to July 2018, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 31st December, 2017 will only be considered for the purpose of inclusion in the question papers.
- (ii) In respect of the exams to be conducted by the Institute for the period from August 2018 to January 2019, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June, 2018 will only be considered for the purpose of inclusion in the question papers.

Green Initiative

Members are requested to update their e-mail address with the Institute and send their consent to receive the Annual Report via e-mail.

STATEMENT ABOUT OWNERSHIP AND OTHER PARTICULARS OF IIBF VISION, THE NEWSLETTER OF INDIAN INSTITUTE OF BANKING & FINANCE

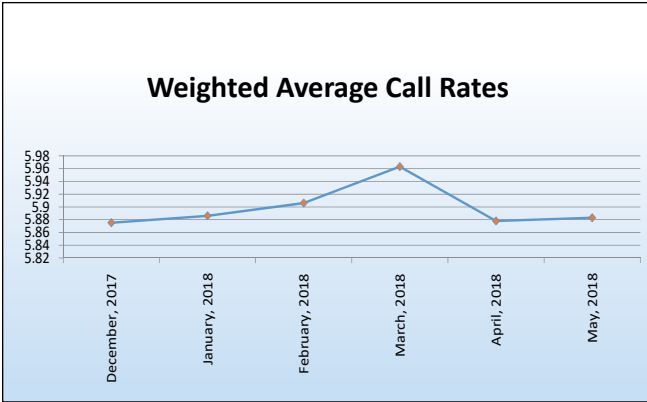
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I, Dr. J. N. Misra, hereby declare that the particulars given above are true to the best of my knowledge and belief.
31.03.2017

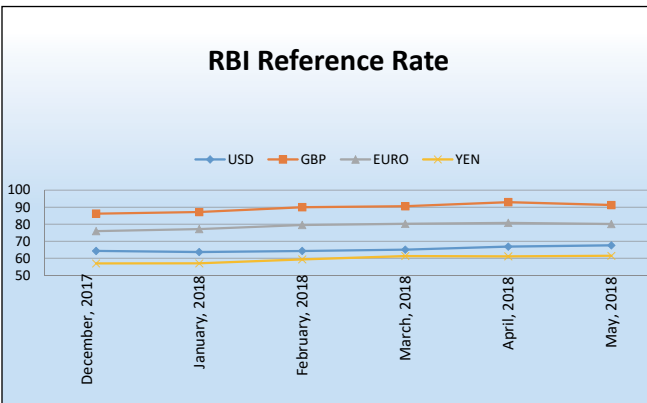
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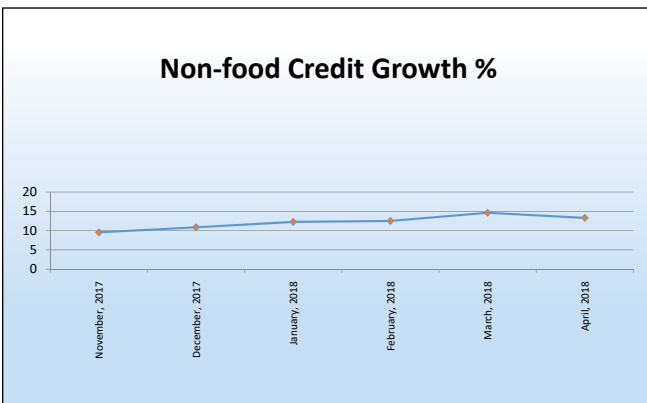
Market Roundup



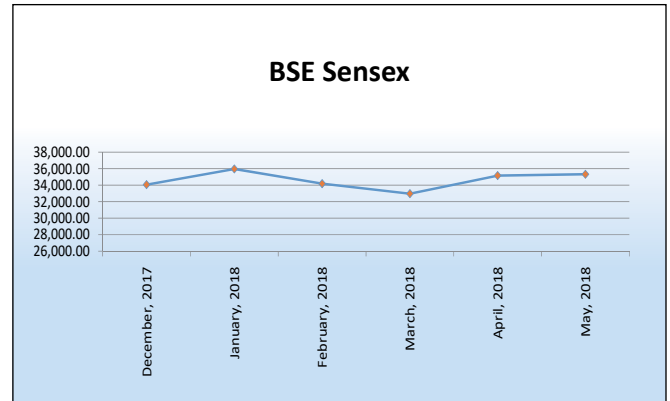
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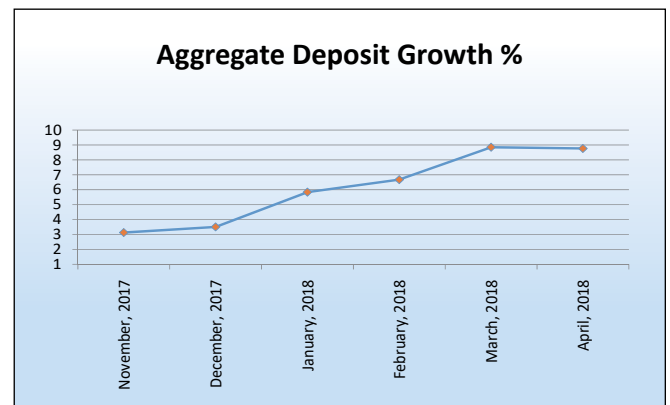
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Source: Monthly Review of Economy CCIL, May 2018



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INDIAN INSTITUTE OF BANKING & FINANCE

Kohinoor City, Commercial-II, Tower-I, 2nd Floor, Kiro Road, Kurla (W), Mumbai - 400 070.

Tel. : 91-22-2503 9604 / 9746/9907 • Fax : 91-22-2503 7332

E-mail : admin@iibf.org.in

Website : www.iibf.org.in