Towards Professional Excellence In Banking And Finance

The History of The Indian Institute of Bankers 1928-2002

Padmini Murti
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/counseling and continuing professional development programmes.

April 29, 2002
Preface

to the first reprint

The Indian Institute of Banking & Finance has a chequered history of 87 years. It had started its journey on 30th April, 1928, much before the Reserve Bank of India came into existence. It had witnessed several turns and tides of the economy during the last nine decades and positioned itself well to meet the changing demands of the industry. The Institute is committed to quality and value creation in the space in which it operates. The constant endeavor of the Institute is to remain relevant and so far, it has been successful in this pursuit.

The history of the Institute was compiled in 2002 on the occasion of its Platinum Jubilee Celebration. The book generated lot of interest not only amongst the Banking community but also among the readers in general who take interest in the development of banking in India. The book contains the chronology of events in the course of Institute's development from the tiny corner of Apollo Bunder to its present avatar with the turn of the century at Mumbai. The book also shadows the changes in the banking industry during the pre-independence period to the post liberalization period of 1990. The book captures the images of Indian Banking in four phases - pre-independence, post independence up to the first phase of Bank nationalization, the explosion phase of Banking network from 1970-1990 and finally, the post liberalization phase from 1991 onwards.

The Indian Banking Industry is now witnessing large scale changes. With the advancement of technology, digital banking is gaining prominence. More and more players are also entering the field. Recently, licenses have been granted for two new universal Banks and eleven payment Banks. A few small banks are also likely to join in the fray in the near future. This coupled with large scale retirement and consequential recruitment has paved the way for entry of new generation of bankers. It is therefore, important to reach out to this new generation with the story of the development of Indian banking and role played by the Institute in this journey. This is the primary purpose of the reprint of the book and the Institute will be amply rewarded if this goal is realized.

Mumbai

Dr. J. N. Misra,

26th August, 2015

Chief Executive Officer.

Towards Professional Excellence in Banking and Finance
# Table of Contents

- **Preface**  
  - 9

- **Foreword**  
  - 15

- **Setting up the Institute**  
  - 21
  - Background
  - Rise and Growth of Modern Banking
  - The Need for Trained Bankers
  - An Institute of Bankers for India
  - Towards the Formation of the Institute
  - Memorandum of the Institute
  - Birth of the Institute
  - Attachment 1.1

- **The Formative Years 1928-47**  
  - 51
  - First General Meeting of the Institute
  - Premises of the Institute
  - Beginnings of an Office
  - Activities of the Institute
  - Who could be a Member of the Institute?
  - Finances of the Institute
  - Management of the Institute
  - Overview
  - Attachment 2.1

- **Spreading its Wings 1947-68**  
  - 89
  - Independence and its impact on Council
  - Honorary Secretary
  - Secretary & Chief Secretary
  - Evolution of Office Rules
  - Activities of the Institute
  - Finances of the Institute
  - Change in the Memorandum of Articles of Association
  - Overview

- **- The History of The Indian Institute of Bankers**
Responding to New Initiatives 1968-78  113
Nationalisation of major Banks
Banking Commission
Activities of the Institute
Finances of the Institute
An Office of its Own
Towards the setting up of a Review Committee

Winds of Change 1978-1991  137
Recommendations of the Review Committee
Implementations of Changes
Organisation of the Secretariat
Introduction of new Examinations
Establishing International Linkages
Diamond Jubilee Celebrations
41st International Banking Summer School
Afro-Asian Banking School
Finances of the Institute
Overview

Meeting the Challenges of the 1990s  177
Financial Sector Reforms
Meeting the Challenges
Survey of Long Term Development Plan
Expert Group on Syllabus Revision
Organisation and Management Study
Review of Activities
Organisational Changes
Overview
Attachment 6.1
Into the New Millenium
Recommendations of the Task Forces
Other Initiatives
Looking Ahead
Overview
Attachment 7.1

List of Annexures

Select Bibliography
Preface

The Indian Institute of Bankers occupies a distinct niche in the edifice of modern day Indian banking. Established in 1928 when training facilities for bank employees were non-existent or at a rudimentary level, the Institute has been in the forefront espousing the cause of banking education in India, encouraging bank employees to undertake a systematic study of the theory and practice of banking with a view to enhancing the efficiency of banking services. Candidates who successfully complete the examinations are awarded Certificates in particular the Associate Certificate of the Institute that bankers in India treasure as their very best personal accomplishment. They are held in high esteem by fellow bankers and society at large, as those, who appreciate the value of such practical education and the role that human capital plays in the economic development of the country.

On April 30; 2002, the Institute entered its seventy-fifth year of service to the banking community of India. The Platinum Jubilee year is a fitting occasion to look into the past and to gain insights from the history of the Institute-its origins, objectives, activities, adaptability to change, and preparedness to face new challenges. The task entailed in such chronicling is vast. Fortunately, however, it has been rendered manageable because the documents relating to the functioning of the Institute are well maintained and made available by the persons who run the affairs of the Institute on a day-to-day basis. In the writing of the history of the Institute, the minutes of the Council...
meetings, annual reports, journals and the reports of the committees/working groups/task forces have been used as primary sources of information. There was besides an unpublished draft of the Institute's history during the first sixty years of its existence by Keshav Mutalik providing considerable amount of valuable information.

The history of the Indian Institute of Bankers has to reflect the changing contours of the economic realities and policies of the country from time to time. The years before India's Independence were the formative ones, modelled to a significant extent on the lines of the London Institute of Bankers with a touch of the distinct characteristics of the banking practices then prevalent in India. Independence brought in its wake new dimensions in policy thinking and policy pursuits. It was clear to policy makers that finance and development are not antithetical but are close complements. Banks, it followed, have to play a major role in not only mobilising resources of the country but also facilitating their use in activities that are productive. In this process of financial intermediation lie many challenges, often rendered complex as much by institutional factors as by deliberate macroeconomic choices. The Institute has to capture the essence of the dynamic interplay of the elements that underlie the connection between finance and development.

It is this perspective that has been placed at the center-stage in the writing of this history. The periodisation behind the design of the chapters reflects a distinctness that is marked by the unique dynamics of the Indian economic and financial developments that took place in each period. Thus,
certain major events of direct concern for the Institute and the ramifications that are associated with them become the turning points of the history of the Institute. For example, the nationalisation of the fourteen major Indian banks was taken as an important point of interest for the Institute. Similarly, the 1991 balance of payments crisis that resulted in a major shift in the economic policy regime was taken as a landmark event that held sway over the scope of work of the Institute. It is for this reason that in writing this history, care was taken to ensure that references are made wherever necessary to the shifts in macroeconomic policies including banking policies in order to let the readers appreciate the rationale of thinking behind the events and developments that characterised the different stages of growth of the Institute. However, given the fact that the areas of activity of the Institute are highly focused, it would appear as though certain themes recur under each chapter. This just cannot be avoided. But the narration here has attempted to provide the necessary nuances of the changing emphasis on the themes in each of the periods. The nuances themselves seem to be somewhat opaque given the near absence of disagreements in the Council that governs the Institute. But a trained eye should be able to capture them and appreciate the responses of the Institute to the demands of the banking industry and the personnel that man it. The study attempts to present the facts in as much detail as necessary in the text. The attachments and annexures provided as supportive documents would give interesting and in some cases additional insights.

It is, personally speaking, an honour to be associated with an endeavour that recounts one of the major but
much neglected aspects of human activity, namely the development of human capital in banking for economic growth. When the offer to write the history of the Institute was made to me, I initially hesitated simply because I have never been a banker myself. I am however a consumer of banking services. As a consumer, I would like to have the best out of my bankers. To the extent the Institute promotes excellence in the rendering of banking services through education and training of personnel, it is relevant to every human being who banks with banks. It was this thought that impelled me to accept the assignment with a sense of humility and as a challenge. I could overcome my initial hesitation also because of my long years of teaching and research experience. Besides, my own specialisation in public, nay development administration came in handy to view issues of management of the Institute with a dispassionate eye.

The Platinum Jubilee year of the Indian Institute of Bankers is a historic event for the Institute -historic, in the sense, that the Institute is likely to be broadened in scope and functions in the years ahead. There are clear visible signs to the effect that the Institute will focus on providing training and education not only to bankers but to all those persons who would be in the non-banking segment of the financial sector - securities, insurance and non-banking financial intermediaries. As and when these signs crystallize into reality the name of the Institute could itself undergo a change, in which event this volume bearing the name of the Indian Institute of Bankers will be the last fitting tribute to the services rendered by the innumerable men and women who traversed the path of banking over the last seventy five years. By the close of the
Platinum Jubilee year, the Indian Institute of Bankers will transform itself into the Indian Institute of Banking and Finance.

I am happy to perform the pleasant duty of acknowledging the help I received from numerous individuals in writing this volume. I thank the Indian Institute of Bankers, its then President, Shri Y. Radhakrishnan and the members of Governing Council for giving me an opportunity to write the history of the Institute to be brought out as part of the Platinum Jubilee Celebrations. In the preparation of the history I acknowledge the encouragement and guidance, I have received in ample measure from Dr. A. Vasudevan, former Executive Director, Reserve Bank of India. I am deeply indebted to him. I thank Shri R. H. Sarma, Chief Executive Officer of the Institute for providing me the facilities and documents necessary for writing the history. A special acknowledgement is due to Shri P. J. Lonappan, Deputy Chief Executive Officer, for his immense support and readiness to spare time for me during the writing of the history. Shri B. De Sarkar, Joint Director, Corporate Planning Division, provided me nuggets of information that have been invaluable. Shri Peter Fernandes and Shri Manu Mittal, officers in the Institute deserve special thanks for helping me in the preparation of the annexures. In the course of my work at the Institute, several members of the staff reached out to assist me in more than one way. I convey my appreciation to each one of them. However, I alone am responsible for the narration and interpretation of events.

Mumbai, Padmini Murti
June 2002

- The History of The Indian Institute of Bankers
Foreword

Often we say that "men may come, men may go; but institutions stay for ever". While going through the history of the Indian Institute of Bankers, I find that men had come but they had not disappeared before making their indelible marks on the pages of history. A seed sown in the confines of a small room in then Imperial Bank of India in 1928, has today grown into a fully grown tree bestowing a variety of fruits to the banking and finance professionals. As people say, "Rome was not built in one day" or by one person. Similarly the Indian Institute of Bankers has also been nurtured and nourished by way of ideas, guidance and support by a galaxy of luminaries of the Indian Finance world.

I have the good fortune of steering the Institute in this glorious year of Platinum Jubilee and I am indeed very happy that I got this opportunity to pen a few words on the History of an important national institution. I look back with gratitude at the wisdom and foresight of our founding fathers and relentless efforts of all others who were associated in building the Institute in the past.

The Institute, which began as an examining body for banking profession, remained as such for more than sixty years for historical reasons. With the advent of Financial Sector reforms, and consequent transformation of the finance scenario in the country, the Institute began its journey towards blossoming as a centre of education for professional excellence in finance. The real transformation
commenced with the preparation of the Long-term Development Plan by the Malegam Committee in 1995. It was in this year that I was asked to take over the captaincy of the Institute. I could initiate since then a number of measures such as launching an exclusive MBA in Banking & Finance, benchmarking the Institutes examinations at Graduate, post graduate and specialists levels, publishing comprehensive study books in all examinations, constitution of Banking Standard Development Board for determination of competency standards for bankers and evolve a mechanism to promote innovation and creativity among bankers. These initiatives have culminated in opening up the Institute to the entire Finance Community of not only today but also of tomorrow.

These measures would not have been successful but for the whole hearted support and guidance received from the successive Presidents Dr. Rangarajan, Dr. Bimal Jalan, Shri G. G. Vaidya, Shri K. V. Krishnamurthy, Shri Y. Radhakrishnan and Shri V. Leeladhar, and other members of the Governing Council.

It is in this background, the Governing Council thought it appropriate on the occasion of the Platinum Jubilee year of IIB, to record the growth of the Institute in a book for the sake of posterity and commissioned the writing under the able guidance of Dr. A Vasudevan, Former Executive Director, RBI, who himself was till recently a part of the Governing Council. Prof. Padmini Murti has penned the history culling out the facts and information from the documents of the Institute in an excellent readable manner.
The book aptly titled "Towards Professional Excellence in Banking & Finance" reflects the growth of the Institute vis a vis the developments in the economic and financial policies of the country. It also traces the responses of the Institute to the demands of the Banking Industry in particular from time to time.

I would like to thank, on behalf of the Governing Council and my own behalf, Dr. Vasudevan and Prof. Padmini Murti for compiling this book. I am sure the book would serve a useful purpose in understanding the efforts of the Institute in nurturing the banking and finance professionals of the country in all these years.

I would also like to appreciate the team of staff in the Institute for their dedicated service. I am confident that the Institute will go further in stature and height in the years to come.

Mumbai (R.H. Sarma)  
15 November, 2002. Chief Executive Officer
Setting up the Institute
Setting up the Institute

Institutions are created by individuals for meeting certain defined ends. Their emergence could be traced to the circumstances in which societies are placed. The reasons for creating institutions can therefore be best understood only if one has a grasp of the societal context. In countries like India which have a long history, the very idea regarding the setting up of an Institute for providing educational training for commercial bankers in modern theory and practices will have to be anchored on the need to eliminate the inefficiencies of the mechanisms that underscored the economic and financial transactions of society. Such mechanisms identified as money lending and unorganised banking, are not unique to India. In fact, they are commonly seen in all societies.

Background

India for centuries had her own indigenous system of banking. The importance of banking was recognised and the position occupied by bankers in the organisation of society was one of "usefulness and dignity". In studies on indigenous banking in ancient and medieval India, references are made to Vaishyas (the business community) specialising in banking. A regular system of account keeping was adopted and the form of the loan deed was known as Runapatra. In the Shukra Yajur Veda Chapter 1 the following has been noted, "The state recognized ...the
Towards Professional Excellence in Banking and Finance

Chapter 1: Setting up the Institute

necessity for regulating the profession of banking and money lending and it became necessary for every banker and moneylender to obtain royal sanction to start business."

A remarkable feature of Indian Banking has been the indigenous system of exchange, which has surprisingly enough, survived to this day. Called *Hundi* the word derived from the Sanskrit word means to collect and dates back to the days of the *Mahabharat*. Kautilya called it *Adesha*. It was an order on a banker asking him to pay the money on the note. Instruments like the *Hundi* were used to transfer large funds over long distances. The literature of the Buddhist period provides evidence of the existence of *Shresthis* or bankers who exercised much influence in the life of the community. They lent money to traders, merchants who went to foreign countries, explorers who marched through forests to discover precious resources and kings who were in difficulties due to war or other reasons against the pledge of movable or immovable property or personal surety.

Indigenous banking flourished in India during the Mughal period. This was clearly evident in the writings of Muslim historians, European travelers and State records. It was during the Mughal rule that the issue of various kinds of metallic money in different parts of the country gave indigenous bankers called *Sarafs* and *Potedars*, opportunities for developing the business of money changing. Many of the indigenous bankers wielded great influence and those among them who came to be called *Jagat Seths* (world of bankers) in the 17th and 18th centuries were said to have possessed powers as great as those of private bankers of western countries.

The indigenous banking system had a distinct and separate existence notwithstanding the evolution of
Chapter 1: Setting up the Institute

banking on modern lines. Known as *Shroffs, Chettiars, Marwaris, Mahajans* in different parts of the country, they represented certain castes and communities and undertook large volume of business. Carefully training their young men in banking methods, a great majority of them continued to carry on business according to age-old practices. Some of them in larger towns however accepted modern banking methods. Their decline was triggered by the introduction of a uniform currency throughout the country in 1835. This served as a serious blow to the profitable money changing business of indigenous bankers.

The operations of the indigenous bankers were marked by "flexibility and easy accessibility". Much of the banking business was conducted on the basis of informal and personalised relationships. The services rendered were relatively prompt, as too many procedural formalities were not involved. The pre-British era did not witness the emergence of banking as a specialised function. The indigenous banker recognized no distinction between banking and other trading activities. Banking was conducted along with trading in food grains, cloth, seeds etc. This combination reduced the stability of the indigenous banking business.

The English traders who came to India in the 17th century found the language used by the indigenous bankers unfamiliar. As early as 1677, the Courts of Directors of the company offered a prize of 20 pounds 'to any of our servants or soldiers as shall be able to speak, write and translate the Banian (sic) language and to learn their arithmetic business'. For a few years, the East India Company borrowed funds from the indigenous bankers and collected a portion of land revenue through them.

- *The History of The Indian Institute of Bankers*
Chapter 1: Setting up the Institute

Subsequently, the East India Company patronized the English agency houses in Calcutta and Bombay. Prominent among these agency houses were M/s Alexander and Co. and M/s Fergusson & Co. The trading firms undertook banking operations, accepted deposits, made advances on shipments and financed the movement of crops. These agencies could be viewed as forerunners of joint stock banking in India.

Rise and Growth of Modern Banking

Joint Stock Banks
The first of the joint stock banks was the Bank of Hindustan floated in 1770. For quite some time, these banks functioned on the principle of unlimited liability. Many of them failed as a result of speculation and mismanagement. In 1860, an Act was passed permitting the starting of banks on the basis of limited liability. This was to enable business houses to secure capital. The seeds for wild speculation in cotton trade was sowed during the American Civil War and resulted in the liquidation of most of the banks set up during this time. The progress in the creation of joint stock banks between 1865 and the end of the century was rather slow. One reason was a sharp fall in the price of silver from 1873, which contributed, to an unfavourable economic situation. By the end of the 19th century there were only nine joint stock banks. Among them were the Allahabad Bank and the Punjab National Bank.

The Swadeshi movement that began in 1906 gave a fillip to joint stock banking and several of the present day leading banks were established in the next seven or eight years. These included the Bank Of India, Indian Bank of Madras, Bank of Baroda, Central Bank and Bank of Mysore.
Chapter 1: Setting up the Institute

While Indians enthusiastically established banks, ironically they handed over the operations of the banks to Englishmen. The commonly accepted notion was that a European manager would add to the prestige of the bank. Stalwarts including Sir David Sassoon, Sir Cawasji Jehangir, Sir Shapoorji Bharucha, R.D.Tata, Chunilal Saraiya and Govardhandas Khatau promoted the Bank of India set up in 1905. When it came to appointing managers and accountants, the inevitable choice were Englishmen. An entrenched notion prevalent then was that native gentlemen would be unable to conduct a bank according to western principles. European superiority and domination was recognised as a fact of life. Working in the Bank of India as a sub-accountant Sir Sorabji Pochkanawala recognised the truth that a fair deal for Indians in banking was out of question until Indians themselves managed Indian sponsored banks. Banking by Indians, for Indians became a driving obsession with him and made him give up his job in the Bank of India and start the Central Bank of India much to the amusement of HP Stringfellow, Manager of the Bank of India who considered the decision "a huge joke".

The period of boom was followed by the banking crisis of 1913-1917. The 1913 crisis was a severe one and precipitated a series of bank crashes that included the Specie Bank of India in Bombay and the People's Bank in Punjab, two of the leading banks of the time. A number of small banks fell by the wayside. The failure did much to weaken public confidence in joint stock banking. Some of the better-managed banks were able to withstand the crisis. The Central Bank of India was then only two years old and was able to barely survive on a "slender capital of confidence" which Sir Sorabji was able to muster. Quoting from a Diary NJ Nanporia in his biography of Sir Sorabji
Chapter 1: Setting up the Institute

Pochkhanawala brings home the tension and drama of those times thus:

Every day, even if it were late in the night, Sorabji would make sure that there were adequate funds for the next day's payment. He approached (once) a reputed businessman who agreed to make funds available against shares and securities. These were sent to his pedhi with Vicqji (his Chief Cashier). Shortly afterwards, Sorabji was informed on the phone by Vicqji that the businessman was refusing to advance funds and had proposed to retain the securities against his deposits in the bank. The phone call at 11 pm placed Sorabji in dilemma. He left immediately for the businessman's house. When there was no word from him, at 2 am Hirjibhoy (his elder brother) hurriedly got dressed fearing that Sorabji had failed to obtain the necessary funds and had committed suicide. Hirjibhoy's intention was to check at the police station. This was at 2.30 am. At 3.15 am, Sorabji returned to say that he had made the necessary financial arrangements. Meanwhile, Hirjibhoy anxiously in search of his brother rang and was told that Sorabji had returned. Ultimately, as the diary said, all went to bed at 4 am in the morning. (The words in parentheses are added.)

Reflecting on the 1913 crisis, Sir Sorabji identified a number of structural deficiencies as common to Indian banks. These were locking of short-term deposits in long term advances, inadequate expertise on the part of directors and officers of banks, associating trading with banking, attracting deposits at un-remunerative rates, paying dividends out of capital and unjustified discrepancy between authorized capital and paid-up capital and deplorable lack of cooperation among joint stock banks and hostile jealousy of exchange and Presidency banks.
Chapter 1: Setting up the Institute

There was fortunately a brief respite from the banking crisis between 1918 and 1921. The later part of World War I created conditions that encouraged the establishment of banks especially for financing industries. The most important among them was the Tata Industrial Bank. The bubble of prosperity burst in no time and the economic depression took a toll of banks, the most important failures being Alliance Bank of Simla and the Tata Industrial Bank of 1923. The Tata Industrial Bank was merged into the Central Bank of India. The Central Banking Enquiry Commission was appointed in 1929 to make a comprehensive inquiry into the needs of banking in India. The Commission among other details looked into the repeated failures of banks and reiterated the conclusions drawn earlier by Sir Sorabji namely the insufficient capital and reserves, the inadequate liquidity of assets, payment of exorbitant interest rates to attract deposits, the injudicious and ill-advised speculative investments and dishonest and incompetent managements.

Presidency Banks

A beginning in the direction of modern banking was made when three banks were set up in the port towns of Calcutta, Bombay and Madras. These banks - the Bank of Bengal, the Bank of Bombay and the Bank of Madras were later called Presidency banks. The Presidency banks were set up as quasi government institutions and were incorporated under charter from the local government. Government directors were appointed on the boards of the banks. The first Presidency bank to be established was the Bank of Bengal, which was set up originally as the Bank of Calcutta in 1806. The bank received its charter in 1809. The initiative for setting up the bank came from the government of Bengal, which contributed 1/5th of the...
Chapter 1: Setting up the Institute

initial capital of Rs 50 lakh. The Banks of Bombay and Madras established in 1840 and 1843 respectively had a share capital of Rs 52 lakh and Rs 30 lakh. The local government contributed Rs 3 lakh in each case. The secretary and treasurer of the banks were members of the Indian Civil Service (ICS).

As the Presidency banks were quasi government institutions, it was considered necessary to place certain restrictions on their activities. All the three banks were permitted to issue notes up to specified limits. This privilege came to an end when the Paper Currency Act of 1861 vested the sole right to issue notes in the Government of India. The banks were entrusted with cash balances of the government, free of interest, at Presidency towns and at places where the banks had branches and with the management of public debt.

The Bank of Bombay suffered grave financial losses as a result of speculation in cotton trade during the American Civil War (1861-1865). By the end of 1866, the bank was ruined and virtually in liquidation. In 1868, it was decided to wind up the bank. A New Bank of Bombay was set up in its place. After this failure, the Government withdrew its portion of the capital from the other two banks and gave up its right to appoint a proportion of the directors, secretaries and treasurers in all the three banks.

The Presidency Banks Act imposed restriction on all the three banks to safeguard the interests of both the government and public, which deposited funds with them. They were prohibited from dealing in foreign bills and borrowing abroad, as exchange business was regarded risky. Secondly, they were prohibited from lending for more than six months and were not allowed to lend on security
Chapter 1: Setting up the Institute

of immovable property, as it was not easily saleable. In return, most government banking work was retained by these banks and this gave them prestige and access to other banking business. These restrictions lent a measure of stability and were continued even after the banks had strengthened their positions and exchange transactions ceased to be speculative as a result of the establishment of the Gold Exchange Standard. The continuation of the restrictions made the working of these banks slow and cumbersome.

As early as in 1866, the proposal to amalgamate the three Presidency banks into one institution was raised by Sir Bartle Frere, Member of the Viceroy's Council. The Government of India took no action on the proposal. In the next year, the Secretary and Treasurer of the Bank of Bengal placed before the government a proposal for the amalgamation of the three Presidency banks. But the government was not in favour of the move; there was concern that a single all India institution might become too powerful, its influence overshadowing that of the government itself. Another argument advanced was that the personnel for managing such an institution might not be available. It was considered safer to have government balances distributed among the three banks.

The question of amalgamation was once again taken up in 1898 when a few witnesses before the Indian Currency Committee known as the Fowler Committee favoured the amalgamation of the Presidency banks into a State Bank. By then, the Presidency banks themselves desired to retain their individuality and were opposed to amalgamation. In 1913, the Royal Commission on Indian Currency known as the Chamberlain Commission requested two of its members Sir Earnest Cable and
Chapter 1: Setting up the Institute

J.M. Keynes (later known widely as Lord Keynes) to prepare a detailed proposal on the issue of amalgamation for its consideration.

It was the banking crisis of 1913-1917 that precipitated the move towards the amalgamation of the three Presidency banks. The crisis showed clearly the defects and dangers of India's free banking system. Each bank conducted its business in its own way without the control of a central institution. The Presidency banks had worked in close co-operation during the war years and realised that it would be in their own interest to amalgamate. It was also realised that if the Presidency banks were to remain isolated, one of the bigger English, Japanese or American banks would gain influence in the Indian financial system by absorbing some of the banks in India. By 1919, "the wheel had turned a full circle" and the Presidency banks themselves submitted a proposal to the government for their amalgamation. The decision of the Presidency banks to amalgamate was announced in the Indian Legislative Council in 1919. The Imperial Bank Bill providing for the amalgamation of the three Presidency Banks was introduced in the Indian Legislative Council on March 1920 and passed in September 1920. The amalgamation decision came into effect in 1921.

The Imperial Bank was primarily a commercial bank transacting all the business carried on earlier by the Presidency banks. The emphasis here is on 'primarily' because the Bank was also entrusted with central banking functions. In terms of an agreement signed between the Bank and the Secretary of State, which was initially for a ten-year period, the Imperial Bank was appointed as the sole banker to government. The Reserve Treasuries were abolished and all treasury balances were kept with the
Chapter 1: Setting up the Institute

Bank at its headquarters and branches. The Bank managed the public debt of the government of India. It was also a banker's bank in the sense that most banks voluntarily maintained balances with it and could obtain accommodation from it. The Imperial Bank also managed clearinghouses and provided remittances between its branches to other branches and the public. To develop banking facilities in India, the Imperial Bank was required to open not less than 100 branches within the first five years of its establishment.

As sole banker to government, a certain amount of control was exercised over the Imperial Bank. Of the 16 members on the central board, the government appointed 10. These included two Managing Governors, four Governors, Secretaries of the three local boards and Controller of Currency. The government of the day also had the powers to issue instructions to the banks on important financial matters including safety of their funds, to compel banks to furnish any information required about its working and to appoint auditors.

The creation of the Imperial Bank was the first step towards centralisation. The Imperial Bank was not a full-fledged Central or State Bank because it performed only two important central bank functions namely a banker to government and a bankers' bank. The other central bank functions namely, regulation of notes issue and managing of foreign exchange, was managed by government. The Hilton Young Commission appointed in 1926 to examine and report on India's Exchange and Currency System and Practices pointed to the inherent weakness of the Indian system where control of currency was in the hands of government while credit management was done by the Imperial Bank. The Commission therefore recommended
the establishment of a bank to be called the Reserve Bank, which would be entrusted with all central banking functions. The Legislative processes required to set up the Reserve Bank of India were taken up in 1927. It was 8 years later that the Reserve Bank of India became an established fact.

Exchange Banks
A number of foreign banks with head offices abroad carried on business in India. Their principal business was financing of India's foreign trade. There were the English banks set up under the Royal Charter. Much of India's trade was conducted with or via England. It was natural that banks should be established in London to transact exchange business with India. Until 1853, the East India Company supported by the agency houses succeeded in preventing the starting of such banks. They feared that the banks would profit from their annual remittances to their homes and other exchange transactions. The exception was the Oriental Banking Corporation set up in 1842. Pointing to Act 47 passed during the reign of George III, the company insisted that the Act gave them the power to incorporate banks and that the Act limited the royal prerogative to grant charters to them. Matters remained undecided until 1853. The Presidency Banks and the Joint Stock Banks did not conduct exchange and remittances business between India and other countries as it was considered risky.

In 1853 legal experts decided that Act 47 did not limit the Royal prerogative to grant charters to banks for carrying on the business of exchange and remittances. While the East India Company did not accept the interpretation it ensured that the Oriental Banking Company did not enjoy monopoly
Chapter 1: Setting up the Institute

of the exchange business. It suggested the incorporation of more banks and the Chartered Bank of India, Australia and China and the Chartered Mercantile Bank of India, London and China were brought into existence. The Oriental Bank failed in 1884 and the Chartered Mercantile Bank had to abandon its charter in 1893. The only English Bank, which continued to do business in India under the royal charter, was the Chartered Bank. Later on, France, Holland, Germany, Portugal, Russia, U.S.A and Japan followed England's example and opened branches of their banks in Indian ports. Subsequently, other English banks also opened their branches in India.

The Need for Trained Bankers

By the time of the amalgamation of the three Presidency banks in 1920, modern banking had struck roots in the Indian soil. There were in fact 65 joint stock banks and 17 exchange banks in addition to the Imperial Bank in 1921. All these banks were more or less on par as far as deposits were concerned. The joint stock banks had Rs 80.16 crore, the exchange banks Rs. 75.20 crore and the Imperial Bank Rs. 72.58 crore.

The growth in banking business saw the emergence of bankers as a distinct group in the local business community. Most of the staff working in the banks was recruited on the basis of recommendations of persons known to banks, or otherwise associated with banks. They had to carry out a wide range of duties for which they had little or no formal training. Practical experience within the four walls of a bank was considered sufficient to run the business of banking. Few aids were available to bankers anxious to fill gaps in their knowledge of the intricacies of banking.
Chapter 1: Setting up the Institute

Enterprising bankers endeavoured to improve their understanding of the theory and practice of banking by appearing for the examination conducted by the London Institute of Bankers. One of them was Sir Sorabji Pochkanawalla. He was in fact the first Indian to pass the examination conducted by the London Institute of Bankers and become a certified associate of that Institute. The examination conducted by the London Institute of Bankers equipped those appearing for the examinations with the much-needed theoretical knowledge necessary for the efficient performance of banking functions. The examination however had its limitations arising from the difference in the banking environment. Not only were there important differences in the laws governing banking business but also the examination itself had little bearing on Indian conditions and more specifically the requirements of Indian banking. While the London Institute conducted the examination for candidates in India, there were no organised facilities for training candidates to appear for the examination. There was also a widespread perception that it was an uphill task to succeed in the examinations of the London Institute.

This is not to say that efforts were not made by some banks to undertake the training of its staff. For instance, every member of the Central Bank of India was encouraged to attend training courses after the closing hours of the bank from 8 pm to 9 pm. Textbooks were provided and those who showed promise were advised to appear for the examinations conducted by the London Institute of Bankers. Apart from this, experts conducted seminars every month on banking, currency and finance. The Imperial Bank on its part encouraged its staff to pursue a systematic study of banking by appearing for the London Institute of Bankers examinations.
Chapter 1: Setting up the Institute

As well established banks extended their activities and opened new branches, there was renewed demand for trained personnel. It was in these circumstances that the idea of an Institute of Bankers for India was mooted. A number of well-known personalities of the time took initiatives in this regard. In his reminiscences, in the Golden Jubilee Celebrations Souvenir published by Sydenham College of Commerce and Economics, Bombay, (1963-64), M.L.Tannan, former Principal of the college, recollected the initiative he took in the formation of the Institute. To quote:

Students in this country who had to appear for the London Institute of Bankers Examination held in India were required to study the British Law without knowing that the said law, in some respects differed from the corresponding Law of this country in which he had to work. Moreover in several respects, the London Institute could not properly look after the interests of the Indian students who appeared for the Institute's examinations. I, therefore, with a couple of gentlemen, Mr Teasdale of Thomas Cook and Sons (He was to later become one of the Institute's devoted Honorary Secretaries in its early years) and one of his stenographers who also took a keen interest in the matter approached the Secretary of the Institute of Bankers in this connection. I approached the late Mr. E. Sykes, the then Secretary of the said Institute and explained to him why a similar Institute looking after the interests of the students of this country should not be started. I was very glad to have his approval which he confirmed in writing, as a result of which I believe, the then finance member for the Government of India more or less compelled the hands of the authorities of the Imperial Bank of India to go ahead with the scheme. (The words in parentheses are added.)
Chapter 1: Setting up the Institute

Sir R.P. Masani, Manager of the Central Bank of India strongly advocated setting up an Institute for training bankers in India. In an interview to the Times of India dated February 5, 1927 he visualised the role of the proposed Indian Institute of Bankers. To quote:

*I think the institute cannot do better than adopt the programme of its English prototype, which is both an educational body and a professional association for the furtherance of banking and promotion of the interest of bankers. It should not only conduct classes for preparing candidates for examinations, but also spread, by means of special lectures, debates, conferences and periodical publications, the knowledge of the theory and practice of banking and the economic knowledge essential for the banking profession. It should also render itself useful in collecting and codifying custom and unwritten law and secure the adoption of common procedure and uniformity of banking practice. The proposed institute may also be expected, to promote social relations among the members of the banking fraternity - an invaluable advantage in a country like ours which is woefully deficient in facilities for social intercourse among members of the same profession.*

The Imperial Bank with its dominant position in the banking system operationalised the initiative. Modeled on the lines of the London Institute of Bankers, the objective of the proposed institute was to train bankers on the principles and practices of banking in India.

**An Institute of Bankers for India**

Sir Basil Blackett, Finance Member in the Viceroy's Council who took a lively interest in matters related to currency and finance set the ball rolling by asking the Imperial Bank officials to seek the advice and guidance of
the London Institute of Bankers. In a letter to Sir Norcot Warren who headed the Imperial Bank, Sir Blackett assured all help in the efforts to establish an Institute of Bankers in India. As a preliminary step, the Imperial Bank approached all leading banks in India about the desirability of forming an Institute and the extent to which each bank was prepared to contribute to the proposed venture. With the number of Indian employees in banks increasing, there was a growing need to provide institutional facilities for acquiring knowledge of the principles and methods of modern banking. This was amply realised by bank managements of the day and they, therefore, responded positively to the move to establish an Institute. Armed with the bankers support, a letter was despatched to the London Institute of Bankers seeking their opinion whether it would be desirable to start an Indian Institute of Bankers or would the London Institute of Bankers provide Indian
candidates questions for the examinations having a close bearing upon Indian banking methods.

In a reply dated October 25 1925, the Secretary of the London Institute of Bankers, Ernest Sykes favoured the establishment of an Indian Bankers Institute. (See Attachment at the end of the chapter). Acknowledging that enterprising Indians appeared for the examinations conducted by the London Institute of Bankers, he conceded that the examinations conducted by their Institute were directed primarily towards the study of English banking conditions. These, he agreed would not, be a reliable guide for the Indian banker working under conditions widely different. Many of the British self-governing dominions had formed banking institutes of their own and it was fitting that India should follow the example set by them. On behalf of the Institute, the Secretary offered advice and assistance in the formation of the proposed institute.

With encouragement from the banking community and support from the London Institute of Bankers, the task of setting up an Indian Institute of Bankers was taken up in right earnest. Sir Norcot Warren along with Sir Norman Murray as second-in-command in the Imperial Bank prepared a proposal setting down the objectives and purpose of the Institute. The proposed Institute was to function as a link between the banking communities in India that so far had functioned in splendid isolation. The purpose of the Institute was to hold an examination for bank personnel that would test their professional knowledge and competence as well as promotional benefits equipping candidates with a sound understanding of the tasks of banking in India.
Chapter 1: Setting up the Institute

Towards the Formation of the Institute

On March 12, 1927, a meeting was held in the Board Room of the Imperial Bank of India, Bombay to discuss in detail the modalities regarding the formation of the Institute of Bankers. A galaxy of distinguished bankers attended the meeting. They were

Sir Norcot Warren K.C.I.E  Managing Governor
Imperial Bank of India

Sir Norman Murray, K.T  Managing Governor
Imperial Bank of India

F.C. Annedey  Member of the Local Board
Imperial Bank of India

J.G. Ridland  Secretary & Treasurer
Imperial Bank of India

B.A.C. Neville  Inspector
Imperial Bank of India

J.L. Foreman  Allahabad Bank Ltd

A.G. Gray  Bank of India Ltd

M.L. Tannan  Bombay Provincial Co-op Bank

A.R. Ingram  Chartered Bank of India
Australia and China

J.P. Teasdale  Thomas Cook & Son (Bankers) Ltd

S.S.W. Brittain  Grindlays & Co.
Chapter 1 : Setting up the Institute

Sir S.N. Pochkhanawala  Central Bank of India Ltd
M.L.G. Taylor       Imperial Bank of India
E.H. Curling        Lloyds Bank Ltd
J.A. Robertson      Mercantile Bank of India Ltd
H.A.W. Brent        National City Bank of New York
A.P. Hoogensteyn   Netherlands Trading Society
Shiva Dutta         Punjab National Bank Ltd
B.U. Bhargava       Union Bank of India Ltd
W.B. Mackay         P & O Bank

Sir Norcot Warren presided over the meeting. His colleague Sir Norman Murray outlined the efforts taken in the direction of setting up an Institute and elicited the opinion of fellow bankers in the matter. The initiative taken by the Imperial Bank of India was highly appreciated. Without wasting time, the meeting appointed a sub-committee to work on the modalities of setting up the Institute. Sir Purshotamdas Thakurdas, Sir Phiroze Sethna, F.E. Dinshaw, A.R. Ingram, Sir S.N. Pochkhanawala, H.A.W. Brent, AG. Gray and W.B. Mackay were unanimously elected members of the sub-committee. Sir Norcot Warren and K.Headington were designated Chairman and Secretary respectively of the sub-committee. K. Headington had visited England and had several interactions with the Secretary of the London Institute of Bankers on the proposed formation of the Institute.
The idea of an Indian Institute of Bankers generated considerable interest in the local and national press and banking community. The *Times of India*, *The Bombay Chronicle* and *The Bombay Samachar* provided regular reports on the progress regarding the formation of the Institute. The *Times of India* ascertained the views of leading bankers on the move to establish an Institute. A.G. Gray, Manager of the Bank of India who was to later become...
the Vice President of the Institute, whole-heartedly endorsed the idea of forming an Institute. He thought that the proposed Institute would remove "a long standing hardship under which Indian students of banking laboured in appearing for the English Institute's examination".

The sub-committee worked on the details of establishing an Institute. Discussions were held in the following four months and where necessary the sub committee sought necessary legal advice. In fact the Honorary Secretary was specifically authorized to seek legal advice from M/s. Crawford Bayley and Co. on matters related to framing the constitution. On the basis of preliminary work of the sub committee, another meeting of the representatives of the banks was convened on July 18, 1927. An officer of M/s. Crawford Bayley and Co. explained the legal aspects of the draft Memorandum and Articles of Association. The draft Memorandum and Articles were discussed in detail and the legal firm incorporated the changes that were made in the course of the deliberations.

**Memorandum of the Institute**

The Memorandum, among other things, specified the objects of the Institute, and the place of its activities viz. Bombay or in the Province of Bombay. (See Annexure 1 for a detailed text of the Memorandum). The objectives of the Institute were spelt out. These were

a) To support and protect the character, status, and interest of persons engaged in or connected with the business of banking generally and particularly of persons engaged in or connected with the business of banking in India.
Chapter 1: Setting up the Institute

b) To consider all questions affecting the interests of bankers and of persons engaged in or connected with the business of banking, and to initiate and watch over, and, if necessary, to petition Parliament or the Government of India or any Local Government or promote deputations in relation to general measures affecting the business of banking or persons connected therewith, and to procure changes of law or practice.

c) To encourage the study of the theory of banking and for that purpose to institute a scheme of examinations and to give certificates, scholarships, and prizes.

d) To promote information on banking and kindred subjects by lectures, discussions, books, correspondence with public bodies and individuals, or otherwise.

e) To collect and circulate statistics, and other information, relating to the business of banking in India.

f) To print and publish any advertisements, newspapers, periodicals, books, brochures or leaflets that the Institute may think advisable.

g) To provide means of social intercourse between persons engaged in or connected with the business of banking in India.

The four-page Memorandum was signed by:

1) Sir Purshotamdas Thakurdas
   Kt.,C.I.E.,M.B.E.,M.L.A.
   Messrs. Narandas Rajaram & Co.
   Navsari Chambers, Hornby Road
   Bombay Merchant
Chapter 1: Setting up the Institute

2) The Hon'ble Sir Phiroze Sethna
   Kt., O.B.F., J.P.
   Sun Life Assurance Co. of Canada
   Canada Building, Hornby Road
   Fort, Bombay Merchant

3) E.J. Bunbury, Esq.
   Messrs. Forbes Forbes,
   Campbell & Co. Ltd
   Home Street,
   Fort, Bombay Merchant

4) J.C. Lennie, Esq.
   Chartered Bank of
   India Australia and China
   Esplanade Road
   Bombay Banker
   (Chairman of the Bombay
   Exchange Banks' Association)

5) AG. Gray, Esq.
   Manager
   Bank of India Ltd, Fort
   Bombay Banker

6) R.A. Gray, Esq.
   Officiating, Secretary and Treasurer
   Imperial Bank of India
   Fort, Bombay Merchant

7) K.M. MacDonald, Esq., M.C
   Secretary and Treasurer
   Imperial Bank of India
   Strand Road, Calcutta
Chapter 1: Setting up the Institute

Dated the 4th day of April 1928

Witness to the above signatures:
R.W.E. Craddock, Esq.
Personal Assistant to the Managing Governors
Imperial Bank of India
Central Office

The Articles of Association vested control of the Institute in a Council consisting of not more than 30 and not less than 20 gentlemen connected with banking and allied professions. (See Annexure 2 for a detailed text of the Articles Of Association) The number of members obviously was dictated by the consideration of giving wide representation to the interests linked to banking and finance. Provisions were made for 4 classes of members and the rates of subscription were Fellows - Rs. 50, Associates - Rs. 20, Certificated and Ordinary Members - Rs. 5.

The Articles of Association mentioned membership, general meetings - the modus operandi of meetings, voting by members, Council, its membership and functions, President and Vice-President, how they were to be elected, seal of the Institute and accounts and other details of a registered association. Article No. 48 referred to the election of the President. It read

"The First President of the Institute shall be Sir Norcot Warren, K.C.I.E., who shall hold office until the first Ordinary General Meeting of the Institute, when a new President shall be elected, the retiring President, being eligible for re-election."

Birth of the Institute

With considerable official support and enthusiastic participation of leading bankers and businessmen, the
Chapter 1: Setting up the Institute

Indian Institute of Bankers came into existence on April 30, 1928 as a Public Limited Company under the Indian Companies Act of 1913. Looking back, the decision to establish the institution, as a professional body to promote banking education and training in the country was undoubtedly a farsighted one.

In his message to the fledgling Institute, Sir Basil Blackett wrote,

"It is a matter of some satisfaction to myself to know that the Institute in whose establishment I have taken considerable interest is about to come into active operation. I feel sure that it will prove of real and permanent utility in promoting the extension of banking and banking knowledge in India and among Indians. It is my belief that India is only at the beginning of the development of her financial and monetary power and an Institute of Bankers working for the recognition of sound banking principles and high ideals of service to the community will, I am certain, greatly assist wise development. I wish the Indian Institute of Bankers a Prosperous life of continually increasing service to India."

The task of setting up the Institute was complete. The job of making it work was about to begin.
Chapter 1: Setting up the Institute

Attachment 1.1

THE INSTITUTE OF BANKERS 5,
Bishopsgate, E. C. 2.

29th October, 1925.

The Managing Governors,
Imperial Bank of India,
Central Office, Bombay.

Dear Sirs,

Your letter of June 30th was further considered at a meeting of the Council held last week when I was instructed to inform you that their opinion upon the points you raise is as follows:

Of the two alternatives you mention, those of (a) starting an Indian Institute of Bankers and (b) providing Indian Candidates for the examinations of this Institute with questions having a closer bearing upon Indian banking methods, the Council would prefer the first, and would view with favour the establishment of an Indian Institute. They ask me to point out that there are already several examples of banking Institutes in the British Empire, in particular the Bankers' Institute of Australasia, the Bankers' Institute of New South Wales and the South African Institute of Bankers, all of which they think, though not formally affiliated to this Institute, have copied their constitutions from it. In addition the Canadian Bankers' Association have an educational side, though the Constitution of the Association differs somewhat from ours.
Chapter 1: Setting up the Institute

Should an Institute be formed in India the Council of this Institute would be happy to offer their advice and assistance as they have always done in the case of the above mentioned Institutes. Membership of this Institute has always been open to all members of the staff of a recognised bank and it is not therefore likely that any difficulty would arise if members of the Indian Institute wished to transfer their membership to this Institute.

As regards your question "Would you be prepared to consider the qualifications of the candidate who had passed the Indian Institute of Bankers Examination as equal in every respect to a Candidate who had passed your own examination," the Council considers that the two Examinations would hardly be comparable, seeing that one is a test of a candidate's knowledge of English banking and the other of Indian banking. If the holder of a certificate granted by the Indian Institute came to this country, the certificate would not be considered as evidence of his fitness for an appointment in England in the same way as the possession of the Certificate of this Institute. Whether the English Certificate would in India be considered as fitting the holder for work in an Indian Bank to the same extent as the Indian Certificate, is a matter upon which my Council is unable to express an opinion.

In conclusion my Council ask me to say that they are willing to assist to the best of their ability in the formation of an Indian Institute and to advise in the setting of the examination questions if this should be considered necessary.

Your faithfully,
(Signed) ERNEST SYKES,
Secretary.
The Formative Years, 1928 -1947
The Formative Years, 1928 -1947

The Memorandum and Articles of Association vested management of the Institute in a Council. The first Council had 23 members in all. They represented India, Ceylon and Burma. (See Box 2.1) A majority of the members were from the Indian community and were representatives of important banks, businessmen and industrialists. Sir Norcot Warren, the "grand old man of Indian banking" and President of the Institute had retired from India even before the first General Meeting was held. This development however did not unduly alarm the Council. They promptly nominated Sir Norman Murray as successor and proposed and elected him as next President. A convention was then
Towards Professional Excellence in Banking and Finance

established whereby the senior Managing Governor of the Imperial Bank of India would be elected President of the Institute.

**Box 2.1 : Members of the First Governing Council of the Institute**

<table>
<thead>
<tr>
<th><strong>Calcutta</strong></th>
<th><strong>Bombay</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Sir Onkar Mull Jatia Kt., O.B.E</td>
<td>Sir Purshotamdas Thakurdas Kt, C.I.E</td>
</tr>
<tr>
<td>Joint Manager</td>
<td>M.B.E, M.L.A, Merchant</td>
</tr>
<tr>
<td>Calcutta Discount Co. Ltd. Chairman and Managing</td>
<td>M/s. Narandas Rajaram Co.,</td>
</tr>
<tr>
<td>Director M/s Andrew Yule Co. Ltd,</td>
<td>Sir Currimbhoy Ebrahim Merchant</td>
</tr>
<tr>
<td></td>
<td>M/s. Currimbhoy Ebrahim and Sons A.R. Ingram</td>
</tr>
<tr>
<td></td>
<td>Chartered Bank of India,</td>
</tr>
<tr>
<td></td>
<td>J.Y. Lamb</td>
</tr>
<tr>
<td></td>
<td>General Manager</td>
</tr>
<tr>
<td></td>
<td>Allahabad Bank Ltd</td>
</tr>
<tr>
<td></td>
<td>The Secretary and Treasurer</td>
</tr>
<tr>
<td></td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>R.W. Buckley Agent Chartered Bank and Chairman of</td>
<td>Sir Phiroze C. Sethna Kt, O.B.E, J.P</td>
</tr>
<tr>
<td>Calcutta Exchange Bank’s Association</td>
<td>Manager</td>
</tr>
<tr>
<td></td>
<td>Sun Life Assurance Co., Ltd</td>
</tr>
<tr>
<td></td>
<td>E.J. Bunbury</td>
</tr>
<tr>
<td></td>
<td>Partner</td>
</tr>
<tr>
<td></td>
<td>M/s. Forbes, Forbes Campbell &amp; Co. Ltd</td>
</tr>
<tr>
<td></td>
<td>A.G. Gray</td>
</tr>
<tr>
<td></td>
<td>Manager</td>
</tr>
</tbody>
</table>
## Chapter 2: The Formative Years, 1928-1947

<table>
<thead>
<tr>
<th>India &amp; China and Chairman of the Bombay Exchange Banks Association</th>
<th>Bank of India Ltd.</th>
</tr>
</thead>
<tbody>
<tr>
<td>S.N. Pochkanawala Director Central Bank of India</td>
<td>M.L. Tannan Bombay Provincial Cooperative Bank</td>
</tr>
<tr>
<td>The Secretary and Treasurer Imperial Bank of India</td>
<td></td>
</tr>
</tbody>
</table>

**Madras**
- Sir James F. Simpson Kt Partner
- M/s Gordon Woodroffe Co. Ltd
- Vidyasagar Pandya Secretary Indian Bank Ltd

**Ahmedabad**
- Ambalal Sarabhai Mill Owner

**Colombo**
- C.S. Burns J.P., MLC M/s Lee Hedges Co. and Chairman of Colombo Chamber of Commerce

**Karachi**
- Jamshed N.R. Mehta Merchant
- Nusserwanjee & Co.

**Bangalore**
- P.W. O’Brien General Manager Bank of Mysore Ltd

**Delhi**
- Rai Bahadur Radha Mohan Rais and Banker

**Lahore**
- Rai Bahadur Dhanpatrai Chairman Punjab National Bank Ltd.
First General Meeting of the Institute

The first general meeting of the Indian Institute of Bankers was held on July 9, 1928 in Bombay. The membership of the Institute included 24 Fellows, 25 Associates and 109 Ordinary Members. In his Presidential address, Sir Norman Murray set out the objectives of the Institute and enlisted the support of the banking community in realizing these objectives.

"I have said that what first prompted the proposals for creation of the Institute was a desire to encourage the study of the theory and practice of banking but I would like to emphasise that education is by no means our sole aim. Our principal objects are set out in a Memorandum of Information, a copy of which is in your hands, and you will see that they go far wider and deeper than that. In addition to the service which the Institute will render to its Members, we hope that it will be of service to India as a whole, for its Council will be a body of men with long experience of matters connected with the business of banking in this country and it will be therefore in a special position to express an authoritative opinion on such matters.

On its social side, it is hoped that the Institute will foster an esprit-de-corps among bankers throughout the whole of India. I should here like to emphasise that it is not specially associated with any one bank or group of banks, nor with any one banking centre. It is designed to be of service, to all persons engaged in or connected with the business of banking in India and it is up to every banker in India to support it.

The sphere of the Institute's activities will be determined by the extent of the encouragement it receives and, in view of the good that such an Institution can do in this country, I feel that
Chapter 2: The Formative Years, 1928-1947

"it behoves all members of the banking profession to lend it their full support."

The first General Meeting signaled the launch of the Institute and its activities.

Participation of Viceroy's Council Finance Member
A memorable occasion in the early history of the Institute was the participation of Sir George Schuster, the Viceroy's Council Finance Member in the Institute's Council meeting on April 25, 1929. Expressing regret at not being able to spend more than a few minutes, Sir George Schuster acquainted himself with the members of the Council and enlisted their cooperation in connection with the forthcoming enquiry into banking conditions in India. He expressed his belief that the Institute would prove itself of considerable benefit to the banking community in India and to the country in general. Subsequently Sir Purshotamdas Thakurdas distinguished Member of the Council was appointed Vice-Chairman of the Banking Enquiry Committee in 1930.

Premises of the Institute
The Indian Institute of Bankers had a modest beginning in a floor of the old Orient Bank building in Bombay made available to the Institute at a monthly rent of Rs 225. The building housed a number of business firms. The floor rented by the Institute accommodated a reading room, a small office and a couple of cupboards for books. Even the telephone made its appearance much later. It was here that the first General Meeting of the Institute was held. Later, a portion of the second floor of the Imperial Bank's premises at Apollo Street was offered to the Institute at a monthly rent of Rs. 250. The
Chapter 2: The Formative Years, 1928-1947

Institute accepted the offer and moved into the Imperial Bank accommodation in 1933. This was to be the Institute's registered premises for a long time. The old Orient Bank office was converted into a library. Calcutta and Madras were quick to open local centres with an office and a library to offer reading facilities to Members. Centres were subsequently opened in other important cities and towns.

Beginnings of an Office

The Council Members felt the need for an Assistant Secretary to work in the Office on a full time basis. An advertisement was given in the Times of India and Bombay Chronicle. Over 150 applications were received in response to the advertisement. After a great deal of scrutiny and discussion, the Council selected C.T.
Chapter 2: The Formative Years, 1928-1947

Shivdasani to the post of Assistant Secretary. In the initial years, C.T. Shivdasani assisted by a clerk and a hamal peon carried on the work of the Institute. In later years, a few more clerks and peons were recruited in the Head Office in Bombay and local centres.

Activities of the Institute

The activities of the Institute centered around three objectives. First, conducting examination for banking personnel on the lines of the London Institute of Bankers. Secondly, arranging lectures by eminent experts as part of continuing education of bankers and thirdly, dissemination of information in the field of banking by bringing out a journal. Members of the Council constituted themselves into committees to carry out the activities. Two Council Members functioned as Honorary Secretaries of the Institute.

Examination

One of the first tasks undertaken by the Institute was the conduct of the two part associate examination. The Council was clear that an examination on subjects connected with banking was the appropriate way of realising high standards of banking efficiency in India. The examination would be designed to ascertain whether candidates had attained a specified degree of knowledge in the technique of their profession.

M.L. Tannan, Principal, Sydenham College of Commerce and Economics, Bombay undertook the task of drafting a syllabus. After a careful study of the London syllabus, he suggested syllabus in a draft form and placed it before the Council. The syllabus kept in view the needs of Indian banking. This was reflected in the suggested introduction
Chapter 2: The Formative Years, 1928-1947

of a paper on Indian Government Financial Administration and Procedure. The Council appointed a sub-committee to study the syllabus and make recommendations. In view of the interest shown by the Secretary of the London Institute of Bankers in the formation of the Institute, a copy of the approved and printed syllabus was later sent to the London Institute of Bankers.

An examination committee was constituted to work out the details related to the examination. The examination committee began its work by laying down eligibility conditions. Accordingly

1. Only members of staff of banks recognised by the Institute were eligible to appear for the examinations.

2. Once a candidate appeared for the examination, he would be allowed to appear for subsequent examinations even though he may not, at the time be a member of the staff of the bank.

3. Candidates who had passed matriculation examination or any other examination recognised by the Council would be eligible.

4. The Council, at their discretion, would allow any candidate being an employee of a bank recognized by the Institute, to appear for the examination even though he did not fulfill rule 3.

5. A candidate who had passed Part I of the English Institute would be granted exemption in subjects 1,2,3 and 5 of the examination Part I. He had to appear for subject 4.
Chapter 2: The Formative Years, 1928-1947

Subjects for the Associate Examination
The associate examination was to be held in two parts. Part I had the following subjects.
1) Elementary Banking Law and Practice.
2) Elementary Economics
3) English Composition
4) Elementary Accountancy & Commercial Arithmetic
5) Commercial Geography

The subjects for Part II of the associate examination were as follows
1) Practice and Law of Banking.
2) Economics
3) English Composition, Banking Correspondence and Precis Writing.
4) Foreign Exchange
5) Commercial Geography
6) Indian Government Financial Administration and Procedure

The First Associate Examination
The examination committee began preparations for the first associate examination with missionary zeal. The dates of the examination were announced and the timetable was displayed. The examination was to commence on April 6, 1929 and continue for a week. The timetable for the examination was

Saturday 6th April 6-8 P.M. Elementary Practice and Law of Banking (Part I and II)
Chapter 2: The Formative Years, 1928-1947

<table>
<thead>
<tr>
<th>Day</th>
<th>Date</th>
<th>Time</th>
<th>Subject</th>
</tr>
</thead>
<tbody>
<tr>
<td>Monday</td>
<td>8th April</td>
<td>6-8.30 P.M.</td>
<td>Economics (Part I and II)</td>
</tr>
<tr>
<td>Tuesday</td>
<td>9th April</td>
<td>6-8 P.M.</td>
<td>English Composition (Part I and II)</td>
</tr>
<tr>
<td>Wednesday</td>
<td>10th April</td>
<td>6-8 P.M.</td>
<td>Commercial Geography (Part I and II)</td>
</tr>
<tr>
<td>Thursday</td>
<td>11th April</td>
<td>6-8 P.M.</td>
<td>Elementary Accounts and Commercial Arithmetic (Part I only)</td>
</tr>
<tr>
<td>Friday</td>
<td>12th April</td>
<td>6-8 P.M.</td>
<td>Foreign Exchange (Part II only)</td>
</tr>
<tr>
<td>Saturday</td>
<td>13th April</td>
<td>6-8 P.M.</td>
<td>Indian Government Financial Administration And Procedure (Part II only)</td>
</tr>
</tbody>
</table>

The Institute was aware that if its certificate were to impress bankers and stand comparison with the qualifications of other professions, it would need authentication from independent examiners. The examination committee therefore appointed reputed professors and professionals like G.N. Joshi, W.H. Hammond, H.L. Kaji, N.J. Shah, T.R. Panchapagesa Aiyer and V.G. Dalvi as paper setters and examiners. The question papers were printed in England.

The Council expressed its confidence in the examination committee's decision and accepted them without any changes. The Imperial Bank of India, Calcutta was
Chapter 2: The Formative Years, 1928-1947

requested to assist in the examination. A senior officer from the Bank was deputed to work on the panel of examiners.

The first examination was held in Bombay and 19 other centres. 89 candidates presented themselves for the examination, of these 39 candidates appeared from Bombay. The venue of the examination in Bombay was the Sydenham College of Commerce and Economics. 50 candidates were spread over several centres. Care was taken to ensure that every candidate who wanted to appear for the examination was given the opportunity to do so. Even if there was a single candidate in a centre, arrangements were made for the candidate's examination.

The break up of candidates in the centres was as follows.

Ahmedabad (2) Delhi (3) Nagapatam (1)
Ajmer (1) Gorakhpur (1) Patna (3)
Akyab (1) Hyderabad (Sind) (3) Poona (2)
Bangalore (4) Lahore (6) Rajahmundry (2)
Cawnpore (2) Madras (5) Rangoon (1)
Cuddapah (9) Madura (1) Sholapur (2)
Thiruvananthapuram (1)

(The figures in brackets indicate the number of candidates at each centre)

Results of the Examination
The results of the examination held in April were announced in June. (See attachment to the chapter for a report by the examiners on the candidate's performance). Only Ten candidates completed Part I of the examination. They were
**Chapter 2: The Formative Years, 1928-1947**

<table>
<thead>
<tr>
<th>Name</th>
<th>Bank</th>
<th>Location</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dhodapkar, Vishnu Naraya</td>
<td>Imperial Bank of India, Dhulia</td>
<td></td>
</tr>
<tr>
<td>Kampta-Prasad, William Horatius</td>
<td>Punjab National Bank Ltd, Bombay</td>
<td></td>
</tr>
<tr>
<td>Matbar, Minocher Hormusji</td>
<td>National City Bank of New York, Bombay</td>
<td></td>
</tr>
<tr>
<td>Mehrotra, Suraj Narayan</td>
<td>Allahabad Bank Ltd., Bombay</td>
<td></td>
</tr>
<tr>
<td>Nageshkar, Narayan Janardhan</td>
<td>Central Bank of India Ltd, Bombay</td>
<td></td>
</tr>
<tr>
<td>Narayanaswami, Nangavaram</td>
<td>Imperial Bank of India, Cuddapah</td>
<td></td>
</tr>
<tr>
<td>Venkatarama Iyer</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sharma, Munshi Lal</td>
<td>Imperial Bank of India, Farrukhabad</td>
<td></td>
</tr>
<tr>
<td>Veeraraghava Iyer,</td>
<td>Imperial Bank of India, Bombay</td>
<td></td>
</tr>
<tr>
<td>Tirunnilai Gopalkrishna</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

T.M. Srinivasaraghavan was the first and the only candidate to complete Part II of the associate examination, obtaining distinction in the subject of Practice and Law of Banking. He was entitled to the Associate Certificate of the Institute.
Chapter 2: The Formative Years, 1928-1947

The Register of Marks preserved by the Institute records the performance of the first candidate to be awarded the Associate Certificate of the Institute.

Thaiyar Madabusi Srinivasaraghavan.

- The History of The Indian Institute of Bankers
"Entry No. 9 Srinivasaraghavan, Thaiyar Madabusi, Imperial Bank of India, Cuddapah,—

Centre Cuddapah - Exemption in Part I (has cleared from the London Institute of Bankers)

<table>
<thead>
<tr>
<th>Subject</th>
<th>Marks</th>
</tr>
</thead>
<tbody>
<tr>
<td>Practice and Law of Banking</td>
<td>80 D (Distinction)</td>
</tr>
<tr>
<td>Economics</td>
<td>65</td>
</tr>
<tr>
<td>English Composition</td>
<td>72</td>
</tr>
<tr>
<td>Commercial Geography</td>
<td>54</td>
</tr>
<tr>
<td>Foreign Exchange</td>
<td>61-1/2</td>
</tr>
<tr>
<td>Indian Government Financial Administration and Procedure</td>
<td>77</td>
</tr>
</tbody>
</table>

Rewarding Merit

Sir Norman Murray instituted a donation for awarding a prize to the best student of the year. The Sir Norman Murray Gold Medal and books valued at Rs. 150 were awarded to the best candidate who completed both parts of the associate examination, provided he obtained a "high standard of marks
The History of The Indian Institute of Bankers

Subsequent Examinations

Subsequent examinations conducted by the Institute were modeled on the pattern of the first examination with modifications wherever necessary. The associate examination for 1930 was originally fixed from April 5 to April 12. It was later realised that these dates coincided with the dates chosen by the London Institute of Bankers for their examinations. Subsequently, the dates were changed and the examinations were held from April 23 to April 30. In their eagerness to ensure that the Institute's examinations enjoyed a reputation as high as that of the London Institute of Bankers, utmost care was taken on every aspect connected with the examination. Bankers were continuously reminded of the facilities to appear for the associate examination being made available by the Institute. Emphasising the suitability of the Associate Examination to

Chapter 2: The Formative Years, 1928-1947
Towards Professional Excellence in Banking and Finance

Chapter 2: The Formative Years, 1928-1947

Indian banking requirements, the Editorial of the issue of July 1930 of the Institute's Journal remarked

"In the past it was ordinarily necessary for a student of banking in this country to enter for the associate examinations of the Institute of Bankers in London, in order to obtain recognition of the success of his studies: and, admirable as that examination is, it was lately increasingly realised that it was not entirely suitable to the needs of Indian bankers, for it was meant primarily for bank officials most of whom would be destined to spend their whole banking career in England. The syllabus of the Institute's examination while it has largely followed that of the English Institute in so far as the latter was found suitable to Indian requirements has included many other matters of particular value to Indian bankers and the examination papers have been set with a view to testing the candidates knowledge of the subject of the examination particularly as to its value in an Indian career."

A number of senior officials of banks were drafted for the conduct of the examinations. They acted as superintendents and discharged their duty with devotion. Many examination centres were opened for the convenience of the candidates.


The examinations did not just entail holding of a test based on a prescribed syllabus. Conscious that the syllabus should reflect depth and knowledge of a subject, the
Chapter 2: The Formative Years, 1928-1947

examination committee in 1937 incorporated substantial changes in Economics, Foreign Exchange and Indian Government Financial Administration and Procedure with help from experts. Changes were introduced in 1943 in the subjects of Accountancy and Commercial Geography for Part II examinations.

From time to time the Institute was confronted with issues related to the conduct of the examination. As early as 1934, the Supervisor at Aligarh through oversight did not carry the question paper in Commercial Geography Part I to the examination hall. Consequently, the only candidate who had registered for the subject at Aligarh could not appear for the paper. He later applied for exemption from appearing for the paper. The Council in its meeting on July 23, 1934, decided that having regard to the results obtained by the candidate in the remaining four subjects, he would be asked to appear for the examination in Commercial Geography Part I next year.

A report on the examination held in 1939 disclosed that owing to a printer's error two papers were printed each with questions relating partly to English Composition Part I and partly to Book-Keeping. One of the papers was detected at the Delhi centre and the other at the Bombay centre.

In 1944, the Joint Honorary Secretary reported that cases of omission had occurred in respect of the despatch of question papers to the respective examination centres. For example, at Dehra Dun, the Commercial Geography Part II paper had not been sent although the two candidates concerned had duly entered for the subject; in the second case at Mangalore under similar circumstances, the paper for Indian Government Financial Administration and...
Procedure was not sent. The Council asked the examiners to set fresh papers in the two subjects.

Another problem confronting the Institute was misconduct in the examination hall. At the Calcutta centre two candidates were expelled from the examination hall for speaking during the test. One of the candidates was disqualified; the other was pardoned in view of the Local Secretary's report based on the explanation given by the candidate. The Council had to act on a reported case of impersonation. Through an anonymous letter, a case of alleged impersonation in the examination at the Lahore centre was brought to the Secretary's notice. The matter was thoroughly investigated and the Council decided that it could take no further action in the matter. However, the general feeling was that malpractices should be nipped in the bud.

There were also light-hearted moments in respect of the conduct of the examinations. During World War II, candidates from Calcutta wanted the examinations to be postponed, as there was a fear of the enemy bombing the city! The Council found it difficult to accede to the request. Besides the postponement of the examination at any one centre would have created serious repercussions on the examination schedule at other centres.

The efforts of the Institute in preparing and conducting the associate examination for bankers yielded results. The examinations became popular and soon attracted the attention of bankers. Monetary encouragement and recognition given to successful candidates by the Imperial Bank and leading commercial banks encouraged bankers to appear for the examinations. A year after its establishment, the Reserve Bank of India formulated a
scheme to encourage its non-officers staff to appear for the associate examination by granting an honorarium to successful candidates. In 1946, an option was given to the non-officer staff to opt for the honorarium or a special increment. The special increment, was however to be given only if candidates completed the examinations within a time period. A library was gradually developed in each office of the Reserve Bank to enable the staff to prepare for the examination. As stated earlier the first examination had 89 candidates appearing in 20 centres. By 1936, the number rose to 1160 candidates appearing in 100 centres in India, Burma, Ceylon and even London. On the eve of Independence, there were 3,548 candidates appearing for the examinations from 138 centres.

**Awarding Prizes**

In 1930, Sir S.N.Pochkhanawala offered a sum of Rs. 1,000
to be invested by the Institute so that the interest amount accruing on the money would allow for endowment of a prize called The S.N. Pochkhanawala Prize to be awarded to the best candidate each year in Part II, for Practice and Law of Banking. The first prizewinner was Shanmugasundaram Gopala of the Imperial Bank Of India, Nagapatam.

Sir Alexander Gray, Vice President of the Council on his retirement offered a gift of 3.5% Government promissory note for Rs 1000. The amount was to be utilized to award an annual prize in Commercial Geography. In 1945, Ms. H.P. Stringfellow offered a similar amount with a request to provide an annual prize for Part I in Practice and Law of Banking. The Council on the basis of the donation instituted the H.P. Stringfellow prize.

Lectures
Closely related to examinations was the arrangement of lectures for the benefit of members. The Institute recognized the importance of regular lectures as part of its efforts to provide continuing education to its members. These lectures served a dual purpose: first, it helped candidates in the preparation for the examinations and secondly, it provided members with information about developments in banking and other related areas. From time to time the Council discussed as to who could be called as speakers, the list of subjects that could be covered and provided guidance on the arrangement of these lectures.

In 1929, M.R. Jayakar spoke on Women's Rights in a Joint Hindu Family, M.L. Tannan spoke on Cheques in relation to Bankers, Bhulabhai Desai discussed on a topic of
Chapter 2: The Formative Years, 1928-1947

interest to bankers and J.C. Nixon, Accountant General gave a lecture on Public Accounts. In 1931, Sir Louis Franck delivered a lecture. This was the first lecture of a visiting dignitary arranged by the Institute. Sir Franck entered the Belgian Cabinet as Minister for the Colonies in 1919 and was later appointed Governor of the National Bank of Belgium in 1926.

Senior bankers were encouraged to form local centres and initiate lectures and other related activities. The first local centre was established in Calcutta in 1928 with a grant of Rs 1000 followed by Madras in 1934. The local representative in charge of the Calcutta centre was elected Vice-President of the Council. He was Sir Onkar Mull Jatia. In Madras, the Secretary and Treasurer of the Imperial Bank was in charge of the local centre and was also elected Vice-President of the Institute. In many cities, where the number of bank officials was reasonably large, local centres were set up. Centres were soon opened in Poona, Lahore, Ahmedabad, Karachi and Delhi.

Local centres like Calcutta initiated a number of lectures for their members. Bombay being the headquarters was the model for others to emulate. A series of lectures were arranged in Bombay in 1934. These included lectures by S.R.Davar, W.H.Hammond, Douglas Gordon, H.L. Kaji, Sir R.P. Masani and C.N. Vakil on subjects of their specialization. The Lahore Centre in 1938-39 arranged talks by M.L.Tannan on Banker and Customer, Barrister Rustomji on Banker and the Law and L.C. Jain on Protective Tariffs and Industries in India. The positive response to these efforts encouraged the Institute to incorporate lectures as part of overall banking education for the members.
From the very early months of setting up the Institute, the idea of bringing out a journal to disseminate information was considered seriously. The matter was in fact placed before the Council for decision and approval. Sir Norman Murray had already approved of the idea of starting a journal on the basis of a quarterly issue free to members. The Council approved the draft copy of the Journal of the Indian Institute of Bankers on October 29, 1929. The first issue was launched on January 1930 under the Editorship of H. Hinchcliffe. The objective of publishing the journal was expressed in the editorial of the first issue. To quote

"The Council hopes .... that the publication of the journal will enlarge the Institute's sphere of usefulness to Indian banking. It will provide Members with information regarding the activities of the Institute and by means of articles on subjects of general banking interest and the publication of lectures delivered to Members of the Institute in Bombay and elsewhere. It is hoped that the journal will be of assistance to those Members who intend to sit for the Institute's examinations"
The first issue of the journal had 87 pages of printed matter and 8 pages of advertisements. The advertisements related to tutorial classes, booksellers, type writing agencies, insurance companies and security fittings for banks. The main matter related to a photograph of Sir Norcot Warren, the first President, a few articles on banking, a reproduction of M.R. Jayakar's speech as a guest lecturer, results of the Associate Examinations 1929 and 1930 reports of the examiners, list of Council members, list of fellows, associates and ordinary members.

The journal was published four times a year - in January, April, July and October. Apart from publishing question papers, the journal published legal decisions, questions on banking and model answers to questions. The activities of the Institute such as retirement of Council members, election of new members, death of members, awards and honours bestowed on members were also included in the journal.

Although the editorial committee changed frequently, the format of the first issue was followed for a number of years. Along with lectures, prize-winning essays on banking were published. A sum of Rs. 225 was to be awarded as prizes for essays on banking not exceeding 4000 words. Book reviews occupied an important place. To encourage reader participation, the journal invited questions on banking. A special committee was appointed to answer the questions. In course of time, the journal became an important source of dissemination of information on the activities of the Institute as well as developments in the field of banking.

Discussion on Banking Practices
As part of banking education, the Institute replied to member's queries on banking. An interesting query was
Chapter 2: The Formative Years, 1928-1947

received from the Calcutta Clearing Bank's Association. The issue was as follows. "A cheque drawn "Pay ...or Bearer" within nothing inserted between the words Pay or Bearer was presented to one of the member banks and was returned under objection "Pay's (Sic) name required". The question was, "Was it right on the part of the banks to return the cheque unpaid for the reasons stated or could the cheque as it stood have been treated by them as a cheque payable to the bearer"?

After considerable discussion in the Council, the matter remained unresolved. The Council realized that since the issue related to Law and on this point there was no material difference between the law as it was applicable in India and England, the Joint Honorary Secretary could write to the Secretary of the London Institute of Bankers for their opinion on the issue.

Similar queries were posed on vital banking issues, leading often to lengthy discussions in the Council.

Who could be a Member of the Institute?
The Council framed rules for admitting people as Fellows and Members. Only Fellows of the Institute could be members of the Council. After the first Council was formed subsequent Fellows were nominated by two Fellows and elected by the Council. The same practice was followed in electing associates and ordinary members. Apart from the general rules, the Council considered each application carefully before selecting the applicant as a Member. The issue of Membership posed ticklish problems for the Council. For instance, an Accountant of the Central Bank of India applied for Fellowship in 1930. His application was

Towards Professional Excellence in Banking and Finance
rejected because "Fellowship of the Institute was intended for Directors, Senior Officers and other Gentlemen of eminence in the banking profession". In 1933, an employee of The Satara Swadeshi Commercial Company was denied Membership on the ground that persons not directly connected with the business of banking were ineligible to be elected as Members. Membership of the Institute was confined to residents of India. However, when in 1937, two bank employees from London applied for Ordinary Membership, the Council decided to admit them as a special case. A peon of the Reserve Bank of India, Calcutta was not accepted as member because the Institute's membership was intended only for clerical and superior staff of banking establishments.

The Institute did not recognise Cooperative Banks for a long time. They did not satisfy the conditions about paid-up capital as laid down by the Council. When the Managing Director, Bombay Provincial Cooperative Bank Ltd. requested the Council to allow its employees to be enrolled as its Members, the Institute did not accede to the request, as it did not want to make any exceptions. In 1937, the Manager of the Punjab Provincial Cooperative Bank Ltd offered to pay an annual donation of Rs 200 on condition that the Council would recognise the entire federation of the cooperative central banking units in Punjab, Delhi, and North-West Frontier Provinces for the purposes of membership of the Institute. The Council regretted its inability to accept the donation. However, the same offer was raised to Rs. 500 and it was accepted. The Council later decided that the staff of cooperative central banks be admitted as members on payment of an annual subscription of Rs. 500 by the apex bank. The number of such banks however was initially limited to 50.
Chapter 2: The Formative Years, 1928-1947

Finances of the Institute

The Institute was established after the representatives of major banks agreed to finance its activities. At the time of the formation of the Institute, 15 banks promised to pay an aggregate amount of Rs. 15,500. The other main sources of income were the annual subscription made by members and examination fees.
Earlier, the subscription was fixed as Fellows - Rs. 50, Associates - Rs. 20, Certified Associates - Rs. 5 and Ordinary Members - Rs. 5. The Council accepted the demands of the banking community to lower the subscription for the Associates, Certified Associates and Members. Accordingly, Associates paid Rs. 10, Certified Associates and Ordinary Members Rs. 2 and 8 annas or 2/8 (Before the introduction of the Decimal Coinage System, financial transaction in India was in the form of Rupees, Annas and Paise. Thus, 16 Annas was equivalent to one Rupee and 12 Paise was equivalent to one Anna.) Examination fees were similarly brought down to Rs 5 for Part I and Rs. 7/8 for Part II. In the event of a candidate appearing for subjects Part II, and I the fees was to be Rs 7/8 inclusive of both Parts. The financial picture in the early years was not very encouraging. Financial provisions were made on an ad-hoc basis. Deficits were an annual feature. To meet the expenditure needs, the Council decided to raise the examination fees from Rs. 5 and Rs 7/8 to Rs 7/8 and Rs. 10 for Part I and II. Efforts were made from time to time to streamline the finances by approaching the banks for subscription. While Principal banks had made substantial subscriptions to the Institute, barring exceptions, none of the smaller banks including co-operative banks had made any contributions to the funds of the Institute. It was decided to write to the smaller banks emphasising the need to subscribe to the funds of the Institute. This brought some temporary relief. The financial picture on the whole remained grim. Nonetheless, the precarious financial situation did not deter the Institute from carrying out its various activities.

Generous help came from the most unexpected quarters. T.M. Srinivasaraghavan, a Member of the Institute and
the first recipient of the Sir Norman Murray prize offered to place at the disposal of the Council, his Provident Fund amounting to Rs. 1748-0-9 for founding a prize in connection with the Institute's examination. After some discussion in the Council, it was decided that while the Council appreciated the generous spirit of the donor, it was desirable to leave the matter in abeyance till the sum became payable. However, his gift of 106 books for the Institute's library was accepted.

Sir James Taylor, President of the Institute from 1937 to 1943, endeared himself by personally offering to defray the additional gold cost of the Sir Norman Murray Gold medal. Sir Norman Murray had donated Rs 3000 to award a Gold Medal. However the price of gold had increased and for some years the difference in the interest earned on the donation and that spent on the gold, was compensated by the Institute. In 1939, the Council decided to advise the Government Mint to strike a medal with lesser gold content to bring down the cost. When Sir James Taylor attended the meeting in 1940, he offered to pay the extra cost of the medal. He repeated his gesture in 1941. M.L. Tannan paid the extra cost of the medal in 1944.

The appeal to banks for a larger financial contribution through subscriptions worked and banks responded generously. On the eve of Independence, the Institute was in a comfortable position with an excess of income over expenditure amounting to Rs. 12,000.

Management of the Institute
The Indian Institute of Bankers was set up in 1928 even before the establishment of the Reserve Bank as the Central Bank of India. From the beginning, the Institute
Chapter 2: The Formative Years, 1928-1947

had acquired an important status and reputation in official and banking circles. The President of the Institute was the senior Managing Governor of the Imperial Bank of India in the initial years. This added to the stature of the Institute. Influential bankers were represented in the Council and they participated with enthusiasm in the activities of the Institute.

When the Reserve Bank of India was set up in 1935, the prestige associating the President of the Institute with the Imperial Bank was passed on to the Reserve Bank of India. The convention established in 1928 with respect to the Presidentship of the Institute was transferred to the Reserve Bank of India partly because the Governor of the Reserve Bank of India, Sir Osborne Smith was interestingly enough, the Senior Managing Governor of the Imperial Bank at the time of the establishment of the Reserve Bank of India and was already President of the Institute. Sir James Taylor who succeeded Sir Osborne Smith as the Governor of the Reserve Bank of India and President of the Institute died in 1943. The Institute then requested Sir William Lammond, Managing Governor of the Imperial Bank to be the head of the Institute. He was elected President and continued until he retired in August 1945. This was obviously a temporary arrangement for, C.D. Deshmukh, Governor of the Reserve bank of India succeeded him as President of the Institute in 1945. He was the first Indian to hold the post of Governor of Reserve Bank and President of the Institute. From then on till almost the end of the 20th century except for brief interludes, Governors of the Reserve Bank of India headed the Institute by convention. (See Annexure 3 for a list of Presidents of the Institute from 1928).
Chapter 2: The Formative Years, 1928-1947

In its early years, the Institute had the benefit of unstinting support by bankers and businessmen. The Reserve Bank of India, the Imperial Bank and all the major banks were represented on the Council. Leading bankers actively participated in the proceedings of the Council. The minutes of the Council meetings preserved by the Institute bear testimony to the devotion with which Council members worked to lay sound and enduring foundations of the Institute.

While the Council Members strove hard, the Honorary Secretaries shouldered the responsibility of running the Institute on a day-to-day basis. In this connection mention must be made of J.P. Teasdale who for a number of years was the superintendent of the local examination centre of the London Institute of Bankers. He was appointed Joint Secretary in July 1928. Except for periods when he was absent on leave, Teasdale continued to work for the Institute until his retirement in 1945. While other Honorary Secretaries worked for short spells, A.J. Doctor joined J.P. Teasdale and together they worked for over 10 years without any monetary compensation and perhaps without expectations of any pecuniary gains. In the Council meeting on November 18, 1940, A.G. Gray, recommended that some tangible recognition should be accorded to the services of the Honorary Secretaries. It was proposed that both J.P. Teasdale and A.J. Doctor should be given an honorarium of Rs. 300 each and this honorarium was to be an annual one. The proposal was unanimously accepted. J.P. Teasdale's contribution in the building of the Institute was acknowledged in the January issue of the Journal of 1945.

"Mr Teasdale has been actively connected with practically every phase of the activities of the Institute since its inception"
and to recount his association with the Institute is to give the history of the Institute".

The formative years saw the office of the Institute take shape. The Assistant Secretary, C.T. Shivdasani was in charge of the office during this period. Over the years, a few appointments of clerks and peons were made in Bombay and the local centres. The Institute however did not frame any service rules. Appointments were made on a temporary basis, the probation period was extended most of the time,, promotional avenues were not charted and there were no discipline rules. From time to time, the staff made demands for various benefits and allowances. The Council considered these demands and decisions were taken. The Council granted the provident fund, a hike in salaries and dearness allowance keeping in mind the cost of living and even an advance of two months salary for the employees to take their families away from Bombay as a precautionary measure during the War.

Overview
On the eve of Independence, the Institute could justifiably look at its achievements with satisfaction. While the London Institute of Bankers had been its source of inspiration in the initial years, the Indian Institute of Bankers through its painstaking efforts carved a niche for itself and established an independent identity over time. With its foundations well laid down, its associate certificate highly coveted, and its journal widely read and appreciated, the Indian Institute of Bankers with a membership of 29 fellows, 101 associates and 8190 ordinary members was poised for attaining greater heights.
Chapter 2: The Formative Years, 1928-1947

Attachment 2.1

ASSOCIATE EXAMINATION, APRIL 1929

Reports Of The Examiners
The following extracts are taken from the reports of the Examiners:

Practice And Law Of Banking
Part I. - "The standard of the answers was by no means high. In the majority of cases the English was poor and a great many candidates appear to have attempted to learn their textbooks by heart instead of reading them with a view to digesting their meaning."

Part II. - "The candidates have shown that they have a very useful knowledge of the subject, while one candidate is very good. Only one candidate has failed.

Economics
Part I. - "On the whole the answers are satisfactory. A large number of candidates show a clear grasp of the principles of Economics."

Part II - "Answers in Part II are comparatively less satisfactory than those in Part - I. Not a single candidate has reached the standard laid down for awarding distinction."

English Compositions
Part. I. - "the standard of the paper was fairly high and on the whole the answers were as good as could be expected. One of two candidates were really good and should gain distinction in their Part II another year. The
Chapter 2: The Formative Years, 1928-1947

Essay was marked more with the view of finding out the candidates command of the language rather than for the profundity or accuracy of the views expressed. The results were very promising. The dialogue required to be turned into indirect speech proved a stumbling block to the weaker candidates although the better candidates found no difficulty. A very common error was the constant use of "as to," e.g., "She asked me as to what my name was," etc. The commercial letter was well done on the whole. Evidently several candidates were well practiced in this. The paraphrase, which was a difficult one, proved to be too much for all but two candidates. The precis was fairly attempted although usually it was too long. The impression I gained from the precis submitted was that most candidates write by the light of nature and had not been instructed in the method of making a precis."

Part II. - "The answers of all candidates but one reached a high standard. The paper was of average difficulty and the results surprisingly good."

Commercial Geography
Part I. - "While some of the candidate did quite well, the general level was not quite satisfactory. The answers were generally too short and scrappy. With only five questions to answer in two hours, and these five out of eight, one does expect fuller answers well presented. The sketch maps were hardly worth anything."

"In my opinion, preparation in some recognised institutions would be desirable before a candidate is allowed to present himself for examination."

Part II. - "There were only five candidates of whom two passed. The three candidates who failed did not show
adequate preparation. The standard of the answers of only of the other two candidates was satisfactory."

Elementary Accounts And Commercial Arithmetic
"Quite a large number of candidates did not attempt to solve the questions in Accounting, especially the exercises, and attempted only the Arithmetic questions."

"A good many candidates failed to understand exactly what was wanted. For instance, where journal entries were to be passed, candidates gave ledger accounts, and where ledger accounts were required, journal entries were given. Further, where actually entries were wanted, instead of passing entries candidates wrote out what entries were to be passed."

"Again in the case of Q. 1 and Q.6 (b), where only a few times to the point was all that was wanted, a few candidates gave unnecessarily long answers, thus leaving insufficient time for other important questions."

"The power of expression of a fairly large number of candidates appeared to be poor."

"On the whole in Commercial Arithmetic a large percentage of candidates seemed to be quite well up."

"They should be asked to devote greater attention to Accounting, as a large number seemed to be very deficient in this subject."

Foreign Exchange
"The papers on the whole are good and show that an intelligent interest in local affairs is taken by the
candidates. I recommend a greater study of the arithmetic of Foreign Exchanges. The answers to the arbitrage questions reveal a poor knowledge of chain rule."

Indian Government Financial Administration and Procedure.
"The standard of the candidates' answers is not of a high order. But as this is the first examination of the kind in India, and as the candidates were handicapped for want of certain books prescribed for the examination, I have been very liberal in valuing the papers. One of the compulsory questions is from the Currency Code, a book which is not available for candidates. Hence in spite of my very liberal valuation two of the candidates have failed."

Source: Journal of the Indian Institute of Bankers, Vol 1, No. 1 January 1930
Spreading its Wings, 1947-1968
August 15, 1947 ushered Independence for India. Notwithstanding the suffering and agony of partition, the attainment of freedom marked a new beginning and an important landmark in India's history. Reflecting on the momentous events, the President of the Institute, C. D. Deshmukh in his address at the 20th ordinary general meeting said.

Sir Chintaman Deshmukh
Chapter 3 : Spreading its Wings, 1947-1968

"You will expect me to say something in regard to the effect on our Institute of the important political developments that have occurred during the last few months - I refer to the establishment of the two dominions instead of the old India that we knew. I am one of those who have made a public avowal of the belief that in spite of the diversity of the political forms, economically India is one unit, and in no field is this point of view better illustrated than in the field of banking...

So far no factor has emerged which would make it an urgent matter to consider how, if at all the constitution and the functions of the Institute will have to be modified as a result of the political developments. When the relevant conditions are a little clearer than they are today the question will receive the attention of the Council. In the meanwhile I venture to place on record my own personal forecast that hardly any change will prove to be necessary"

The geographical map of the Institute nevertheless had to be redrawn as a consequence of the partition that characterized India's Independence. For a few years, the Lahore sub-centre functioned with a local committee and an annual grant of Rs 500. Once Pakistan took the decision to establish the Pakistan Institute of Bankers in 1951, the Council decided that it was no longer necessary to continue the Institute's centres in Pakistan. The centres in Karachi, Lahore and Dacca were closed and the monies were transferred to the Indian Institute while the library, furniture and other assets were offered as a gift to the proposed Pakistan Institute of Bankers. The Indian Institute of Bankers restricted its activities to India. From time to time, however, centres outside India were used to conduct examinations. For example, Aden was made a centre in 1955 to enable seven candidates to appear for the associate examinations.
Chapter 3: Spreading its Wings, 1947-1968

Council
The Council functioned from Bombay. The meetings of the Council were held either at the office of the Institute or at the Reserve Bank of India. The meeting at the latter location was essentially because the Governor of the Reserve Bank was the President of the Institute and Chairman of the Council. From 1947 to 1968, the Council met at least five times a year to transact business. The ordinary general meeting used to be held between June and August where the Institute's accounts were presented, auditors appointed, important reports read and the subsequent year's committee elected. Distinguished bankers were associated with the Institute as Fellows, Council Members and Associate Members. (See Annexure 5 for a list of Council Members from 1928) In 1947, Sir R.P. Masani and Sir Homi Mody were Council members. In 1953 and 1954, Pranlal Devkaran Nanjee, R.G. Saraiya, A.D. Gorwala and Tulsidas Kilachand became members of the Council. The list of Council Members in 1967 included the names of C.H. Bhabha, V.T. Dehejia, T.D. Kansara and Pravin Chandra Gandhi. The Institute was eager to associate experts from banking and finance to serve on the Council. The senior among them were elevated to positions of Vice Presidents and Committee Members.

It was during the Governorship of Benegal Rama Rau that attention was drawn to the need to provide for training facilities for the staff working in the banks. At the Annual General Meeting of the Institute in 1949, Governor Rama Rau stated:

"While I am pleased to note the increase in the number of bank employees who are appearing for the Institute's

- The History of The Indian Institute of Bankers
Periodic inspections by the Reserve Bank of India revealed that many of the defects in the working of commercial banks could be traced to lack of experience and proper training in methods of banking. After a discussion with the representatives of the Indian Bank’s Association and the Indian Institute of Bankers, the Governor took the initiative to establish a separate training college for bankers. The training was to be practical in character. While setting up the training college, care was taken to ensure that there was no overlapping in the functions or sphere of work of the Indian Institute of Bankers. The training would be complementary to the examination conducted by the Institute. The Bankers Training College that was started as a result of this initiative had the benefit of assistance of the Colombo plan and of two experts from the Midland Bank in the U.K who were seconded to assist it in its early stages. In course of time, the Bankers Training College not only provided training facilities to bankers not only in India but also in other countries such as, for example, Nepal and Burma.

**Honorary Secretary**

After J.P. Teasdale retired as Honorary Secretary in 1945, A.J. Doctor continued to work as the sole Honorary Secretary until 1962. A.J. Doctor handled the matters of the Institute with great dexterity. Acknowledging his contribution to the institution, the Council in its meeting held on February 14, 1963, resolved to present A.J. Doctor a silver plaque and a cash presentation of Rs 10,001 for the yeoman services rendered by him to the Institute.
Chapter 3: Spreading its Wings, 1947-1968

When A.J. Doctor retired, the Institute dispensed with the post of the Honorary Secretary.

Secretary
With the expansion of banking activities in the country and increase in the number of bankers seeking admission to the associate examination there was a need to have a paid secretary who could devote his full time and energies to expand the services and diversify the activities of the Institute. Accordingly, the Council appointed J.D. Sundram in 1962 as Secretary of the Institute on the recommendation of a special committee that had been appointed for the purpose.

J.D. Sundram joined the Institute in October 1962. He had the opportunity to get acquainted with the working of the Institute under the guidance of A.J. Doctor who actually
retired in December 1962. Sundram was entrusted with the responsibility of running the Institute. He was ex-officio member of the various committees constituted to carry out the activities of the Institute. Sundram's tenure was cut short when he accepted a teaching assignment in the United States in 1966.

**Chief Secretary**

With Sundram having left the Institute, the search began for the next Secretary. The President of the Institute proposed the name of S.N. Sengupta, Chief Officer, Industrial Finance Department, Reserve Bank of India. He was to retire in August from the RBI in 1966. In 1967, the Council resolved that the Secretary should be called the Chief Secretary. This was done to distinguish the position of the Secretary at Bombay who held administrative charge

![S. N. Sengupta](image_url)
Evolution of Office Rules

With the increase in administrative work, a number of clerical and subordinate staff was recruited. In the absence of service rules and promotional benefits, a number of staff used the Institute as a springboard to better employment opportunities. Those who remained made demands from time to time - an interesting demand being the one related to the grant of a bonus in celebration of the Independence Day. The Council paid a bonus at the rate of one half of a month's salary and at the same time warned the employees that the generous gesture should not be made a precedent.

In 1957, the Institute granted its staff, the salary scales of clerical and subordinate staff applicable to B-Class banks in Bombay. In 1968, the Council accepted the Chief Secretary's note to grant medical expenditure incurred by the permanent members of the staff and their families.

In 1959, the age of retirement for clerical and subordinate staff was fixed at 58 and for supervisory staff at 60 subject to the proviso that in suitable cases in either category the Council could at their discretion grant an extension of not more than two years, one year at a time. C.T. Shivdasani was granted extension of service till he attained the age of 61.

The Council realised the importance of framing rules of discipline, the breach of which would attract punishment. The powers for taking disciplinary action against members of staff were delegated by the Council to the Honorary
Chapter 3: Spreading its Wings, 1947-1968

Secretary and thereafter to the Chief Secretary. The rules were made applicable to all the centres and sub-centres.

Activities of the Institute

Various committees spearheaded the activities of the Institute during the period under review. Among them were the examination and lecture committees. An editorial committee took charge of the journal. Ad hoc committees were appointed from time to time to serve specific purposes. One of the ad hoc committees studied complaints of malpractice at the Institute's associate examinations. Distinguished economists and bankers headed these committees.

Examinations

A major preoccupation of the Institute related to the conduct of the associate examination. It involved a whole gamut of activities commencing from the framing of the syllabus, the drawing of question papers, the printing and distribution of question papers to the various centres, conducting examination work with the assistance of invigilators, assessing the performance of the candidates with the help of examiners and declaration of results. The Institute continued the practice of associating eminent scholars and professionals to act as examiners. The Institute also had to look into the unfair means adopted by some candidates and take corrective action.

Revision of Syllabus

In 1947, the Institute received a letter from the Department of Banking Operations, Reserve Bank of India, containing certain proposals for revising the Institute's syllabus for the associate examination. The Council
appointed a committee to consider the proposals. The members of the committee were M.L. Tannan (Chairman), J.N. Ahuja, C.N. Vakil, S.G. Panandikar and A.J. Doctor. The committee examined the Reserve Bank's letter and in the light of the proposals revised the subjects for the examination. The changes were made effective from 1951. The revised subjects were:

**Part I**
1. Practice and Law of Banking  
2. Economics  
3. English Composition  
4. Book Keeping and Accounts  
5. Commercial Geography.

**Part II**
1. Commercial Law (with special reference to Law of Banking)  
2. Practice of Banking  
3. Monetary Theory and Practice  
4. Higher Accountancy  
5. Finance of Foreign Trade and Foreign Exchange  

The special optional subjects were Statistics and Statistical Sources and Modern Economic Development with special reference to India. English Composition was dropped from Part II examination.

No candidate was to be allowed to appear for any subject in Part II unless he completed Part I of the examination. This
position was in place. However, some rules were modified, albeit slightly, in 1963, regarding the modalities for appearing in the examinations. These modifications were as follows:

A candidate must initially pass in at least two subjects of Part I at one sitting. If he/she failed to do so, he/she would be required to begin the examination again. When at least two subjects have been passed in one sitting, the remaining may be taken as the candidate pleases but before he attempts any subject in Part II.

An interesting development in regard to the optional subject of co-operation needs to be mentioned. This was due to the growing importance of the co-operative credit movement in India. In 1954, co-operation was introduced as an additional Part II optional subject and candidates who desired to appear for an examination in this subject along with other Part II subjects were not required to pay any additional fees. However, candidates who wished to appear only for the paper on co-operation had to pay the fees applicable to other subjects namely Rs. 12-8-0. A certificate was issued by the Honorary Secretary testifying that the candidate had passed in the subject of co-operation. In 1960, an examination in industrial finance was introduced on similar lines. Here again, financing of industries that came up, as part of the planning process was considered important from the point of view of commercial bankers. In 1966, the examination in co-operation and industrial finance were upgraded to a full-fledged certificate examination.

Meeting Demands for Two Examinations a Year
The Indian Institute of Bankers was conducting only one
Chapter 3: Spreading its Wings, 1947-1968

examination a year. This used to be in April/May. In the annual meeting held on September 12, 1957, the President of the Institute expressed the need to hold two examinations a year. The suggestion of the President was prompted by letters in the Times of India urging the Institute to hold two examinations in a year. The demand gathered strength in course of time. In 1966, the Council took a decision to hold the associate examination twice a year.

Outside India there were many Indians working as staff of the East African branches of Indian banks. They made representations for arranging examinations in some centres of East Africa. The Council considered the demand and authorised the Honorary Secretary to open examination centres in East Africa. This decision was implemented in 1960.

Other Demands of Members

Demands were made to throw the associate examination open to non-bankers. The Council categorically rejected the demand on the ground that the associate examination of the Institute was not a diploma or a degree of a university.

The examination committee was asked to consider whether Hindi could substitute English Composition in Part I. In a meeting held in 1954, the examination committee explained that English was the language used in banking and that it would not be desirable to substitute Hindi for English.

In 1962, two Part I examination answer books, one in Geography and the other in Practice of Law and banking,
had been answered in Hindi with English words interspersed occasionally. The Council resolved that the two answer papers be rejected and the candidates declared failed. The Secretary of the Institute was directed to give wide publicity that answers were to be written in English.

Some demands made by candidates were queer. The year in question was 1947. The candidates requested that they should be given grace marks as a goodwill gesture on the occasion of India's independence. The demand was of course dismissed.

Some members felt that the required minimum marks to pass the examination were rather high. Demands were made by members in Baroda in 1962 to reduce the minimum marks required to pass the examination. The Council discussed the matter in detail but decided not to make any change in the existing rules.

Unfair Means in the Examination
The use of unfair means by candidates to pass the examination was a source of concern to the Institute. There were many such cases during this period. In 1949, three candidates were declared failed and were debarred for two years from sitting for the examinations. In 1950, the Bhatinda centre acquired notoriety as a result of some candidates resorting to copying. A committee of the Council was asked to investigate the matter. The committee recommended punishment for four candidates. While the examination committee realised the dimension of unfair means, it also acknowledged the need for strict measures to curb the problem.
Performance of Candidates
From the beginning the poor performance of the candidates in the examinations was cause for concern. The examination committee and the examiners themselves had often been compelled by circumstances to propose granting of liberal grace marks to enable the candidates to pass the examination. "It is disquieting to read" said Governor H.V.R. Iengar, President of the Institute at the Annual Meeting in 1957 "year after year, the comments of the examiners on the quality of the papers submitted". In the very next year, the President made a detailed reference to the performance of the candidates. He said

In Commercial Geography Part I which, I should have thought was an interesting subject, the percentage of passes is as low as 25, and in Indian Government Financial Administration and Procedure, a subject which most persons in public offices ought to be reasonably familiar, the percentage is only 30. The examiners have stated in their reports that the impression they get from the papers is that the examination is a sort of a gamble with a majority of the candidates and that unless the candidates make a serious attempt to study the subjects the result will continue to be disappointing. I realise that candidates are employees who can prepare only in their spare time. Nevertheless, it does appear that the relative failure to make a sustained and methodical study for the Institute's examination is merely another symptom of the regrettable lowering of standards that has taken place in the wider field of general education in our country.

The poor performance of the candidates notwithstanding, the number of candidates appearing for the examination continued to rise. In 1967, the number of candidates appearing for the November examination stood at 26,994. The examinations were held in 460 centres throughout
Chapter 3: Spreading its Wings, 1947-1968

India, Kampala, Mombasa, Nairobi, Singapore and London. With the rise in the number of candidates the services of ad hoc staff was sought to conduct the examination.

Lectures
The centres and sub-centres of the Institute continued to undertake the task of organising lectures during the period of our study. A number of sub-centres were set up throughout the country. The sub-centres organised lectures primarily to help their members appear for the examination. The topics for the lectures were related to banking, economics, foreign exchange and geography. Wherever possible the sub-centres developed a reading room with library facilities. These reading rooms were converted to lecture rooms whenever the need arose. The reading rooms in the various centres and sub-centres contributed towards the development of a spirit of camaraderie among the members.

The President of the Institute inaugurated the first tutorial session for subjects in Part I in 1963. With this, the Institute took a significant step towards providing systematic instruction to bankers. As the President of the Institute pointed out:

For quite a number of years, the Council of the Institute had been anxious to see that the members of the Institute should be provided with adequate facilities for intensive and systemic study of banking, economics and related subjects not only to help them for the examinations of the Institute but also for the improvement of their knowledge generally.

The response from the members to the tutorial classes was encouraging. Subsequent tutorial sessions attracted many members. In a few cases the Institute had to plead...
its inability to admit more candidates who had applied for admission at a later date. Encouraged by the response the Institute considered organising tutorial classes for Part II subjects as well.

Journal
The journal acted as the mouthpiece of the Institute. The regularity of its publication speaks volumes about the dedication of those associated with the bringing out of the journal. People associated with the journal as editors were men of great learning and high academic achievements. In 1952, A.D. Gorwala, a distinguished Ex-Civil Servant and Member of Council raised an objection to a statement in the journal. The statement read:

_The Editors desire to state that neither they nor the Council of the Institute accept any responsibility for the views expressed or for the correctness of the statements made by any contributor to the journal._

After discussions, it was agreed that the statement should be modified to read:

_The views expressed by the Honorary Editors and the contributors to the journal are their own and are not necessarily those of the Council._

D.T. Lakdawala edited the journal from 1953 to 1958. In 1958, V.T. Mathews, a Professor of Economics at D.G. Ruparel College, Bombay was appointed Part Time Editor on an honorarium of Rs 300 per month. This was the first time that remuneration was paid to the Editor of the journal. The editorial committee underwent constant changes as a result of transfers and retirement of its members. In 1968, the editorial committee consisted of
Chapter 3: Spreading its Wings, 1947-1968

C.N. Vakil as Chairman, Shantilal Mehta, T.N. Ramamurthi, V.S. Pendharkar, P.K. Sen, S.N. Sengupta. Vadilal Dagli, an economist, was the Honorary Editor. The journal underwent changes from time to time. In 1965, a new feature, Letters to the Editor was introduced. Questions and comments from readers on matters related to banking and economics were featured. The journal retained a high academic standard and acted as a link among the members.

Awarding Prizes
The prizewinning essay competition introduced by the Institute in 1930 evoked a good response from the members. The quality of the essays however was not always up to the mark. The Council ruled that no prizes would be awarded unless the essays were of an acceptable standard.

The Institute changed the conditions for the award of Sir Norman Murray prize. The prize so far had been awarded every year to the candidate who secured the highest aggregate number of marks in Part II subjects of the associate examination irrespective of the number of years taken for completing the examinations. The Council felt that the procedure for awarding the prize required revision. The Council decided only those candidates who completed Part II of the associate examination within a period not exceeding two years, would be eligible to compete for the prize. In the Council meeting in April 23, 1964, it was decided to replace the gold medal with a bronze medal and a cash prize of Rs 150. This was due to the inability to strike a gold medal within the budgeted amount.

The Institute received a number of donations to institute prizes for different subjects of its examination. Some of
the prestigious prizes that were instituted included The Hon'ble Sir Phiroze Sethna Prize for Economics Part II examination. The donor was D.M. Mehta of the Reserve Bank of India. The Bank of India prizes for successfully completing and obtaining the highest aggregate marks in Part II and I. The T. Padmavati Devi Prize for a lady candidate who secured the highest marks in Part II donated by T. Brahmanandam of Andhra Bank. The Bank of Baroda Prize for two subjects in Part II and three of Part I, J.C. Das Prize donated by the General Manager, Bengal Central Bank, Calcutta, the Calcutta Bank's Association Prize donated by the Calcutta Bank's Association and the S.R. Davar Prize donated by the Principal of Davars' College of Commerce. Additionally, the Shri Pranlal Devkaran Nanjee Prize, the Khan Bahadur H.K. Bhabha Prize and the M.L. Tannan Prize were instituted during the years between 1947 and 1968.

**Finances of the Institute**

In the Annual General Meeting of 1948, the finances of the Institute were discussed. One of the reasons for the rising expenditure was the cost of the journal. The journal however was an indispensable part of the Institute's activities. There was no possibility of reducing the cost by decreasing the number of pages or lowering the standards of publication. In 1949, the Council decided to raise the examination fees. The examination fees for Part I was raised to Rs. 10 and Part II to Rs. 12.50. In the following Annual General Meeting, the President of the Institute appealed to the member banks to increase their annual donation. The response from the banks was encouraging and the deficit came down.
The Institute's financial position changed for the better from 1951. The Institute enjoyed a comfortable financial position with surpluses thereafter. The financial situation was made comfortable because of measures taken by the Council. The Council decided to raise from January 1964, the annual membership subscription for ordinary members from Rs. 2.50 to Rs. 5 and the commuted subscription from Rs. 25 to Rs. 50. The subscription payable by the different categories of members stood at,

- Fellows Rs. 50 per annum
- Associate Members Rs. 10 per annum
- Certified Associates Rs. 5 per annum
- Ordinary Members Rs. 5 per annum

It was also decided to revise the rate of annual subscription to the journal for non-members to Rs. 10. The Secretary was asked to write to the banks requesting them to examine the feasibility of collecting the annual membership subscription from the Institute's members working with them.

The contributions from the banks, the increase in the subscriptions and the hike in the examination fees were helpful in strengthening the finances of the Institute.

**Change in the Memorandum of Articles of Association**

In 1964, an important change was made in the Memorandum of Articles of Association registered and sealed in 1928. Sub-clause 3 of the Memorandum stated

a) To support and protect the character, status and interest of persons engaged or connected with the
business of banking generally and particularly of persons engaged in or connected with the business of banking in India.

b) To consider all questions affecting the interest of bankers and of persons engaged in or connected with the business of banking and to initiate and watch over, and if necessary to petition Parliament or the Government of India or any local Government or promote deputation in relation to general measures affecting the business of banking or persons connected therewith and to procure changes of law or practice.

c) To provide means of social intercourse between persons engaged in or connected with the business of banking in India.

The above clauses were deleted to remove the non-educational nature of the Institute's objectives and functioning and to reinforce the academic and training aspects of the Institute's working. In the Council meeting it was observed that

The Institute has been and is essentially an educational institution. The Institute has no intention to depart from such activities. The objects specified in clause a b and g of Clause 3 of the memorandum of association are misleading in as much as they exceed the real functions of the Institute. It is therefore proposed to delete these sub-clauses so that the real object of the Institute namely that of an institution teaching banking and allied subjects is more clearly reflected in the memorandum of association of the Institute.

The deletion of these sub-clauses were effected under Section 17 of the Companies Act 1956 by a special
resolution and confirmed by the High Court on September 28, 1968.

With the alteration in the sub-clause of the Memorandum of Association, the Institute now satisfied the requirements of income tax exemptions. A certificate was issued by the Income Tax Officer, Company Circle Bombay, that the Institute satisfied the requirements of Section 80G of the Income Tax Act of 1961 and that any sum within the prescribed limits paid by assesses as donation to the Institution would be exempt from payment of Income Tax under sub-section of Section 80G of the Income Tax Act. The certificate was valid from September 28, 1968, the date on which the High Court of Bombay confirmed the alteration in the sub-clause of the Memorandum of Articles of Association of the Institute. The Chief Secretary was asked to send a copy of the certificate to the management of all the donor banks for their information.

Resignation of A.D. Gorwala
One of the issues discussed in the Council meeting on February 22, 1968 related to unfair means adopted by some candidates at the associate examination. In the meeting of the Council, the minutes of the previous meeting became a bone of contention. A.D. Gorwala raised an objection that the minutes of the Council meeting were not correctly reported. The controversial statement related to the decision of the Council that "a little more severe punishment was called for in such cases." The other members maintained that the decision as recorded in the minutes was in accordance with what had finally been arrived at the Council meeting. Gorwala walked out of the meeting in protest. After A.D. Gorwala left the meeting, the minutes were confirmed and the word "little" was
deleted. Soon the Council received A.D. Gorwala's resignation. His resignation was unfortunate, for as a Council member, he was keenly involved in the activities of the Institute for over a decade.

**Overview**

The post Independence period witnessed a surge in India's nation building activities. As one of the few sectors that were organised in terms of economic base and financial structure, banking became the backbone in the nations growth strategy. With the launching of planning, as an instrumentality of policy pursuit, banking policy and industry responded to the needs of national development and imperatives of social change. The Institute played its small but significant role towards the fulfillment of the needs of the banking sector by providing professional and competent personnel.

The years between 1947 and 1968 were a period of expansion of the Institute and consolidation of its activities. In 1968, the membership of the Institute stood at 60,000 from a mere 8,320 in 1947. Responding to the needs of the members, the Institute opened sub-centres, introduced tutorial classes, reviewed the syllabus and held examinations twice a year. The academic, administrative and financial spheres of the Institute were strengthened. At the close of four decades, the Institute was all set to respond to the sweeping changes that were to take place shortly in the banking sector.
Responding to New Initiatives, 1968 - 1978
Responding to New Initiatives, 1968 -1978

Nationalisation of major Banks

Changes of far reaching importance took place in the banking sector between 1967 and 1969. These years saw a transformation in the responsibilities of both the Reserve Bank of India and India's large scheduled commercial banks. Social control emerged in 1967 as an objective of banking policy. To give effect to the objective of social control, the Banking Laws (Amendment) Bill 1967 was passed by Parliament in 1968. The primary objective of social control was to improve financial intermediation by increasing the geographical and functional coverage of commercial banks. This implied reorientation of credit policy in favour of agriculture and other priority sectors such as small-scale industries and away from the hitherto focused credit dispensation to large industrial houses, big business and trading interests. To achieve this objective, the Government of India and Reserve Bank of India initiated several policy measures.

The Boards of Directors of banks were reconstituted so that not less than 51 per cent of the total number of persons having specialized or practical experience in accountancy, agriculture, rural economy, small-scale industries, co-operation, banking, economics, finance, law and other matters that would be useful to the banking company were
on the Boards. At least two members of the Board of each Bank were required to represent agriculture, rural economy, co-operation and small-scale industry. The most important provision was that the Directors in the majority sector should not have substantial interest in or be employed in large and medium sized industrial or business undertakings. Each bank was to have a professional banker as a full time Chairman to be appointed for a period not exceeding 5 years at a time. The appointment was required to be approved by the Reserve Bank. The Banking Laws (Amendment) Bill 1967 strengthened the power of the Reserve Bank to intervene in the management of scheduled commercial banks. It was the beginning of the process by which the whole pattern of banking policy was subject to sharper scrutiny by the Reserve Bank of India.

Social control however did not last long. It, retrospectively speaking was a pre-cursor to the nationalisation of fourteen major scheduled commercial banks. In 1969, the Government of India issued an ordinance called the Banking Companies (Acquisition and Transfer of Undertakings) Ordinance 1969 by which 14 major Indian scheduled commercial banks having deposits of Rs 50 crores and over were nationalised. The 14 banks were the Central Bank of India, the Bank of India, the Punjab National Bank, the Bank of Baroda, the United Commercial Bank, the Canara Bank, the United Bank of India, the Dena Bank, the Syndicate Bank, the Union Bank of India, the Allahabad Bank, the Indian Bank, the Bank of Maharashtra and the Indian Overseas Bank. The objectives of nationalisation went far beyond the objectives of social control. The Preamble to the Banking Companies (Acquisition and Transfer of Undertakings) Act declared "it was an act to provide for the acquisition and transfer of the undertakings of certain banking companies in order to
serve better the needs of development of the economy in conformity with national policy and objectives".

The pace and direction of banking activity after nationalisation, changed the face of the banking scene. In the year following the nationalisation, the total expansion of bank branches was truly staggering—nearly 1,850, of which the newly nationalised banks accounted for as many as 1,150 and the State Bank and its subsidiaries for another 470. 1,566 newly opened branches were in rural and semi-urban centres. As many as 1,238 branches were opened in areas where there was no commercial bank office before. A significant point was that branch expansion was undertaken in regions that were relatively under banked. In Assam, Bihar, Orissa and West Bengal (outside Calcutta city), as many as 221 offices were opened in one year. The opening of branches was a means to extend banking facilities over a wider geographical area. The nationalised banks undertook deposit mobilisation, inculcating saving habits among the rural people, provided credit for investment in agriculture and associated activities and facilitated a host of rural oriented welfare activities.

The expansion of the banking sector resulted in recruitment of a large work force with diverse qualifications and background. The task of providing the bank employees with the requisite know-how and moulding them into instruments of social and economic change was truly awesome. The training facilities available in the banking system during this expansionary phase were just not adequate. It is in this context that the Institute had come to be reckoned as one that could make an important contribution to the development of professional banking skills. The associate examination of the Institute, which
called for comprehensive and sound knowledge of banking law and practice, acquired a great deal of relevance at this juncture. Banks recognised more than ever before the value of the associate examinations. Apart from providing financial incentives to successful candidates, success in the examination had become an important consideration at the time of promotions. Besides, success in the associate examination carried considerable social prestige. Successful bankers clearly took pride in adding CAIIB after their names.

**Banking Commission**

It would be necessary to deal with the importance that has been attached by the Institute to the issue of expanding training facilities right from the days of ‘social control’. In February 1969, a few months before the nationalisation of 14 major banks, the Government of India appointed the Banking Commission with R.G. Saraiya as Chairman. The Commission continued to function even after nationalisation because the terms of reference were perceived to be relevant notwithstanding the change in the ownership of major commercial banks. The Commission submitted its report in 1972. The Commission made a note of the work of the Institute and commented that the activities of the Institute were mainly restricted to conducting the associate examination twice a year and publishing the Institute's journal. The Commission remarked that the number of persons appearing for the Institute's examinations had increased considerably because banks offered incentives by way of honoraria or increments to successful candidates. Banks were spending a considerable amount of money for training and they should therefore get adequate return in the form of increase in the efficiency of employees. The report of
the Commission suggested that the examinations should be redesigned, by changing the syllabus suitably, so as to make it more practical. Banks should, according to the Commission, run evening or morning teaching programmes at their training colleges and centres and at some of the branches to prepare their employees for the examinations. Arrangements should be made for designing teaching courses and preparation of suitable teaching material.

Activities of the Institute

The Institute took note of the Banking Commission's recommendations. The Institute also on its own recognised the need and tried to meet the growing and varied needs of its members whose numbers increased sharply in a relatively short period of time. To carry out the activities of the Institute, the Council as an initial step, constituted several committees. These included

1) Committee of the Council dealing with matters such as opening of sub-centres, action to be taken against candidates who indulged in unfair practices at the examination, award of prizes at the examination and in general, with matters that could not wait till the Council met.

2) Examination Committee, which looked after the appointment of examiners, declaration of examination results, etc.

3) Publications Committee dealing with matters related to publications of the Institute.

4) Editorial Committee, to look after the journal.
5) Staff Selection Committee for recruiting personnel for the Institute.

6) Committee on Computerisation to oversee the computerisation of systems and processes.

Publication of Text Books
The Institute began seriously thinking of inviting writers to produce textbooks for the associate examinations. These textbooks would be printed and published by the Institute, which eventually was done. The reasoning behind the decision was that candidates did not have access to reliable reference books while preparing for the examination. This resulted in poor performance. The Institute decided to bring out a standard textbook in each of the subjects prescribed for the associate examination. Accordingly, the Council appointed a publication committee in 1968 with C.N. Vakil, an eminent economist, as Chairman. The publication committee proposed to publish books on

1) Finance of Foreign Trade and Foreign Exchange.

2) Indian Government Financial Administration and Procedure.

3) Legal Decisions Affecting Bankers.

4) Practice of Banking.

In 1969, two subjects were selected for writing textbooks. These were: Commercial Banking and Finance of Foreign Trade and Foreign Exchange. Authors were selected and the Council decided to pay them a lump sum as royalty for the first edition. No progress was made in the writing of books for other subjects. The pace of writing these books was rather slow. Out of three volumes of the book on
Chapter 4: Responding to New Initiatives, 1968 - 1978

Commercial Banking, the first volume was released in 1978. Nonetheless, a beginning was made in the direction of publishing books for the candidates appearing for the associate examinations.

Correspondence Courses
To assist the candidates preparing for the examination, the Institute as already noted had begun tutorial classes in 1963. These classes were held in Bombay at Davar's College of Commerce, the British Institute of Commerce and Sir J.J. College of Commerce. The Institute realised the importance of correspondence courses for members who did not have the benefit of tutorial classes or library facilities. In 1969, the Chief Secretary prepared a proposal to implement the correspondence course scheme. The Council endorsed the scheme and preparations were made to implement it. The Council insisted that colleges selected to conduct the correspondence course should be advised to appoint sufficiently qualified and experienced persons to work as authors for preparing reading material, test papers and model answers to test questions. The moderators were expected to accept the responsibility for the correctness and adequacy of reading material and test papers. They were required to complete the course of study prescribed in the syllabus and ensure that it met the standard required for the examination.

The Institute as desired by the Council got in touch with Davar's College of Commerce, the British Institute of Commerce and Sir J.J. College of Commerce informing them that they were selected for starting the correspondence courses. These institutes, effectively speaking, acted as affiliated colleges and they were required to prepare candidates for the examination through...
correspondence courses. The course for Part I subjects commenced from March 1971 and for Part II subjects, from June 1971. Candidates took advantage of these correspondence courses. By 1977, 14,026 candidates were enrolled for the correspondence courses.

Examinations
The Institute shouldered the burden of increasing number of candidates appearing for the examinations. In May 1972, there were 50,016 candidates appearing from 962 centres. By October 1976, this number rose to 76,822 candidates appearing from 1,314 centres in India and abroad.

The Banking Commission as mentioned earlier had suggested that the syllabus of the associate examination should be redesigned to make it more practice oriented. The Council informed the examiners of the Commission's recommendations and requested them to make their suggestions. Apart from minor adjustments in respect of posing questions in the examinations, no major change was made in the syllabus of the examination.

Since 1966, the Institute held the associate examinations twice a year once in May/June and again in November/December. This was done after persistent demand from the candidates. With the increase in the number of candidates and the rising volume of administrative work involved, the Council members felt that there should be re-thinking on the question of holding two examinations. In the Council meeting held on December 18, 1975, a senior Council member suggested instead of deferring the issue of holding one examination instead of two to a committee, a decision on the matter could be taken in the Council itself. After discussion, the Council came to a
Chapter 4: Responding to New Initiatives, 1968-1978

collection that it would be preferable to have only one examination. A notice to this effect was issued in the first three issues of the 1976 Journal of the Institute.

The decision to have one examination in a year however came in for considerable criticism. Bank employees made representations against the Council's decision. Taken aback by the negative reaction, the Council decided to reconsider the issue. A sub-committee was appointed to consider the matter. On the basis of the sub-committee's recommendations, the Council decided to withdraw its earlier decision. From 1978 onwards, the associate examinations were to be held twice a year. Instead of the earlier system of having examinations on six consecutive days, it was decided to have the examinations on three consecutive Sundays. The wide margin between the examinations was intended to help the candidates in their preparation. Since the examination was to be held on Sundays it was expected to reduce the impact of absenteeism in the banks during the examination days. In 1971, a candidate requested the Council permission to answer all the papers in Hindi or any regional language. After discussions in the Council, the Chief Secretary was asked to reply to the candidate that it was not possible to accept the proposal for the present mainly because suitable textbooks covering all the subjects for the examination were not available in Hindi or in other regional languages. Also, it was found difficult to appoint competent examiners in various subjects possessing adequate knowledge of Hindi or regional languages.

The Chief Secretary also informed the candidates that other professional examinations conducted by the Institute of Chartered Accountants and the Institute of Company Secretaries were held in English only and examinees were
required to answer the examination in English. However recognizing the growing importance of Hindi in banking transactions the Institute introduced a Certificate examination in Banking Oriented Hindi in 1975.

Use of Unfair Means at the Examinations
Cases of candidates resorting to unfair means in the examinations engaged the attention of the Examination Committee and the Council. It was felt that one of the reasons was lack of adequate supervision. In an attempt to tighten control in the examination centres, bank officers undertaking the task of supervision of the examinations at the various centres were requested to invite teachers from schools and colleges and managers of other local banks to help them in the invigilation work.

Leakage of Question Papers
The Examination Committee received a number of complaints and representations in 1976 about widespread leakage of question papers in the subjects of "Finances of Foreign Trade and Foreign Exchange" and "Indian Public Finance and Financial Administration." The Examination Committee after an assessment of the matter believed that the leakage was restricted to Bombay. It however decided to hold a re-examination for all the candidates in the two subjects at all the centres. A decision to report the matter to the police was dropped after consulting the legal adviser of the Reserve Bank. The Council however decided to issue paper setters and examiners detailed instructions to avoid similar incidents.

Despite all the precautions and guidelines to the paper setters and examiners, there was widespread leakage again at the 1977 examinations. Dismayed by the
leakages, a re-examination was ordered in 5 subjects of Part I and 1 subject in Part II. Comprehensive guidelines were issued to the officers of the Institute who attended to the printing of question papers.

Awarding Prizes
The prize essay competition was conducted annually and three prize-winning essays were awarded - Rs. 250, Rs. 200 and Rs. 175 respectively. Despite the encouragement to members to participate in the essay competition, the response was inadequate. In an attempt to encourage wider participation in the competition and improve the standard of essays, the prize money was increased to Rs. 500, Rs. 300 and Rs. 200 for the first, second and third prizes respectively. Even the increase in the prize amount did not elicit much response from the members. The Council therefore decided to hold the competition once in two years and to double the prize money.

The Institute received a donation from R.G. Saraiya, Council Member to institute a prize in the name of Sir. Purshotamdas Thakurdas, doyen of Indian business and founder member of the Institute. In the Council meeting held on November 11, 1970, a reference was made to R.G. Saraiya's letter offering to donate to the Institute, a sum of Rs. 15,000 to the Institute and to institute a prize with the help of the interest earned from the sum, a cash prize of Rs 500 in memory of Sir Purshotamdas Thakurdas. The Council asked the Chief Secretary to speak with R.G. Saraiya and request him to raise the donation amount to Rs. 20,000 so as to cover not only the prize amount but also the amount that would have to be paid to the judges for evaluation. The request to raise the amount was accepted. A cash prize of Rs. 500 was to be awarded every
year to the best essay on a subject connected with rural economics. The balance of the interest amount was to be used for the payment of honorarium to judges evaluating the essays. The Purshotamdas Thakurdas Memorial Prize essay competition was announced in 1971.

The response to the Purshotamdas Thakurdas essay competition waned over the years as a result of which it was made biennial. The Council on December 18, 1975, agreed to the judge's recommendation that no prizes should be awarded to the prize essay competition of the Institute in view of the poor quality of the essays. The Chief Secretary suggested that in view of the poor response and indifferent quality of the essays the prize essay competition could be discontinued with immediate effect. However, a decision on the Sir Pushotamdas Thakurdas Memorial Prize Essay competition could not be taken because 20 essays had been received for the competition in 1975. The Council agreed to the suggestion to discontinue the prize for essay competition. The Sir Purshotamdas Thakurdas Memorial prize essay competition was however continued. While the response to the competition continued to be poor, the Council to encourage greater participation awarded consolation prizes.

The Institute was a recipient of generous donations to institute prizes to be awarded to the candidates. Some of the donations were

1. Smt. Sushila Devi H.L. Bedi Prize, the donor being H.L. Bedi.

2. The Union Bank of India Prize.

3. The S.J. Rustomji Prize in the name of the donor for Banking Oriented Hindi paper.
Chapter 4: Responding to New Initiatives, 1968-1978

4. The Syndicate Bank Prize.

5. The CD. Datey Prize, the donor being CD. Datey farewell committee.

6. The M.L. Tannan Prize donated by the Bank of India.

7. C.H. Bhabha, Vice-President of the Institute for a long time, offered to the Institute, 3% conversion loan of the face value of Rs 5000 for instituting a prize in the name of P.C. Bhattacharya who was the President of the Institute from 1962 to 1967.

Lord Aldington Banking Research Fellowship

The Institute received a generous financial donation in 1976 to promote academic activities. The Grindlays Bank donated Rs 5 Lakhs to the Institute for setting up an overseas research fellowship. The fellowship was called The Lord Aldington Banking Research Fellowship. Lord Aldington, Chairman of Grindlays Bank for 14 years was to retire and the fellowship was being instituted to commemorate the occasion. The fellowship was to be awarded annually by the Institute from proceeds of the interest of the amount. The committee of the Council and the Grindlays Bank framed the terms and conditions governing the award of the fellowship. The terms and conditions for the award of the grant were

1. Duration - 3 months in Britain and any European country.

2. Age Limit - Not more than 35 years.

3. Eligibility - The applicant must be
a. At least a second class graduate and a member of the Institute, having passed Part I and II of its associate examination, each part in one or two consecutive attempts, with a rank within the first 50 of the merit list in Part II.

b. An officer (in a bank, financial institution or any other body whose employees have been allowed to become members of the Institute) for at least three years at the time of the application.

c. Conversant with the language of the countries to which he is sent.

d. Capable of presenting his thoughts clearly and concisely and persuasively in writing and orally to groups of senior members in commerce.

The Lord Aldington Banking Research Fellowship occupied a pride of place in the Institute's basket of prizes and awards. (See Annexure 9 for list of awardees)

**Finances of the Institute**

The financial position of the Institute was constantly reviewed. The rising cost of bringing out the journal was cause for much concern. In 1970, the Chief Secretary presented a proposal to raise the subscription of the ordinary membership. The Council agreed to this. From January 1971, the subscription was raised from Rs. 5 to Rs. 7. A further increase became inevitable in 1974 as a result of escalation in price of newsprint and printing costs. The Council decided to raise the ordinary membership from Rs. 7 to Rs. 10 and associate membership from Rs 10 to Rs. 20. A suggestion was made that if any
An Office of its Own

The need for additional accommodation engaged the attention of the Council members. The Council at its meeting held on October 23, 1969 considered the Chief Secretary's proposal for the acquisition of additional accommodation. The Council members appreciated the importance of acquiring additional space to meet the growing needs of the Institute.

The Chief Secretary's search for accommodation succeeded partially when an offer came from Dr Kapadia, dental surgeon in General Insurance Building on D.N. Road, Bombay. The area approximately 1,250 sq. ft. was found good enough for the library and a reading room. It was on the second floor and was available for Rs. 2,000 per month. The Council sanctioned three months rent in advance to enter into an agreement.
Chapter 4: Responding to New Initiatives, 1968-1978

The Building Committee headed by H.T. Parekh in 1974 proposed to the Council to acquire 11,000 sq. ft. offered in M Visvesvaraya Industrial Research and Development Centre (MVIRDC) at Cuffe Parade, Bombay. The estimated cost was Rs 28,30,000. The Council accepted H.T. Parekh's proposal and asked the Chief Secretary to proceed in the matter. In 1975, the MVIRDC offered additional area if the Institute required. The Council turned down the offer but later agreed to acquire a room of 180 sq. ft in the second floor.

Events took an unexpected turn. In its meeting held on March 10, 1977, the Council had before it a proposal of a lease of 4,000 sq. ft. at the State Bank of India building which with the existing area of 3,000 sq. ft would meet the Institute's requirements for space. The MVIRDC area was to go to the State Bank of India in exchange of the proposed area. The President asked the Council members to carefully consider whether it was worth surrendering the extensive area at MVIRDC. Many members felt that the State Bank of India area being more centrally located was preferable. While no decision was taken, a committee was appointed with C.N. Vakil as Chairman to go into the details of the accommodation. The committee was asked to evaluate the merits of the proposals and whether the area offered by the State Bank of India would be sufficient to meet the long-term requirements of the Institute. The committee after studying the issue recommended accepting the State Bank of India offer in exchange for the MVIRDC area. The Council accepted the recommendation of the committee.

The State Bank of India offer, however, did not materialize and in retrospect it appeared to be a stroke of luck. The Bank did not agree to lease the area on a permanent basis.
Chapter 4: Responding to New Initiatives, 1968-1978

The Institute therefore accepted the MVIRDC accommodation and paid the due amount for it. It was one of the moments to cherish for the Institute when it occupied its own premises on December 3, 1977 after having been in a rented accommodation for almost the first fifty years of its existence.

Towards the Setting up of a Review Committee.

The structural transformation of the Indian Banking system after the nationalisation of 14 banks in 1969 threw up opportunities as well as challenges for the Institute. There was an enormous expansion of branch network especially in the under banked rural areas. By March 1977, there were over 24,000 branches all over India and 7 out of 10 of these branches were in the rural and the semi-urban areas. The nationalised banks were called upon to assume a variety of new responsibilities in the area of social banking. Throughout this period of change, the Institute tried to respond to needs of the banking community. The ordinary membership of the Institute grew rapidly at the end of 1977 to 1,83,000 while the certified associates rose to 25,417. By 1976, the Institute opened 51 sub-centres. These were opened at places where there was sufficiently large number of bank employees who could take advantage of the library facilities provided by the sub-centres. At 23 out of 51 sub-centres, tutorial classes were conducted. The management of the sub-centres was entrusted to a local advisory committee consisting of a Chairman and a few members. The Chairman and members were heads of some of the local branches of leading banking institutions. An honorary secretary appointed by the local advisory committee carried on the day-to-day working of the sub-centres.
At the secretariat at Bombay, the pressure of work increased sharply. The secretariat had to cater to the growing number of members. The Chief Secretary continued to look after the day-to-day work of the Institute. An Assistant Secretary, a few officers and office staff assisted him. The Chief Secretary and Assistant Secretary were retired bank officers. However committed, they were hardly in a position to shoulder the responsibilities of a rapidly growing organisation and provide leadership. The Council members preoccupied as they were with their own professional commitments were unable to go into the details of managing the Institute on a day-to-day basis. Frequent staff changes added to the problems of the secretariat. A crisis of leadership loomed large. The Institute was unable to go beyond the routine of conducting the associate examinations. Even here its reputation was in danger of being sullied as a result of the leakages in the question papers.

With the Institution nearing 50 years, the Council members began pondering over the future role of the Institute. It was evident that the Institute had to re-assess its role in the light of the changing banking scenario. In 1974, the Chief Secretary suggested the need to appoint a committee to examine the future role of the Institute. The Council welcomed this suggestion and appointed one of its members N.C. Mehta to examine the issue and to report on the matter in consultation with the Vice-President of the Institute. N.C. Mehta retired from the Council before he could begin work. The Council re-constituted the Review Committee under the Chairmanship of R.K. Talwar in 1975. The committee was to examine the future of the Institute in the changing banking environment and make recommendations on
Chapter 4: Responding to New Initiatives, 1968-1978

1) The purpose(s) of the Indian Institute of Bankers examination system in relation to the emerging manpower needs of the banks and the needs of the examinees and their career paths.

2) The design, content, methods of the Indian Institute of Bankers examinations so as to make them more purposeful, effective and convenient to administer.

3) The existing facilities for education and training to the examinees, and

4) Any other matter that the committee may consider necessary to include in order to fully cover 1,2 and 3 above.

The Committee had a somewhat of a chequered beginning. Just as N C Mehta left the Council, R.K. Talwar too left, by virtue of his resignation as the Chairman of the State Bank of India. T.R. Varadachary who succeeded Talwar as the Chairman of State Bank of India was appointed as Chairman of the Review Committee. The Review Committee could not meet for some reason or the other. In view of the importance of the task, it was decided to reconstitute the Review Committee after Varadachary retired. The Review Committee was re-constituted in September 1977 with C.N. Vakil as Chairman. The terms of reference of the re-constituted committee, however, were left unchanged.

While the Review Committee was at work, certain developments took place in the Institute. In 1977, when the Chief Secretary, M. L. Gogtay's term ended, the President proposed the name of T.D. Katara, Manager
Towards Professional Excellence in Banking and Finance

Chapter 4: Responding to New Initiatives, 1968-1978

(Retired) RBI for the post of the Chief Secretary. In the Council meeting, a senior Council member raised the issue of the desirability of appointing a retired officer as Chief Secretary. He suggested that in the long-term interests of the institution, it would be appropriate to appoint a person from within the Institute. The Council accepted the suggestion and agreed to look out for a young officer who could be groomed to take over as Chief Secretary of the organisation.

For the time being, however, T.D. Katara was appointed. The search for a successor culminated in the appointment of R.D. Pandya who was appointed in March 1978 as Assistant Secretary. Within a couple of months, the post occupied by R.D. Pandya was upgraded to Secretary.

Events took a quick turn. There was mismanagement in the May 1978 examinations. The problem arose as a result of wrong code numbers assigned to question papers sent to the various centres. The examination held on May 21 was treated as cancelled. The examinations to be held on May 28 and June 4 were also cancelled. The credibility of the Institute was at stake and damage control measures had to be initiated quickly. The Council in its meeting on May 29, 1978, suggested the appointment of a Council member to take charge of the day-to-day management of the Institute. The responsibility of undertaking this task fell on M.G. Parikh, Vice-President of the Institute. In July 1978, T.D. Katara, Chief Secretary resigned as a result of the enquiry into the examination debacle of May 1978. A re-examination was held in August 1978. The Council moved quickly and on September 17, 1978 appointed R.D. Pandya as Chief Secretary with effect from October 1, 1978. The new team of M.G. Parikh, Executive Vice-President...
and R.D. Pandya, Chief Secretary assumed office at a time when the Review Committee had almost completed its work. 1978- the Golden Jubilee year of the Institute went by without any formal celebrations to mark the occasion. The fiftieth year however harbingered winds of change in the Institute.
The Review Committee submitted its report in December 1978. Its recommendations provided the first opportunity to the Institute to refurbish its image and working patterns. The committee made recommendations in the area of examinations, training facilities and administrative structure of the Institute.

Interestingly enough, at the initial stages of its working the committee prepared a four-stage scheme of examination and training facilities linked to the career growth of bank employees on the lines of the changes introduced in the London Institute of Bankers examination. The committee referred the four-stage scheme to the banks for their views. The managing committee of the Indian Banks Association as well as its member banks did not agree with the proposed scheme on the ground that it linked the successful completion and passing of the examination with the career path of the employees. They expressed their reservations on the proposed recommendations because it amounted to laying down a promotion policy for all the banks. In view of the negative reactions to the four-stage scheme the committee dropped the proposal.

Recommendations of the Review Committee

Examinations

The committee recommended that the Institute should continue to hold the examinations in two parts. It however suggested changes in the subjects at Part I & II examinations.

The revised list of subjects was as follows.

**Part I**
1) Elements of Economics and Structure of Indian Economy
2) Laws of Banking
3) Practice of Banking (Part I)
4) Book-Keeping
5) English

**Part II**
1) Practice of Banking (Part II)
2) Commercial Law
3) Indian Economic Problems
4) Monetary Theory and Practice
5) Management Accounting
6) Foreign Exchange

The committee recommended that the Institute should introduce a diploma in Bank Management Examination. This was recommended, instead, of the existing Certificate Examination in Industrial Finance. This was intended to enable banks to select and promote officers in the
managerial cadre from those members who completed the examinations successfully.

The committee recommended that the Institute should continue to hold the existing Certificate examination in Co-operation but should gradually aim at introducing a Diploma in Co-operative Management by restructuring the existing syllabus of the Certificate examination in Co-operation.

The new syllabus for the associate examination should come into force in 1981. A competent committee should be constituted to draft the syllabus for each subject proposed by the committee.

Training Facilities
In the area of Training, the Committee recommended that the Institute should not confine its role merely as an examining body but gradually develop into a teaching body. Towards this objective the committee recommended that

- The Institute should start its own correspondence course for the benefit of members appearing for the associate examination.

- The Institute should recognise on a selective basis some universities or colleges throughout the country and they would be requested to conduct courses as per the syllabus of the Institute. The courses would be conducted with the help of bank officials and university/college teachers.

- The courses would be held on Saturday afternoons and Sunday mornings and in a few cases on weekdays.

Banks would be expected to provide facilities to candidates to attend these courses.

- In course of time it would become compulsory for members to attend for a prescribed number of hours, courses conducted by recognised universities/colleges before they appeared for the examination conducted by the Institute.

- The Institute should open centres/sub-centres throughout the country and they would be requested to conduct courses for the benefit of members appearing for the Institute's examinations.

Administrative Structure
The committee felt that the present administrative structure was highly centralised and inadequate.

The committee recommended decentralisation in the decision making process through the constitution of committees. This was to be in addition to the governing Council.

The Institute should create the post of an executive chairman.

The Institute should have the following departments.
1) Department of Examinations
2) Department of Educational Training
3) Department of Publications
4) Department of Accounts
5) Department of Administration

A senior official designated appropriately should head each Department.

The Chief Secretary should co-ordinate the activities of the proposed Department.

The Chief Secretary should be appointed on a permanent basis rather than on a contract basis. This would introduce an element of continuity in the administration of the Institute.

The Report of the Review Committee was considered by the Council presided over by Governor I.G. Patel. The recommendations were accepted and a decision was taken to implement them in a phased manner.

Constitution of Committees
While the Review Committee was at work, the Council appointed committees to help in streamlining the working of the Institute and its activities. The committees were entrusted with the following tasks.

1) Examine the existing practices and procedures in the examination section of the Institute. Chairman - V. Mahadevan

2) Draft service conditions and service rules for the staff of the Institute. Chairman - L.B. Bhide

3) Selection of Officers and revision of their salaries. Chairman - M.G. Parikh

4) Report on the Institute's Journal with a view to improving its contents and ensuring its timely publication. Chairman - M.G. Parikh

5) Report on the working of the Institute's Library and make suitable recommendations. Chairman - N. Vaghul

The committees got down to work immediately and by December 1978, they were ready with their reports.

Implementation of Changes

The recommendations of the Review Committee and the other committees constituted the blueprint for action. In the years that followed, far-reaching changes were made in the Institute and its activities.

As Executive Vice-President, M.G. Parikh was asked to oversee the working of the Institute. V. Mahadevan deputed by the State Bank of India and R.D. Pandya, Chief Secretary of the Institute, assisted him. One of the first steps taken by the new team was to revise the salaries of the staff and officers with effect from 1-9-1978 and 1-11-1978 respectively essentially to rectify the past policy on personnel that was characterised by ad hocism in appointments and service conditions. A dynamic recruitment policy that combined direct recruitment with incentives such as promotions from within was put in place. Officers were promoted as Department heads and clerks with potential were promoted as Junior Officers in subsequent years. Service conditions were stipulated along with privileges and facilities that went with the post. The recommendations of the Mahadevan Committee on computerisation of the examination section were accepted. A beginning was made in the direction of computerisation when an Electronic Data Processing (EDP) Cell was created and 2 Officers and 4 Clerks were recruited for the examination department.

The Council delegated substantial authority to the Executive Vice-President. He was empowered to sanction expenditure up to Rs 25,000, suspend any member of staff, and institute
enquiries against the member concerned and report to the executive committee. The Executive Vice President also sanctioned annual increments to the Chief Secretary. M.G. Parikh continued as the Executive Vice-President until June 1981. During his brief tenure he restored the credibility of the Institute after the successive examination debacles of 1976, 1977 and 1978 and set the ball rolling as far as changes in the Institute were concerned.

Allocation of seats on the Council
From the inception of the Institute, eminent bankers constituted the Council. There were no guidelines regarding the allocation of seats to different banks. In the Council meeting held on September 17, 1979, a decision was taken to make the Council a more representative body. An allocation of seats was made to provide representation to all the banks and financial institutions. The allocation was as in Box 5.1.

<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Group</th>
<th>No. Of Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Reserve Bank of India</td>
<td>2</td>
</tr>
<tr>
<td>2</td>
<td>State Bank of India</td>
<td>2</td>
</tr>
<tr>
<td>3</td>
<td>Group A</td>
<td>3</td>
</tr>
<tr>
<td>i.</td>
<td>Bank of Baroda</td>
<td></td>
</tr>
<tr>
<td>ii.</td>
<td>Bank of India</td>
<td></td>
</tr>
<tr>
<td>iii.</td>
<td>Bank of Maharashtra</td>
<td></td>
</tr>
<tr>
<td>iv.</td>
<td>Central Bank of India</td>
<td></td>
</tr>
<tr>
<td>v.</td>
<td>Dena Bank</td>
<td></td>
</tr>
<tr>
<td>vi.</td>
<td>Union Bank of India</td>
<td></td>
</tr>
<tr>
<td>vii.</td>
<td>New Bank of India</td>
<td></td>
</tr>
</tbody>
</table>

Contd/-
<table>
<thead>
<tr>
<th>Sr. No.</th>
<th>Group</th>
<th>No. Of Seats</th>
</tr>
</thead>
<tbody>
<tr>
<td>4.</td>
<td>Group B</td>
<td></td>
</tr>
<tr>
<td></td>
<td>i. Allahabad Bank</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>ii. Oriental Bank of commerce</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii. Punjab National Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv. Punjab &amp; Sind Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v. United Bank of India</td>
<td></td>
</tr>
<tr>
<td></td>
<td>vi. UCO Bank</td>
<td></td>
</tr>
<tr>
<td>5.</td>
<td>Group C and D</td>
<td>3</td>
</tr>
<tr>
<td></td>
<td>i. Andhra Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii. Canara Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii. Corporation Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iv. Indian Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>v. Indian Overseas Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>vi. Syndicate Bank</td>
<td></td>
</tr>
<tr>
<td></td>
<td>vii. Vijaya Bank</td>
<td></td>
</tr>
<tr>
<td>6.</td>
<td>Group E</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>State Bank Associate Banks (7 nos.)</td>
<td></td>
</tr>
<tr>
<td>7.</td>
<td>Group F</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Scheduled Commercial Banks in Private Sector</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Group G</td>
<td>1</td>
</tr>
<tr>
<td></td>
<td>Foreign Banks operating in India</td>
<td></td>
</tr>
<tr>
<td>9.</td>
<td>Group H</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>i. Industrial Development Bank of India (1 seat)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii. Other Financial Institutions (1 seat)</td>
<td></td>
</tr>
<tr>
<td>10.</td>
<td>Group I</td>
<td>2</td>
</tr>
<tr>
<td></td>
<td>Retired Bankers</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Group J</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>i. National Institute of Bank Management (1 seat)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>ii. Indian Banks Association (1 seat)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>iii. Others (4 seats)</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Cooperative/Grameen Banks</td>
<td>1</td>
</tr>
</tbody>
</table>

Organisation of the Secretariat

The Review Committee recommended decentralisation in the process of decision-making. In line with the recommendation, changes were made in the administrative set-up. The Council constituted functional committees. These included:

1. Examination Committee
2. Committee on Education and Training
3. Committee on Administration

The day-to-day activities were organised through the following departments:

1. Department of Examination
2. Department of Membership and Education
3. Department of Publications
4. Department of Accounts and Administration

A senior official of the Institute headed each Department. The Chief Secretary coordinated the departments and their activities. In 1983, R.B. Vaze who retired as Deputy General Manager, Bank of Baroda was appointed as Secretary to assist the Chief Secretary in the administration of the Institute.

Examinations

The Associate Examinations were the linchpin on which the Institute's activities rested. The leakage of papers in 1976 and 1977 and the mismanagement of the 1978 examinations struck at the very root of the Institute's credibility. In 1978, the President of the Institute, Governor I.G. Patel apologised for the mishandling of the examination.
"As your President the least I can do is to apologise to the examinees for the great inconvenience caused to them. I can assure you that our Council is also very much concerned at the present situation and we shall do everything possible with your assistance and cooperation to restore the image of the Institute. The reasons for the lapses in the preparation for the examinations this year have been carefully investigated and we are taking action against all those found guilty of dereliction of duty."

In the annual general meeting in 1979, the President once again referred to the 1978 examination debacle.

"Last year, I had to refer very painfully to the cancellations of the May 1978 examination. The reasons for the lapses leading to the cancellation of the examination in May 1978 were thoroughly investigated and the officers of the Institute who were found responsible were permitted to resign in view of their long service to the Institute. The examination was held in August 1978 and I am happy to report that it was conducted smoothly and without any complaint from any quarter whatsoever."

To strengthen and streamline the examination system it was decided that the Chief Executive of the Institute should open, scrutinise and re-seal the manuscript of the question papers received from the chief examiners in the presence of the Chairman of the examination committee. If however, the Chairman of the examination committee was not available for some reason or the other, the Chief Secretary should consult the President of the Institute and obtain his instructions for the purposes of opening, scrutinising and re-sealing the manuscript so received.

As suggested by the Review Committee, the Institute had yet another look at the syllabus prescribed for the associate examination. A decision was taken to update the syllabus in each of the subjects in the light of new developments in the area. A committee of experts drafted the revised syllabus. Additionally, new subjects were introduced. Rural economics and Indian economic problems were introduced to enable bankers to understand the economic complexities confronting India. Management accounting was introduced as a subject to provide tools for analysing problems facing bankers in their day-to-day work. The revised syllabus and new subjects were accepted by the Council and were made effective from 1982.

The subjects for the associate examinations from 1982 were as follows

Part I
1) Practice and Law of Banking I
2) Elements of Economics and Structure of Indian Economy
3) English
4) Book-Keeping
5) Rural Economics

Part II
1) Commercial Law
2) Monetary Theory and Practice
3) Practice and Laws of Banking II
4) Management Accounting
5) Finance of Foreign Trade and Foreign Exchange
6) Indian Economic Problems

The associate examination with the revised syllabus and new subjects was held in 1982 in the months of May and
October/November. Candidates who had appeared earlier for the associate examination, were given the opportunity to write the examination under the old syllabus. The examinations were held on three consecutive Sundays at centres located in metropolitan cities, state capitals, district places and other selected places. 1,12,333 candidates appeared for the examinations in October/November 1982.

**Introduction of New Examinations**

For over five decades the Institute's examinations were synonymous with the associate examinations. The changes in the 1980s brought about by the Institute introduced a number of examinations. These examinations were geared to the specific needs of bankers working in different specialised fields of operation.

The first to be introduced was the examination for the award of the Diploma in Bank Management. It was meant for the benefit of members of the Institute aspiring for higher positions in the management cadres of banks. The examination was meant only for those who had completed both parts of the associate examinations. It was felt that it was not enough to acquire knowledge of the theory and practices of banking. What was needed was to provide opportunities for members to look at the practical problems that banks faced in their day-to-day operations in different areas of functioning. The diploma course was expected to develop professional skills and expertise necessary for the purpose and to provide a background needed to become senior bank executives. The first examination for the Diploma in Bank Management was held in September 1982 with four compulsory papers.

1. Industrial Finance
2. Rural Development
3. Principles of Management
4. International Banking and Foreign Exchange

A decision was taken to conduct the certificate examination in Banking Oriented Paper in Hindi twice a year from 1982. This step was taken on the basis of suggestions made by the Government of India Official Language Implementation Committee. From time to time, representations had been made for the use of Hindi as an optional medium for the associate examinations. The Council after considering suggestions made by the Government of India's Ministry of Finance Banking Division and representations received from the members decided that candidates appearing for the examinations would be able to exercise the option of writing the answers in Hindi in addition to English. This was made effective from 1985.

The Institute discontinued the certificate course in Co-operation and Industrial Finance from 1987 mainly because of the growing role of commercial banks and the critical importance of priority sector lending. Instead, a certificate examination in Rural Banking was introduced to reflect the ethos of the times. The papers for the certificate examination in Rural Banking included

1. Principles of Management
2. Financing Rural Development
3. Co-operative Banking and Credit
4. Institutional Infrastructure and Rural Development

The objectives underlying the examination were to enable members to acquire skills necessary to deal with problems of rural banking. The first examination was held in the year 1987.

At the request of the Unit Trust of India (UTI), the Institute began conducting a certificate examination for their employees from 1984. The Institute as part of the examination conducted the Part II associate examination for the employees of the UTI who had already completed Part I of the associate examination of the Institute. The examination was held in the metropolitan cities namely Bombay, Calcutta, Madras and New Delhi.

One of the interesting aspects of the history of Indian banking was the sharp increase in the exposure of Indian banks to the rest of the world. A number of Indian banks had opened offices abroad and the economic policy towards foreign trade and towards some aspects of the capital account of the balance of payments such as non-resident deposits was made flexible since about the beginnings of the 1980s. This meant that bankers would have to acquire specialised skills in international banking. This was in fact recommended by the examination committee and was accepted by the Council. A diploma examination in International Banking was introduced and the papers included:

1. Practice and Law of International Banking
2. International Banking Operations
3. International Finance and Investment
4. Accountancy with special reference to International Banking Operations
5. Principles of Management

Towards Professional Excellence in Banking and Finance
The first examination for the award of the Diploma in International Banking was held in 1988.

With the Institute opening its doors to other financial institutions, it had become necessary to introduce a certificate examination in Development Banking for the employees of financial institutions operating in the country. The first examination was held in 1990. The papers for the certificate examination included

1. Development Banking - Theory and Practice
2. Project Finance
3. Legal Aspects of Development Banking
4. Financial Management and Capital Budgeting
5. International Economics

Review of the Examinations
The five Examinations introduced by the Institute between 1982 and 1990 provided a rich variety and proved that the Institute could act as an important institutional instrument through which the financial sector needs for training and improving human skills could be addressed. This was in addition to the Associate Examination and the Banking Oriented Paper in Hindi. Being specialised examinations, the number of candidates was limited. For instance in 1990, 620 candidates appeared for the Diploma in Bank Management, 747 candidates appeared for Certificate examinations in Rural Banking, 41 candidates appeared for the Diploma examination in International Banking and 703 candidates appeared for the Certificate examination in Development Banking. All these examinations were held once a year. The examination for the employees of UTI was conducted twice along with the
Towards Professional Excellence in Banking and Finance


associate examination of the Institute. In the examination held in June 1990, 41 candidates appeared while 28 candidates appeared in December 1990 for the Certificate Examination for employees of UTI.

While the Institute had introduced specialised examinations it was conscious that at some point in time they should be reviewed especially in the context of the long term perspective of the needs of the banking education and training in India. The Council of the Institute constituted a Committee under the Chairmanship of M.N. Goiporia to review the examinations. The Institute prepared a questionnaire and sent it to the banks and financial institutions. This was done to elicit their views on the changes needed in the examinations conducted by the Institute.

The Examination Review Committee of the Institute recommended certain changes in the subjects for the examination. The changes primarily related to the Associate Examination and Diploma in Bank Management. The Council accepted the recommendations made by the Examinations Review Committee and approved the draft syllabus in the subjects prepared by experts.

The subjects for the revised examinations was as follows

Associate Examination

Part I

1. Principles of Management (The subject would be studied with special reference to banking operations at a branch/regional level)
2. Practice and Law of Banking - I

3. Business Economics
4. Book-Keeping
5. Business Communication
6. Principles of Computer Science (The subject would be studied with special reference to banking operations)

Part II
1. Practice and Law of Banking - II
2. Commercial Law
3. Monetary Theory and Practice
4. Management Accounting
5. Finance of Foreign Trade and Foreign Exchange
6. Indian Economic Problems - with an emphasis on rural economy and problems

Diploma in Bank Management
There would be six subjects, in two parts, for the Diploma in Bank Management Examination to be conducted from 1992 under the revised syllabus. Part I would consist of three compulsory subjects and Part II of three optional subjects, to be selected from three groups, choosing not more than one from each group.

Part I (compulsory subjects)
1. Principles of Bank Management (based primarily on strategic management)
3. Human Aspects of Management

Part II (three optional subjects - any one subject from each group)

Group A
1) Bank Marketing
2) Development Banking
3) Quantitative methods in Banking

Group B
1) Personnel Management & Industrial Relations
2) Financial Services
3) Computer System

Group C
1) Business Planning and Management Control
2) Theory and Practice of Investment

The Associate Examination and Diploma in Bank Management Examination as per the revised Syllabus and Subjects were to be held from 1992.

Development of Centres and Sub-Centres
To provide more facilities to its members spread around the country, the Institute opened more centres in a phased manner. These centres were identified in consultation with the banks located in the areas concerned. The centres and sub-centres provided facilities for tutorial classes, reading rooms and library for members. They also arranged seminars and lectures for the benefit of the members. By 1983, almost 10,000 candidates availed of the tutorial class facilities provided in the centres and sub-centres.

In 1984, the Council decided that where tutorial classes, library and reading room facilities could not be made available to the local members due to non-availability of
premises, the Institute would acquire premises on a rental basis and appoint staff to provide the necessary facilities. From time to time the secretariat arranged meetings with the honorary local secretaries of the sub-centres located in each state. These meetings provided an opportunity to exchange notes and ventilate grievances of members outside the main centres. The tutorial classes conducted in the centres and sub-centres were quite popular and well attended. In 1987, around 24,000 candidates attended the tutorial classes in 118 centres and sub-centres. By the end of March 31, 1991, 137 centres and sub-centres were functioning around the country providing a link between the members and the secretariat at Bombay.

Correspondence Courses
The Review Committee had expressed its displeasure at the correspondence courses conducted in Bombay by Davar's College of Commerce, J.J. College of Commerce and British Institute of Commerce. The Committee found that the courses conducted by these colleges were neither satisfactory nor in keeping with the trends in the banking industry. The Council accepted the recommendation of the Review Committee that the Institute should run its own correspondence course.

In 1985, the Institute commenced its own correspondence course in all the subjects of Part I and II of the Associate Examination. The decision of the Institute to run its own correspondence course was well received by the candidates. In the years that followed, the correspondence course became an important aid for the candidates preparing for the examination. The number of candidates registered for the course showed a steady increase. By March 31, 1991 there were 17,412 candidates registered for the correspondence courses.

Publications
Publications constitute the cornerstone of the educational activities of an institution. Realizing the importance of this, the Institute made a beginning in this direction of publishing books in the 1970s. In 1979, 3 volumes of Commercial Banking were released for sale along with another publication, Finance of Foreign Trade and Foreign Exchange. In 1980, the Institute released the book on Principles and Practices of Public Finance and Financial Administration in India.

The Publications Committee decided to bring out textbooks to help candidates prepare for the associate examination conducted from 1982 with revised syllabus and subjects. Textbooks were to be written in the following subjects:

1. Elements of Economics and Structure of Indian Economy
2. Practice and Law of Banking Part I and II
3. Rural Economics
4. Commercial Law
5. Monetary Theory and Practice
6. Management Accounting
7. Finance of Foreign Trade and Foreign Exchange
8. Legal Decisions affecting Bankers

The task of writing textbooks was entrusted to persons from the academic and banking field. By 1984, three textbooks were ready. They were

1. Legal Decisions affecting Bankers
2. Management Accountancy
3. Rural Economics
In 1990, the Institute brought out a book titled General Banking in Hindi for the benefit of members who exercised the option of answering in Hindi in the examination.

Sir Purshotamdas Thakurdas Memorial Lecture
Sincere efforts were made by the Institute to motivate members to participate in the Institute's prize essay competition and the Sir Purshotamdas Thakurdas Memorial Essay Competition. Since these efforts met with little success a decision was taken to discontinue the Institute's prize essay competition. The Sir Purshotamdas Thakurdas Memorial Essay Competition was converted into publication of a book on banking.

In the Council meeting held on December 28, 1979, on the suggestion of R.G. Saraiya, the donor of the prize, it was decided to make use of the donation to publish a book
once in two or three years on any subject dealing with banking. The Institute released an advertisement to authors announcing financial assistance to write a book on Indian banking in a changing environment. Authors were invited to send their manuscripts. The response to the advertisement was not encouraging. It was then decided to utilise the donation amount for a memorial lecture to be delivered by an eminent person annually on any subject related to banking. The Institute for the benefit of its members would publish the lectures. The memorial lecture was called Sir Purshotamdas Thakurdas Memorial Lecture. L.K Jha, former Governor of the Reserve Bank of India in 1981, delivered the first memorial lecture. The Institute has since then invited outstanding intellectuals every year to deliver the Sir Purshotamdas Thakurdas Memorial Lecture. (See Annexure 11 for list of speakers)

Establishing International Linkages

The Institute established linkages with overseas banking institutes. The Institute was invited to participate in programmes organised by these institutes. The Chief Secretary and senior officials represented the Institute on these occasions. The London Institute of Bankers invited the President and Chief Secretary to participate in their centenary celebrations in 1979. The Australian Institute of Bankers on the occasion of their centenary celebrations extended a similar invitation in 1986. The Institute sent its representatives to participate in the World Conference of Banking Institutes held bi-annually and the Biennial Conference of Asian Pacific Association of Banking Institutes. These international forums provided an opportunity to the Institute's representatives to interact and exchange ideas about the working of banking institutes elsewhere.

While the Institute sent its representatives overseas it also played host to visitors from Kenya, Sri Lanka, Malaysia, Tanzania and Nigeria. These visitors who were heads or representatives of their respective banking institutes evinced keen interest in the working of the Indian Institute of Bankers and the procedures followed in administering the examinations.

The Institute nominated its members to attend the International Banking Summer School (IBSS). This summer school was initiated by the London Institute of Bankers in 1948 to promote international co-operation in banking. The two-week summer school acquired a formidable reputation and was held in different countries under the watchful eye of the London Institute of Bankers. An invitation was extended by the Council of the Indian Institute of Bankers offering to host the summer school in India. The invitation was accepted and a decision was taken to hold the summer school in India. A high-powered committee under the Chairmanship of C. Rangarajan was appointed to begin preparations for holding the I.B.S.S in 1988.

Diamond Jubilee Celebrations

The year 1988 was an eventful year in the history of the Indian Institute of Bankers. The Institute completed 60 years of service to the banking industry. The Institute's Silver and Golden Jubilee years had passed by, without any formal celebrations to mark the occasions. The Institute had given gold plated medallions to its staff in 1982 in a symbolic and belated recognition of the Golden Jubilee year. The Institute decided to celebrate the Diamond Jubilee and it was indeed a memorable year when a host of events were organised to commemorate the occasion.

A day before the Diamond Jubilee Celebration began i.e. April 29, 1988, a Press Conference was organized in Bombay. The Vice-President of the Institute and Chairman of the Diamond Jubilee Celebrations, M.N. Goiporia, addressed the Press Conference. The Institute's activities, achievements and future programmes were highlighted on the occasion.

The Diamond Jubilee Celebrations were formerly inaugurated on April 30, 1988 by the President of the Institute R.N. Malhotra at a function organized at the Taj Mahal Hotel, Bombay. Leading bankers, administrators, academicians and distinguished members of the Institute were present on the occasion.

The inaugural ceremony was followed by a seminar on "Banking Education and Training". Bankers associated with human resource development, senior executives and faculty members of staff training colleges attended the seminar. The focus was on the training needs of the banking industry and the strategy to be adopted for banking education and training to meet the challenges of the coming decade.

In commemoration of the Diamond Jubilee year, the Institute brought out a special issue of the Journal. The theme was Challenges before the Banking Industry the 1990s. Eminent bankers, academicians and administrators contributed articles to the special issue. The Institute also brought out a five-page supplement in the leading financial dailies on April 30, 1988 highlighting the role and future programmes of the Institute. A Diamond Jubilee Overseas Banking Research Fellowship was instituted from the year 1988. This Fellowship was to be
awarded every year to a member of the Institute to study the latest developments in banking in any non-European country on the lines of the Lord Aldington Banking Research Fellowship.

To involve members in the celebrations, essay competitions were organised at national and regional levels. As many as 259 essays, were received from members. At the national level the subject of the essay was Improving Efficiencies of Banking Operation in India. The three best essays were awarded prize amounts of Rs. 5,000, Rs 3,000 and Rs 2,000 respectively.

At the regional level, the subjects of the essays were

Northern Region
Subject - Regional Imbalances in Economic Development and the Role of Commercial Banks.

North eastern Region
Subject - Lead Bank Scheme and Rural Development

Eastern Region
Subject - Can Commercial Banks be Re-organized on Regional Basis?

Central Region
Subject - Regional Banks as an Instrument of Development

Western Region
Subject - Nationalisation of Banks - Critical Evaluation

Southern Region
Subject - Banks and Five-Year Plans

The Institute invited Sir. Kit McMahon, Chairman, Midland Bank Group to deliver the Diamond Jubilee Lecture. Sir Kit accepted the invitation and delivered his lecture on "International Economy over the Next Ten Years" on November 1, 1988 at Bombay.

The Institute celebrated its Diamond Jubilee in different parts of the country through its centres and sub-centres. A variety of programmes like seminars, lectures by eminent bankers and economists and quiz competitions were organised by centres and sub-centres.

On the occasion of the Diamond Jubilee the Institute felicitated three members of the permanent staff who had completed 25 years of service in the Institute. The proud recipients of mementos for loyal service were V. Sundaresan, Rukkappa Sanil and Sunder Kotian.

41st International Banking Summer School

The Indian Institute of Bankers hosted the 41st International Banking Summer School in India. The Summer School was held at the Taj Palace Inter-Continental, New Delhi from September 17 to 30, 1988. The theme of the school was "Banking and Economic Development". 184 executives of banks and financial institutions representing 48 countries and 3 International organisations participated in the school.

Under the main theme, nine papers were presented by bankers and economists invited from India and abroad. They were

Central Banking and Economic Development - Indian Experience

By C. Rangarajan
Deputy Governor, Reserve Bank of India

Commercial Banking - The Changing Global Scenario
By John G. Quinton
Chairman, Barclays Bank

Reform of the International Monetary System
By Warnasena Rasaputra
Governor, Central Bank of Sri Lanka

Commercial Banking - Lessons from Indian Experience
By D.N. Ghosh
Chairman, State Bank of India

Banking and Economic Development - Japanese Experience
By Shijuro Ogata
Deputy Governor, The Japan Development Bank

Capital Markets and Economic Development
By Phillip B. Lassiter
Group Executive, Citicorp International Group, Inc.

Monetary Policy Revisited
By I.G. Patel
Director, London School of Economics and Political Science

International Borrowing and Economic Development
By Robert J. White
Director, Westpac Banking Corporation

Competition and Regulation in Banking for Development
By M. Narasimham
Vice President, Asian Development Bank

Besides the main papers there were topics for group discussions and other case studies on topics of relevance for bankers. Participants were divided into 15 groups named after the rivers of India. Each group was headed by a leader who was selected from among the senior bankers and economists from India. The group leaders engaged the

respective groups in debates on issues confronting bankers. During the two-week school, a daily news bulletin titled "Samachar" was brought out. The news bulletins covered the events of the day, synopsis of the papers to be presented and news items of interest to bankers.

Hosting of a two-week summer school was a matter of great satisfaction for the Institute. The fact that it was successful gave considerable confidence in the ability of the Institute to undertake such tasks in the future. A conference of the magnitude of the International Summer School, in which 184 senior executives of banks and financial institutions representing 48 countries and three international organisations had participated at a time when information technology had not made any dent in the India, was never taken lightly by the Institute. Instead, considering it as a challenge to the Institute's organisational and management capabilities, the Institute acquitted itself remarkably well. Rich compliments were paid to the efforts taken by the organising committee. The Director of the subsequent — the 42nd International Banking Summer School to be held in Dublin, Ireland in his invitation remarked, "It will be difficult to match the achievements of our colleagues in India who must be congratulated for their efforts and success in staging the first International Banking Summer School in a third world country. But I promise you, we will try".

Afro-Asian Banking School

During the 41st International Banking Summer School hosted by the Institute in India, it was observed that topics discussed at the IBSS were generally of greater relevance for the developed countries. Several problems encountered by developing countries were in the process

inadequately focused. This was one of the reasons that Afro-Asian countries did not participate in the International Banking Summer Schools. It was felt that India being an important country in the group of developing countries should take the initiative and organise another school to discuss developments in banking which would be of direct relevance to Afro-Asian countries. The Council considered the proposal and accepted it. The Afro-Asian Banking School would be organised once in two years to begin with to discuss and study various topics on banking with special reference to countries in Africa and Asia. The Institute accepted to host the First Afro-Asian Banking School sometime in November/December 1990. A Steering Committee was constituted under the Chairmanship of C. Rangarajan to make the necessary arrangements to hold the first Afro-Asian Banking School in 1990.
The First Afro-Asian Banking School was held at Hotel Windsor Manor, Bangalore from November 28 to December 8, 1990. The main theme of the School was "Banking, Finance and Development". The President of the Institute, R.N. Malhotra, inaugurated the School on November 28, 1990. 52 participants from 22 countries in Asia and Africa participated in the School. Eight papers were presented by bankers and economists from Asian and African countries, at the School. They were as follows:

1. **Innovation in Commercial banking and Finance in India**  
   M.N. Goiporia, Chairman, State Bank of India, Bombay

2. **Development Process and Issues in Economic Development**  
   M. Narasimham, Vice-Chairman, Administrative Staff College of India, Hyderabad

3. **Globalisation of Commercial banking: Its Impact on Asian Countries**  
   *John M. Gray, Dy. Chairman, Hongkong and Shanghai Banking Corporation Ltd. Hongkong*

4. **Trade, Finance and Development in Africa - Issues in Debt Management**  
   *Oladeji Ojo, Principal Economist, African Development Bank, Abidjan*

5. **The Financial System and Economic Development - The Indian Experience**  
   C. Rangarajan, Deputy Governor, Reserve Bank of India, Bombay

---

*The History of The Indian Institute of Bankers*


Charles Nyirabu, former Governor, Bank of Tanzania and Ambassador in Washington

7. Commercial Banks and Industrial Sickness: The Indian Experience

A. Ghosh, Dy. Governor, Reserve Bank of India, Bombay

8. The Role of Export Initiatives in Economic Development: Lessons from Korea

Yung Whee Rhee, Principal Economist, Industry Development Division, World Bank, Washington

Besides the main papers, there were group discussions by participants on the topics relevant to banks such as Management of Human Resources, Commercial Banks and Financial Services, Developments in Banking in Asia and Africa and Developments in the field of Rural Banking in Africa and Asia.

A decision was taken to host the next Afro-Asian Banking School in Harare, Zimbabwe. The Institute took the leadership and constituted a committee of officials from India, Kenya, Malaysia, Nigeria, South Korea and Zimbabwe to provide guidelines regarding organising future banking schools.

Finances of the Institute

The main sources of the income of the Institute were membership fees, examination fees and annual donations from banks. The donations from banks were fixed on the following basis.
### Reserve Bank of India
- Donation: Rs. 1,25,000/-

### Banks having deposits of:
- Rs. 2000 Crore and above: Donation: Rs. 1,00,000
- Rs. 1000 Crore and above but below Rs. 2000 Crore: Donation: Rs. 75,000
- Rs. 500 Crore and above but below Rs. 1000 Crore: Donation: Rs. 50,000
- Rs. 300 Crore and above but below Rs. 500 Crore: Donation: Rs. 35,000
- Rs. 100 Crore and above but below Rs. 300 Crore: Donation: Rs. 25,000
- Rs. 50 Crore and above but below Rs. 100 Crore: Donation: Rs. 10,000
- Rs. 20 Crore and above but below Rs. 50 Crore: Donation: Rs. 5,000
- Rs. 5 Crore and above but below Rs. 20 Crore: Donation: Rs. 2,500
- Rs. 1 Crore and above but below Rs. 5 Crore: Donation: Rs. 1,000
- Less than Rs. 1 Crore: Donation: Rs. 250

In 1980 under the amended Articles of Association of the Institute, a new category of Institutional members was provided. Commercial banks, financial institutions, cooperative banks and other institutions approved by the Council for membership of the Institute who had donated to the Institute in 1980 were treated as having been admitted as Institutional members of the Institute and their donations were treated as subscriptions for the year 1980.

An increase in the annual membership was made effective from January 1980. Accordingly, membership fee from Associate Members was increased from Rs. 20 to Rs. 25.

Commuted membership for Associate Membership for life was increased from Rs. 200 to Rs. 250. Membership fees for ordinary members were increased from Rs. 10 to Rs. 20. Commuted Memberships for ordinary member was increased from Rs. 100 to Rs. 200.

A similar increase was made in examinations fees from January 1980. The increase was as follows:

1) For Part I - Rs. 20 for each subject instead of Rs. 15 and Rs. 60 if the candidate took the entire examination, i.e. if the candidate appeared in all the subjects at a time.

2) For Part II - Rs. 25 for each subject as against Rs. 20 and Rs. 75 if the candidate appeared for the entire examination.

The Council took a generous decision about the payments from Fellows who had retired from bank service. In response to a letter from R.L. Tuli dated March 15, 1982 requesting exemptions from subscriptions the Council decided

"That the Fellows of the Institute, who have retired from banking service and who have been members of the Institute continuously for 10 years and have completed 65 years of age, be exempted from the payment of subscription and they be extended all the facilities and privileges available to the members of the Institute, without any right to vote at the meetings of the members of the Institute".

The Institute did tide over its financial problems after it raised the subscriptions from individual and institutional
members. The excess of income was transferred to building fund and other educational activities such as increase in centres to provide library facilities and training. The Council took a decision in 1981 to transfer a part of the excess income to

1) Education Fund Account
2) Publication Fund Account
3) Library Development Fund Account

This would meet the expenditure incurred towards tutorial classes and correspondence courses, publications and journal expenses and library expenses respectively. The remaining balance was to be transferred to the Building Fund Account.

With the rise in expenditure due to salary increases, the cost of the journal publication, examination expenditure, tuition classes and the general administrative requirements, some increase had to be made again in the examination fees. There was a general streamlining of bank's subscriptions as well.

From 1984, the income and expenditure of the Institute was represented pictorially in the annual statement of accounts. A prudent approach was adopted in the matter of finances. The Institute availed itself of the services of a financial consultant to work out the cost and income structure and implemented the suggestions.

Overview

The period 1978-1991 was one of change for the Institute. It re-designed and re-adjusted its activities to meet the

changing needs of the banking industry. The Associate examination, which called for a sound knowledge of banking laws and practice, retained its importance. Changes were introduced in the subjects and syllabus to make the associate examination relevant for the times. The number of candidates appearing for the examinations rose considerably as banks offered incentives, honoraria and increments to those who succeeded in the examination. In the Diamond Jubilee year of the Institute, 1,93,660 and 1,93,680 candidates appeared for the examination in May and November. The task of administering the examination to such a large number of candidates spread around the country and outside was truly daunting. The Institute was conscious of the emerging challenges in the banking industry. It therefore appointed a committee under M.N. Goiporia to review the examination. In the light of the committee's recommendations, the syllabus was revised. The associate examination under the revised syllabus was to be made operative from 1992.

In addition to the Associate Examination, the Institute introduced a number of examinations. The Diploma in Bank Management (1982) enabled bankers to acquire professional qualifications for occupying managerial positions. The examination for UTI employees (1984), Certificate Examination in Rural Banking (1987), Diploma in International Banking (1988) and Certificate Examination in Development Banking (1990) catered to the selective needs of banking and finance professionals. The Institute did not confine its role to that of an examining body. It reached out to the needs of the candidates preparing for the examination through its correspondence courses, publications and tutorial classes. The quarterly journal of the Institute was re-designed so
as to make it more useful to members preparing for the various examinations. A decision was taken in 1987 to introduce articles in Hindi for the benefit of a large segment of the membership. A cumulative index of articles, which appeared in the journal from 1930 to 1984, was published for members and those engaged in research in the area of banking and finance. A large number of books and journals useful to members preparing for the various examinations were added to the libraries at Bombay and centres and sub-centres of the Institute. A full time qualified librarian was appointed to develop the library at Bombay and co-ordinate the working of libraries in the various centres and sub-centres.

The Institute made efforts to organise programmes to help in the professional development of bankers. It nominated bank executives to the International Banking Summer School held every year. It selected candidates for the award of the Lord Aldington and the Diamond Jubilee Banking Research Fellowship. The Institute representatives were deputed to participate at international forums of banking institutes. These forums helped the Institute to establish its credentials in the international banking community. The Institute successfully hosted the 41st International Banking Summer School. It also took the initiative and established the Afro-Asian Banking School and organised the first school in India. Eminent personalities were invited to deliver the Sir Purshotamdas Thakurdas Memorial Lecture every year. The Memorial Lecture did much to enhance the prestige of the Institute.

At the organisational level, the administrative structure was strengthened to handle the varied activities of the Institute. With a full time Chief Secretary at the helm of affairs, the Institute was able to play a pro-active role. The
occupation of its own well laid out and spacious premises at the World Trade Centre, Cuffe Parade, Bombay gave the Institute a feeling of belonging and permanence. It adopted a logo in 1983 thereby acquiring a sense of distinctiveness. While the Institute computerised the membership and examination records it invited M/s Billimoria and Co., a consultancy firm to study the existing systems and procedures and suggest suitable changes so as to improve efficiency, reduce cost of operation and render better service to the members. M/s Billimoria and Co. submitted their report to the Institute in May 1987. They recommended some changes in the existing systems and procedures in the various departments of the Institute, which were accepted and implemented. The Institute had another achievement to its credit when it acquired additional office premises admeasuring about 6,200 sq. ft on the 19th Floor at Maker Towers "F" Building at Cuffe Parade Bombay. The new library of the Institute was located in this premise. The President of the Institute formally inaugurated it on June 28, 1990.

Ensconced in its own premises, with its organisation strengthened, finances sound and a continued effort to enhance the level and quality of education and training to the banking community, the Institute could justifiably look back with a degree of satisfaction and look to the future with confidence.
Meeting the Challenges of the 1990s
The Indian Economy suffered an acute balance of payments and inflation crises in the first half of 1991. The public sector deficit was unsustainably large and the saving rate was relatively stagnant. The financial sector suffered from many structural problems arising from the regulatory policy framework. There was very little of competition among banks. The impulses of growth were subdued. The economy was not internationally competitive and was susceptible to external shocks. The Government therefore initiated a package of stabilisation and structural reform measures in mid 1991. The reforms were comprehensive in nature and in scope, covering the real, fiscal and monetary, sectors as also areas related to exchange rate, and institutional development. The philosophical base of the development strategy was shifted to providing incentives to work and save through liberalisation and deregulation of domestic investments, opening of key infrastructure areas hitherto reserved for the public sector for private sector participation, opening the economy to foreign competition by reducing protective barriers such as import controls and high tariffs, encouraging direct foreign investment for both investment surge and technology upgradation, reform of the public sector and reform of the tax and banking system.
The financial sector reforms as an integral part of the overall economic reform process carried the common objective of improving the productivity and efficiency of the system. Over the years, there have been built-in rigidities fostered partly by the fact that a large part of the financial sector was under Government ownership and partly because of inadequate appreciation of the economic rationale for the actions of the public sector banks and other financial institutions. The viability of the financial system in general and nationalised banks in particular was in serious doubt, notwithstanding the positive developments such as the build-up of a widespread and vast network of banks and financial institutions over the years, the general increase in the number of financial instruments that households could hold as assets, and the sharp increase in bank credit to some of the priority sectors, especially in the rural and semi-urban areas. The weaknesses such as the decline in productivity and efficiency and erosion of profitability of the financial system had to be addressed by creating a competitive environment. With this objective in view, the Government of India appointed a committee under the chairmanship of M.Narasimham, former Governor of the Reserve Bank of India, to report on the required policy responses to the situation obtaining in the financial system. The Narasimham Committee Report of 1991 (referred to as Narasimham Committee Report I or simply as Narasimham I as there was yet another committee that was headed by him some years later) while highlighting the major issues in the financial sector made a number of recommendations aimed at improving the productivity, efficiency and profitability of the banking system on the one hand and providing it with greater operational flexibility and functional autonomy in decision making.
Chapter 6: Meeting the Challenges, of the 1990s

The recommendations of the Narasimham Committee Report I provided the blueprint for the reform of the financial sector. The period 1992 - 1997 witnessed far-reaching reforms in the banking system. These reforms were concerned with improvements in policy framework, financial health and institutional framework. Improvements in policy framework encompassed issues related to pre-emption in the form of reserve requirements, administered structure of interest rates and priority sector lending. Improvement in financial health aimed at ensuring safety and soundness of the financial system through implementation of prudential norms. These norms pertained to capital adequacy, income recognition, asset classification, and provisioning and exposure norms. The prudential norms served two purposes. First, they rendered the balance sheet and income and expenditure statement to be a true reflection of the health of banks. Secondly, they also acted as a tool of financial discipline and compelled banks to look at the quality of loan assets and risks attached to lending. It was also important that since the functioning of Indian banks and financial institutions was closely monitored and observed by markets outside the national borders, they had to be financially sound and prudent according to internationally accepted standards. Improvements in the institutional framework centered mainly on recapitalisation, strengthening of the supervisory processes, and relatively liberal licensing of foreign and Indian private sector banks in order to impart a greater element of competition and an environment for proving efficiency in the operations.

While the reforms were underway major changes had taken place in the world economy coinciding with the
move towards the integration of the financial services. Against this backdrop, the Government of India set up the committee on Banking Sector Reforms with M.Narasimham as Chairman (Narasimham Committee Report II or Narasimham II) to review the implementation of banking sector reforms and chart the road map for the second-generation reform process. This would make the banking system stronger and better equipped to meet global competition. A major part of the recommendation of the Narasimham Committee Report II (1998) related to strengthening of capital adequacy including explicit capital for market risk, tightening of prudential and disclosure standards in line with international best practices consolidation of the banking system, restructuring of weak public sector banks, dilution of government equity in public sector banks, providing functional autonomy to government banks, technology improvements to modernise the system and methods in banking and adoption of scientific tools for management of risk. The thrust in this phase (often referred to as the second stage) of reforms was on the organisational effectiveness of banks and other financial entities. It focused on improving the banking system's productivity, efficiency and profitability as also in providing it with greater operational flexibility and functional autonomy in decision-making. Through the various measures recommended the foundations of an effective and well functioning financial system were sought to be laid.

An important outcome of the changes was the growth of a diversified financial system. Competition was injected by allowing new private sector banks and more liberal entry of foreign banks. There was also the emergence of several other financial intermediaries including mutual funds,
non-banking financial companies (NBFCs) in various fields, primary dealers merchant banks, housing finance companies etc. All these sharpened competition. Banks had to pay more attention to market segmentation and adopt niche strategies to retain their competitive edge. As the banking system liberalised there was a greater degree of transparency and standards of disclosure.

The 1990s were also characterised by the emergence of technology as a major driving force of changes in the banking industry. The revolutionary changes in computerisation and communication technologies modified the way in which banking was conducted. The debate was no longer on whether technology was needed but on how much and how quickly it was to be embraced. Technology was needed to strengthen internal control, improve accuracy of records and facilitate provision of new products and services. E-commerce added a new dimension to the business of banking. Customers were becoming more demanding than before for quick services and delivery systems and with increased competition from new banks, both Indian and foreign, it was necessary for established banks especially the public sector banks, to become technologically enabled at the earliest.

As banking became more complex and sophisticated and its involvement in newer areas grew it became necessary for banks to equip their personnel with new skills. Banks had to upgrade their employees’ competence to assess and manage a variety of tasks with speed and confidence in an electronic environment. A sharper focus had to be given to human resource development. Banks had to take necessary steps to improve the capability of their staff to perform new functions and roles with a degree of expertise, professional competence and managerial skills keeping
in view the need to avoid risks. In the changed circumstances, training and education had to be given high priority.

The IIB as a professional body catering to the needs of banking education was quick to understand the dynamics of change taking place in the field of banking and finance in India and abroad. It responded by identifying the needs of banking education and training and redesigning its programs and activities in the context of those needs. The Institute understood that its role in promoting the new economic strategy was an important one and worked towards building a cadre of professionally qualified and competent banking personnel capable of facing the challenges ahead.

Meeting the Challenges

The genesis of the changes that took place in the activities of the Institute can be traced to the year 1991. At the Council meeting held on August 8, 1991, suggestions were made that the Institute should prepare a long-term plan covering a period of 5 years indicating the development activities to be undertaken along with proposals for utilisation of surplus funds of the Institute. A committee was constituted for this purpose with M.N. Goiporia as Chairman.

Having appointed the Long Term Development Plan Committee (LTDPC), the Institute began working on the details of a Diploma in Financial Services. With the changes in the financial sector, it was necessary for members to have an opportunity to qualify themselves for specialised services provided by banks and financial sector. The proposed diploma was a step in that direction.
Chapter 6: Meeting the Challenges, of the 1990s

Preparation also began for installation of an in-house computer to help the Institute computerise its activities. The LTDPC under the Chairmanship of M.N. Goiporia had their first meeting in December 1991. Shortly thereafter, Goiporia retired as Chairman of State Bank of India and resigned from the Institute's Council. S.K. Bhattacharyya, Council Member, was subsequently appointed Chairman of the Committee. Under his Chairmanship, the Committee decided to carry out a survey among the members to obtain their feedback on the role the Institute should play in the context of the changes taking place in the field of banking and finance. When the compilation of the responses to the survey was about to begin, Bhattacharyya expired. Y.H. Malegam, Member of the Committee was appointed by the President, as the next Chairman. The re-constituted committee met several times to discuss the role of the Institute in the context of the changing banking environment. The Committee finalised the recommendations and submitted its report in 1995.

Survey of Long Term Development Plan

As mentioned earlier the LTDPC carried out a survey among the members of the Institute about their expectations of how the Institute should evolve over a longer time horizon. The objective of the survey were to

- Assess the importance of the examinations conducted by the Institute to the Bankers
- Understand the expectations of the members from the Institute
- Elicit views from the members about changes needed in the activities of the Institute
Gather any other information relevant to modify the focus of the activities of the Indian Institute of Bankers in the years ahead.

A detailed questionnaire was formulated and circulated among the members of the Institute through the July-September 1992 issue of the Journal (See Attachment at the end of the chapter for a text of the questionnaire). The Institute mailed 2,61,210 questionnaires with a pre-paid reply envelope. The questionnaire was divided into three parts namely member's profile, member's views regarding the examination and the role of the Institute in the 1990s. The questionnaire among other things attempted to obtain the views of the members on the following issues.

- Whether bankers in India should possess any professional qualifications?
- Whether the examinations conducted by the Institute met their expectations?
- What were the new examinations desired by the members?
- Whether the Institute's examination provided the members with the necessary benchmark for career promotions?
- Whether the Institute should decentralise its activities?
- Should the Institute franchise its examinations?
- What were the inadequacies observed in the activities of the Institute?
- What was the external image of the Institute?
- Whether the Institute should go in for collaboration with other Institutes outside the country?
Chapter 6: Meeting the Challenges, of the 1990s

- What should be the role differentiation among the IIB, NIBM and Bank's staff training colleges?

The Institute received 7,608 responses. A major segment of the respondents belonged to the clerical cadre. 4,314 (57%) of the clerical cadre responded. Officers and managers up to Scale 3 constituted 3,150 (41%) of the total responses. 101 (1.5%) Chief Managers and Assistant General Managers responded to the questionnaire. The response from Senior Executives was barely 43 (0.5%). Around 600 responses were incomplete and therefore not processed.

Survey Findings
The LTDPC reviewed the responses to the questionnaire. Broadly, the views and suggestions were as follows

- All the respondents agreed that bankers should possess professional qualifications
- Majority of the respondents stated that the Institute's examinations had helped them to carry out their professional responsibilities more effectively and efficiently
- A majority of the respondents stated that the Institute's examinations formed a benchmark for elevation to increasingly high levels of responsibility in banking fields
- Suggestions were made to add new topics to the syllabus for the various examinations of the Institute.
- A majority of the respondents suggested that new examinations should be conducted in the area of merchant banking, computer applications, foreign exchange operations, behavioral sciences, auditing etc.
Chapter 6: Meeting the Challenges, of the 1990s

- The respondents were of the opinion that the Institute should be the apex institution in the country in the area of banking education and training.

- It was suggested that the Institute should develop greater collaboration with similar institutions in other countries with a view to helping Indian bankers to study foreign banking. This would enable bankers apply the expertise and the techniques in vogue abroad to Indian banking.

- While members were by and large satisfied with the present activities of the Institute, suggestions were also made to improve the existing activities of the Institute. These were mainly with reference to examination syllabus, membership, educational activities, management of sub-centres etc.

Most of the suggestions made by the members dwelt on streamlining the existing activities rather than long term changes. The survey was nonetheless pioneering in that it reached out to the widespread membership and ascertained their needs. The findings of the survey were incorporated in the LTDPC.

Recommendations of the LTDPC

The LTDPC reviewed the basic objects of the Institute as recorded in its memorandum of association, the Institute's present activities, the role played by other complementary bodies in the country e.g. NIBM, IBA and Training Colleges of Banks and the functions of similar Institutes in other countries. It then presented its recommendations which in brief were as follows:

- The formulation of a long-term plan for the development activities of the Institute demanded clarity regarding
the main mission of the Institute. The Committee defined the main mission was to produce professionally qualified and competent bankers.

- The role of the Institute was to be changed from being merely training and examining body to a body which catered to the post qualification professional requirements of its members as well.

- Given the limited reach of revision lectures and correspondence courses, the Committee considered the alternative of training being provided through approved outside institutions. The selection of these institutions would be on the basis of well-formulated guidelines to ensure that minimum standards of training were maintained. The role of the Institute would be to provide technical support to such institutions and monitor their facilities and performance.

- The Institute should continue to prepare and provide material through correspondence courses. The publication of textbooks should be confined to those areas where adequate published material was not available. The Committee stressed the need to expand library facilities and reading rooms in different parts of the country.

- The existing associate examinations that were in two parts would continue to provide basic professional qualification in banking to its members. However, the syllabus for the examination should be reviewed and updated at least once in three years.

- The Institute should consider supplementing the existing associate examination with an additional one. The syllabus of the proposed examination should
Chapter 6: Meeting the Challenges, of the 1990s

consist of new and advanced topics in the field of banking and finance relevant to professional bankers. The existing diploma and certificate examinations should be reviewed and efforts should be made to make these examinations more attractive.

- The Institute should provide continuing education to ensure that members maintain a minimum level of competence during their professional career. This could be done through the organisation of seminars, workshops and special course on an ongoing basis.

- A distinction should be made between those who merely pass the Institute's examination and do not continue their membership and those who continue to be members of the Institute. This distinction should be reflected in the "qualificatory" letters they are permitted to use after their names.

- The members who have not passed the Institute's examinations should be re-designated as student members and the designation of ordinary members would be used for those who have passed the examinations. Similarly, in respect of fellow members, the designation must be used only for those members who have passed the Institute's examination. For other persons, the designation would be honorary fellow members.

- The Institute should evolve a code of ethics for the guidance of its members.

- The Institute should decentralise its activities through zonal offices in order to render better service to its members.

The recommendations of LTDPC were discussed at length in the Council and the Chief Secretary was asked to
Chapter 6: Meeting the Challenges, of the 1990s

prepare a strategy note for the implementation of the recommendations.

**Appointment of a new Chief Secretary**

Even as the implementation of the recommendations of the LTDPC was about to begin, R.D. Pandya, the Chief Secretary was due to retire on June 30, 1995. A search committee constituted by the President under the Chairmanship of S.S. Tarapore, Deputy Governor, Reserve Bank of India, identified R.H. Sarma, Deputy General Manager, NABARD for appointment as Chief Secretary of the Institute. R.D. Pandya was requested to continue in the services of the Institute for one more month i.e. July 31, 1995 to enable the new Chief Secretary to understand from R.D. Pandya the working of the Institute as well as the duties and responsibilities of the Chief Secretary of the Institute.

R.D. Pandya had assumed office at a critical juncture in the Institute's history. His tenure witnessed far-reaching changes in the organisation procedures, systems and activities of the Institute. In the Council meeting on June 21, 1995 the President of the Institute appreciated the excellent work done by R.D. Pandya as Chief Secretary from 1978 to 1995 and thanked him for his contribution to the growth and development of the Institute during his tenure. R.H. Sarma took charge as Chief Secretary from July 1995.

"The new Chief Secretary had to ensure the continuity of the stable regime brought about by his predecessor and on the other hand to bring about new mechanisms to equip the banking professionals to face the challenges ahead. As Chief Secretary and later Chief Executive Officer, R.H. Sarma, accelerated the pace of change in the Institute..."
Implementation of LTDPC Recommendations

- The first step taken by the new Chief Secretary was the preparation of a strategy note to implement the recommendations of the LTDPC.

- A mission statement was adopted to provide a sharp focus on the activities of the Institute. The statement read "The mission of the Institute is to develop professionally qualified and competent bankers primarily through a process of training, examination, and continuing professional development programmes." It was decided to incorporate the mission statement in all the publications of the Institute.

- An expert group was constituted to review the examination system and revise the syllabus for the various examinations of the Institute.

- A number of steps were lined up to strengthen the education support activities of the Institute. These included, identifying academic institutions and accrediting them with the responsibility of training members for the Institute's examinations, strengthening tutorial classes, improving correspondence course facility, publishing standard textbooks and promoting collaboration with bankers' institutes in other countries to obtain publishing rights for books that could be reprinted in India.

- As part of continuing professional development, efforts were initiated to have tie-up arrangements with well-known universities to link professional qualifications of the Institute with academic qualifications of the universities.
Chapter 6: Meeting the Challenges, of the 1990s

- In the context of the globalisation and integration of Indian banking with the world banking system an increased exposure to the developments across the world was necessary. The Institute began to make efforts to secure the participation of more members in international workshops and seminars.

- Steps were taken to promote dissemination of knowledge of banking and finance by organising lectures in different parts of the country through its sub-centres.

- An organisation and management study was commissioned to streamline the working of the Institute.

**Expert Group on Syllabus Revision**

An expert group was appointed under the chairmanship of K. Kannan, Chairman and Managing Director, Bank of Baroda, to review the examination and undertake a revision of the syllabus. The expert group was specifically asked to

- Review the syllabus for the CAIIB examination Part I and II

- Identify the areas of specialisation required by bankers and design the syllabus for the examination in such areas

- Suggest measures to popularise the examination of the Institute

- Rationalise the existing examination and examining system

- Make any other recommendation to improve the examination and educational support and facilities provided by the Institute
Chapter 6: Meeting the Challenges, of the 1990s

The expert group on the basis of a preliminary study found the examination of the Institute inadequate. They observed that

- The system of examination treated all entrants to the banking industry similarly without recognising differences in their educational background.
- There was no provision for granting exemptions for any subject on account of prior academic qualifications.
- The post CAIIB diploma examinations did not have any specific focus on special areas to impart the required expertise in the changed context.

The expert group was convinced that the examinations needed to be upgraded to add value to the banker's professional capability. In all seriousness they undertook the task of revising the syllabus for the examinations.

The expert group formed a subgroup for drawing up a detailed draft syllabus for each subject. The syllabus was to be prepared taking into account similar syllabus prescribed by bankers' institutes elsewhere and reputed Indian universities. The subgroup was asked to set objectives for each subject so that candidates would know what was expected of them. They were required to provide a list of recommended reading material and formulate proposals for granting exemptions. An incentive scheme was to be recommended to banks to motivate bank employees to appear for the examinations.

The subgroup took the help of subject specialists and chief examiners. Subject specialists were required to frame the syllabus in their respective areas and they were invited to participate when the expert group finalised the syllabus.
Chapter 6: Meeting the Challenges, of the 1990s

The subgroup also interacted with officers and clerical staff in banks to get a first hand feedback of their needs.

On October 4 and 5, 1996, a Bank Educationists Conference was held at the Bank of Baroda Staff College, Ahmedabad, to discuss the draft syllabus for the associate examination. The conference was attended by principals of bankers training colleges, HRD chiefs, practicing bankers, and academics. The conference also reviewed among others, the scheme of examination and collaboration among bank training institutions. The expert group concluded its work by preparing a report with wide ranging recommendations. The report was submitted to the Council in June 1997.

Recommendations of the Expert Group
The expert group recommended that
Chapter 6: Meeting the Challenges, of the 1990s

- Part I of the CAIIB should
  - Play the role of a leveler for all the new entrants in the banking industry with diverse educational background.
  - Be equivalent to graduate level education
  - Provide a minimum level of knowledge through five core subjects - Indian financial system and commercial banking, business communication and customer relations, special and preferred sector finance, basic accountancy and introduction to computers
  - Be renamed as Junior Associate Examination and a certificate of Junior Associateship of Indian Institute of Bankers (JAIIB) be awarded to successful candidates

- Part II of the CAIIB should
  - Be equivalent to a post-graduate level of education
  - Provide advanced knowledge necessary for better decision making through five core subjects - laws and practices related to banking, management accounting and financial management, Indian economic environment, business management, introduction to foreign trade, foreign exchange and risk management
  - Provide specialisation in specific areas - by choosing any one of the four options: investment and merchant banking, electronic banking and information technology in banks, organisation and human resources development and marketing of banking services.
  - Be named as Certificate Associate Examination, and a certificate of Certificate of Associateship of Indian Institute of Bankers (CAIIB) be awarded to successful candidates
Chapter 6: Meeting the Challenges, of the 1990s

- A Diploma in Bank Management was recommended, as an alternate route for those members who could not clear the Associate examination and who had reached middle/senior management level.

- The expert group identified qualifications that would entitle a member to seek exemption from appearing for examinations in certain subjects.

- Post Associate Diploma Examinations were recommended in the following areas

  - International Banking and Finance
  - Banking Technology
  - Treasury, Risk Management and Investment banking
  - Capital Markets and Merchant Banking
  - Advanced Rural Banking

- The Expert Group believed that merely redesigning the syllabus would not be enough. There was a need to provide sound and effective education support services. They recommended a multi pronged approach involving

  - Accreditation of Colleges/University for conducting coaching classes
  - Developing sub-centres
  - Strengthening tutorial classes
  - Revamping correspondence courses
  - Preparing comprehensive reading material kits

The other recommendations of the expert committee related to measures to popularise the examinations, laying down eligibility conditions and passing standards.
Implementation of the Recommendations of the Expert Group

The Council examined the recommendations of the Expert Group and introduced the following changes in the examination system:

- Part I of the CAIIB would play the role of a leveler for all new entrants to the banking industry and would be equivalent to the knowledge imparted at the graduate level while Part II would be positioned at the post-graduate level.

- Part I examination would be renamed as Junior Associate Examination and a certificate of Junior Associateship of the Indian Institute of Bankers (JAIIB) would be awarded to successful candidates. Part II would be named Certificated Associate Examination and on successful completion of the examination, a Certificate of Associateship of the Indian Institute of Bankers (CAIIB) would be awarded.

- An alternative route would be made available to those members who could not clear the Associate Examination but had reached the middle/senior management level. A Diploma examination called Associate Diploma in Banking would be introduced for this category of members.

- Advanced Diploma Examinations would be introduced to begin with in:
  - International Banking and Finance
    - Banking Technology
    - Treasury, Risk Management and Investment Banking
    - Capital Markets and Merchant Banking
    - Advanced Rural Banking
Chapter 6: Meeting the Challenges, of the 1990s

- The Diploma Examinations would be open to all the members of the Institute irrespective of whether they had completed the Associate Examination
- Exemptions would be granted to members from appearing in certain subjects in which they had acquired proficiency by passing certain recognised examinations
- The pattern of question papers would be changed by classifying questions in any subject into four groups namely conceptual grasp, short problems, analytical/logical expositions and theory questions
- The time limit for completing the examinations would be a maximum of 8 consecutive attempts for JAIIB and CAIIB examinations and a maximum of 5 years subject to a maximum of 3 attempts for Diploma examinations
- A one time fee would be introduced for each of the examinations instead of subject-wise, attempt-wise fees
- Pre-laminated identity cards having validity for 4 years would be introduced to obviate the need to fill application forms at every examination

Organisation and Management Study

An important step taken by the Institute was the appointment of NITIE as Consultant for studying the organisational structure of the Institute and suggesting ways and means to strengthen the Institute's capability for meeting the demands of the banking sector.

The O&M Study was required
- To examine the existing organisational set-up and recommend changes necessary to fulfill the objectives under the LTDP
Chapter 6: Meeting the Challenges, of the 1990s

- To define and demarcate the role and responsibility of executives at different levels
- To consider the need for decentralisation for better service to members of the Institute and suggest the appropriate set-up
- To assess the manpower requirements of the Institute at various levels including that of zonal offices
- To suggest a phased plan of implementation of the recommendations
- To suggest any other measures that would go towards improving the activities of the Institute

The O&M Team carried out an in-depth study of the Institute. They visited sub-centres across the country and had wide ranging discussions with a cross section of people involved with the working of the Institute. Also, an exhaustive questionnaire was dispatched to 65,000 ordinary members of the Institute with a view to understanding their needs and aspirations. Over 11,000 members mailed their responses along with the application form for the August 1997 associate examination. Based on the feedback and their study of the Institute, the committee came out with their recommendations and a plan for the implementation of the same. The final report was submitted to the Council in August 1997.

Recommendation of the O&M Study
The NITIE Study recommended the need to revamp the Institute. The study identified the systems and procedures related to examinations, membership, educational support, EDP, accounts and dispatch as areas requiring attention. The study recommended that procedures in these
activities needed to be simplified and automated to reduce delays, errors and achieve a high degree of customer satisfaction.

The Institute was asked to strengthen/reorganise the functions in certain new areas. These included education support services covering self-study materials, feedback mechanism to members, contact programs, new courses, member information service to provide quick information to members regarding their general queries and marketing the services of the Institute.

A restructuring of the organisation was recommended. The important suggestions here related to decentralising the administrative activities and creation of zonal offices. The study recommended three main functions namely examinations, academic activities and administration. Each function would have a head. These three main functions would be broadly advised and directed by three permanent committees constituted by the Council namely Examination, Academic and Administration. To make the permanent committees more effective, the study team recommended the inclusion of experts in addition to Council Members.

The Study Team defined the roles of the Head Office, Zonal Offices, Sub-Centres and Examination Centres. It recommended the closing down of inactive centres. While defining the roles and responsibilities of various senior positions at the Head Office and Zonal offices, the study desisted from prescribing rigid and specific job descriptions on the ground that it would be detrimental to the effective working of the Institute. It reiterated that employees would be expected to change their roles with the changing needs of the organisation. The study assessed the personnel
requirements and suggested a career development scheme with emphasis on training and development for the personnel of the Institute.

Implementation of the Recommendations of the O&M Study
The Council deliberated on the recommendations of the O&M Study and decided to implement the following changes

- Fixation of one-time examination fees under the revised syllabus was to be effective from December 1998. The fees for the JAIIB and CAIIB Examination inclusive of the cost of the study kit, was Rs 2,000 and Rs 2,500 respectively. The fee for the diploma examinations inclusive of the cost of the study kit was Rs 5,000. For the Diploma examination in Banking Technology, an additional project fee was charged. A refund of 50 per cent of the examination fees would be made to candidates who completed the examination in 50 per cent of the total number of chances allowed. The refund would not include the cost of the study kit.

- A one-time membership fee of Rs 1,000 was to be charged from certificated and ordinary members of the Institute from the financial year 1998-99. In addition to the one-time fee, a registration fee of Rs 100 would be charged to the new ordinary member at the time of enrolment.

- The Institute would decentralise its activities by opening zonal offices in Calcutta, Chennai, Mumbai and New Delhi with Corporate office in Mumbai.

- The designation of the Chief Secretary would be changed and he would be made a full time Member of the Council to maintain a close liaison with it.
The Council approved the career development program for its officers and staff. For junior and middle level officers, there would be emphasis on managerial training, in functional areas like financial accounting, investment analysis, specialised banking areas and information technology. For clerical staff, the emphasis in the training programme would be on inter-personnel and behavioral areas, computer training and basic accountancy. Faculty members and senior officials would be deputed for special training both in India and abroad to acquaint themselves with the latest developments in management and banking education.

Review of Activities

The recommendations of the LTDPC (1995), Expert Group (1997) and O&M Study (1997) reiterated the role of the Institute as a premier banking education institution. While the Institute was primarily an examining body, it was necessary to provide educational support to members for acquiring the intended qualifications. The professionalism acquired through the examinations was to be sustained by continued professional development programs. These objectives were in fact reflected in the mission statement adopted by the Institute in 1996. The activities of the Institute since then have been fashioned in line with the mission of the Institute namely to develop a professionally qualified and competent bankers primarily through a process of training, examination and continuing professional development programs.

Examinations

The changes suggested by the Expert Group were implemented and in 1999, the Institute conducted the JAIIB and CAIIB examinations according to the new syllabus. The
course contents for the JAIIB included five papers

1. Indian Financial System & Commercial Banking
2. Business Communication and Customer Relations
3. Special and Preferred Sector Finance
4. Basic Accountancy
5. Introduction to Computers

The course contents for the CAIIB included five papers

1. Laws & Practices Relating to Banking
2. Management Accounting and Financial Management
3. Indian Economic Environment
4. Business Management
5. Introduction to Foreign Trade, Foreign Exchange and Risk Management

In addition to the five papers, candidates had to choose any one of the following optional subjects.

1. Investment and Merchant Banking
2. Electronic Banking and Information Technology in Banks
3. Organisational Development and Human Resources Development
4. Marketing of Banking Services

The Expert Group had examined the three existing diplomas - Diploma in Bank Management, Diploma in International Banking and the more recent Diploma in Financial Services. The Expert Group observed that the
Chapter 6: Meeting the Challenges, of the 1990s

Diploma course in Bank Management covered diverse fields such as personnel, financial management and marketing management. These subjects belonged to different functional areas calling for different skills and competence. In view of the recommendations to introduce a paper on organisation and human resource development and marketing of banking services for the associate examination as optional subjects, it was recommended that the Diploma in Bank Management could be discontinued.

In the context of the developments in the world economy and the growing economic liberalisation leading to international market integration, the subject of international banking assumed enormous importance. In view of this, the Expert Group recommended that the examination in International Banking should be retained with suitable adjustments in the syllabus. The committee suggested that the diploma would be renamed as Diploma in International Banking and Finance.

The Diploma in Financial Services introduced as late as 1994 was also given a close look. Since the subject areas included in the examination were too wide, the Expert Group recommended that the diploma could be split into Diploma in Capital Markets and Merchant Banking and Diploma in Advanced Treasury and Risk Management and Investment Banking.

In 1999, three new diploma examinations were introduced. These were Diplomas in Treasury, Investment and Risk Management, Banking Technology and Advanced Rural Banking. The subjects for the diplomas were as follows:

Diploma in Treasury, Investment and Risk Management

1. Financial Markets - An Overview
Chapter 6: Meeting the Challenges, of the 1990s

2. Treasury Management
3. Risk Management

Diploma in Banking Technology
1. Information Technology, Data Communications and Electronic Banking
2. Design, Development and Implementation of Information Systems
3. Security in Electronic Banking

Diploma in Advanced Rural Banking
1. Rural Economic Environment
2. Financing Rural Development
3. Rural Financial Institutions

In the subsequent year, the other diplomas recommended by the Expert Group were also introduced. These were Diploma in Capital Markets and Merchant Banking, International Banking and Finance and Associate Diploma in Banking. The subjects for the diplomas and associate diploma were:

Diploma in Capital Markets and Merchant Banking
1. Structure of Capital Markets
2. Operation and Regulation of Capital Markets
3. Merchant Banking

Diploma in International Banking and Finance
1. International Banking Operations
2. International Banking - Legal and Regulatory Aspects
3. International Corporate Finance
Chapter 6: Meeting the Challenges, of the 1990s

Associate Diploma in Banking
1. Modern Banking
3. Bank Financial Management
4. Bank Marketing

Laying Down Eligibility Conditions
Eligibility conditions for the JAIIB, CAIIB and Diploma examinations were laid down. The examinations were open to members of the Institute who were in actual employment in one of the institutional members of the Institute and, the membership subscription was up to date. The examination was restricted to those who had passed the matriculation examination or its equivalent. For those appearing for the CAIIB, a pass in JAIIB was necessary.

The eligibility conditions for the Associate Diploma in Banking, however, were different. The examination was restricted to an Officer of a Bank who had not completed the CAIIB and who was in the MMG 3 or its equivalent cadre and above or an Officer who had completed 12 years of service irrespective of grade and was a graduate and above the age of 32.

The existing diplomas in Bank Management, International banking and Financial Services were to continue for a mandatory number of years. This was to ensure that candidates who had registered earlier were not put to a disadvantage. In addition to the above examinations, the Institute continued with its Certificate Examination for UTI employees and Banking Oriented Paper in Hindi.
However, a decision was taken to discontinue the certificate examinations in Rural Banking and Development Banking introduced in 1987 and 1990, as these examinations did not attract much response from the members of the Institute.

The IIB had been traditionally conducting examinations in the basics of banking like accountancy, laws of banking, banking principles etc. It had certainly come a long way in its attempt to revamp the examinations in the light of the changing banking scene. The introduction to computer applications in banking was expected to create awareness among bankers about the use of computers in banking. The subject of information technology was therefore introduced as an optional subject at the CAIIB. In the Diploma in Banking Technology, the candidate was expected to prepare a project connected with banking, software development, its application or MIS etc. The subject for the project was required to be approved by the project evaluation committee of the Institute. With all these diplomas, the Institute offered a basket of niche courses that would enable members to meet the demands for specialisation.

Approach of the Institute towards Fair Evaluation

The Institute appointed chief examiners from amongst senior practitioners of banking and finance, University / College professors, legal, accountancy and management experts. Question papers were set on the basis of the syllabi and included the latest developments in the subjects. Co-examiners were sent guidelines so as to maintain uniformity while evaluating the answer books and awarding marks to the candidates.
MBA - Banking and Financial Services

As part of its continuing professional development initiative, the Institute made efforts to have tie-up arrangements with well-known universities to enable bank executives who had obtained professional qualifications from the Institute to gain academic qualifications such as the MBA. In its meeting on April 16, 1996 the Council authorised the Chief Secretary to have a dialogue with the Indira Gandhi National Open University (IGNOU) for a tie-up arrangement with the Institute for an MBA (Banking and Finance) course that could be offered through correspondence method to the members of the Institute. A draft memorandum was prepared on the basis of discussions with IGNOU. However, in the Council meeting on August 30, 1997 the President expressed a view whether it would be useful or even desirable to have an MBA exclusively for Banking and Finance, since such a focus would be somewhat restrictive in nature. He cautioned that if the Institute was to introduce an MBA program for bankers it should have international comparability. The Council decided that the Chief Secretary would have discussions with the IGNOU authorities for broad basing the MBA program so that it would have greater acceptability. A year later, the decision to finalise the IGNOU arrangement was placed before the Council. The approval was given and the proposed MBA was called MBA Banking and Finance.

The MBA in Banking and Finance which was the first of its kind aimed to provide in-depth knowledge in managerial models while at the same time emphasising the importance of understanding the economic environment, marketing of financial services, information management and organisation dynamics of change with
Chapter 6: Meeting the Challenges, of the 1990s

respect to banking and finance. Broad based to reflect the objectives, course structure of the MBA program was as follows:

A. Core Courses - 11 compulsory courses
   1. Management Functions and Behavior
   2. Managing Men
   3. Economic and Social Environment
   4. Accounting and Finance for Managers
   5. Management of Machines and Materials
   6. Marketing for Managers
   7. Information Management and Computers
   8. Quantitative Analysis for Managerial Applications
   9. Managerial Economics
   10. Organisational Design, Development and Change
   11. Corporate Policies and Practices

B. Specialisation Course in Banking - Any 5 out of 7 courses
   1. Human Resources Management in Financial Services Sector
   2. Bank Financial Management
   3. Marketing Financial Services
   4. International Banking Management
   5. Security Analysis and Portfolio Management
   6. Electronic Banking and I.T in Banks
Chapter 6: Meeting the Challenges, of the 1990s

C. Integrative Courses - 2 compulsory courses and 1 project course
   1. Strategic Management
   2. Laws and Practices relevant to Banking
   3. Project Course (Equivalent to 2 course)

D. Electives 1 out of 3 courses
   1. Financing of Special and Preferred Sectors
   2. Industrial Finance
   3. Technology Management

The Institute and IGNOU prepared a detailed syllabus for each of the subjects. This was done in consultation with academics and practising professionals. Subject experts were asked to write books on areas covered under the MBA program. Only CAIIB holders who were graduates and continuing members of the Institute were eligible for admission to the MBA course. Credit transfers were available for certain subjects passed under the CAIIB. The first semester launched in 1999 became instantly popular, when 1,425 bankers enrolled for the course. By 2000, over 6,000 bankers had enrolled for the MBA programme.

Educational Support Services

Tutorial Classes

To assist members preparing for the examinations, steps were taken to strengthen the educational support services. A decision was taken to accredit/franchise the conduct of tutorial classes to professional institutions so that members would have the benefit of guidance of experts. When the matter of accreditation/franchising was
discussed in the Council, the President of the Institute cautioned that the institutions that were being considered should enjoy good reputation and therefore the Institute should make discreet enquiries before taking any action. The Southern India Bankers Staff Training College and the Indian Banks Management Academy (IMAGE) met the expected standards. Of the two, The Indian Bank Management Academy (IMAGE) was selected to conduct the tutorial class on behalf of the Institute. Having selected an organisation in the South, the Institute began to look out for similar institutions in other regions in the country. Another initiative in the direction of strengthening the educational support services was the induction of two senior bank officers as faculty members. These faculty members were expected to provide the necessary guidelines to the franchised/accredited institutes as well as sub-centres that conducted tutorial classes. They would also monitor and coordinate the conduct of classes at different centres and through constant interaction with teaching staff and candidates participating in these classes, improve the quality of the tutorial classes.

Contact Programmes

While the Institute organised tutorial classes, not all the members could take advantage of these classes. To help such members, the Institute organized a two-day contact programme at Meerut on an experimental basis in 1995-96. The programme was meant to clarify the doubts of the candidates a week before the commencement of the examination. The experiment yielded positive results because on a preliminary analysis, the results of the examination in the Meerut Centre were better compared to previous years. Encouraged by the positive feedback about the programme, the Institute asked its sub-centres...
Chapter 6: Meeting the Challenges, of the 1990s

to organise similar contact programmes for the members appearing for the associate examination.

Guidelines to candidates
Another innovative step taken by the Institute was the publication of guidelines for questions asked in the associate examination. The Institute realised that one of the reasons for the poor performance of the candidates was lack of knowledge as to how to write a good answer. The Institute asked experts in various fields to prepare detailed guidelines as to what constituted a complete and satisfactory answer. Initially, the questions asked in the April and November/December associate examinations of 1995 were taken as reference point to issue guidelines. Thereafter similar guidelines were issued for the JAIIB and CAIIB examinations on the basis of questions asked in the 1999 examination. The interest of the candidates appearing for the associate examination through the Hindi medium was also kept in mind and similar guidelines were issued.

Study Kits
The committees set up by the Institute emphasised the importance of providing the candidates with comprehensive study material. The Institute took the recommendation seriously. Comprehensive self-study material was prepared on all the subjects of the revised associate examination. The Institute identified a project guide and module writers for each of the subjects. Such resource persons were drawn from the finance profession or the academic world. For every subject a team consisting of project guide and three to four resource persons was constituted. The Institutes own professionals were involved in the development of the study kits. Precaution was taken to ensure that even after
the preparation of the kits they were reviewed once again by specialist in distance learning education, so that they would subserve the objectives of self-learning. In the initial years the study kits were referred by the Institute to the specialists in IGNOU to ensure language consistency and style of presentation. A complete set of study material was provided to members at the time of enrolment for the associate examination (JAIIB & CAIIB). The work of translating the study kits into Hindi was taken up simultaneously. Similar study kits were prepared for the newly introduced diploma examinations. That much effort had gone into the preparation of the study kits became evident when publishers evinced keen interest and approached the Institute for publishing rights of the study kits. The Institute realised the advantage of a tie-up in this matter. First, it would ensure a wider readership of the study material. Secondly, it would ensure availability of study material on a continual basis. The Institute therefore decided to have an arrangement with a well-known publisher for publishing the study kits of the Institute.

Text Books
Textbooks were always high on the agenda of the Institute's publication activity. The Institute decided to reprint a number of foreign publications relevant for bankers at affordable costs under copyright arrangements with foreign publishers. Under this arrangement, the Institute undertook the publication of books of Fairplace Institute of Banking and Finance on a variety of topics of importance such as Documentary Credits, Swaps, Futures and Options, Derivatives and Treasury Management. A similar arrangement was made for the publication of books of the American Bankers Association. The titles of these books

Chapter 6 : Meeting the Challenges, of the 1990s
Chapter 6: Meeting the Challenges, of the 1990s

included Bank Investments and Funds Management, the Bank Credit Card Business and Financial Planning in the Banks.

Apart from these publications, the Institute decided to bring out textbooks in various subjects of the Institute's examinations. V.G. Mankar's textbook on Business Economics was published. Macmillan India Ltd. on behalf of the Institute published two textbooks. These were Practice and Law of Banking by B.S. Khubchandani and Introduction to Computers and their Applications by T.N. Srivastava. Publications in Hindi were taken up with equal enthusiasm. The Hindi version of the Institute's publication on Commercial Banking Volume 1 was brought out in its Hindi form by Himalaya Publishers. The Institute also extensively revised the textbook for Banking Oriented Paper in Hindi examination.

Journal

From its very inception, the primary objective of the quarterly journal was to keep the members updated about contemporary developments in banking and finance. Towards this objective, the journal featured articles on a wide range of topics and current issues of relevance and use to bankers. The quest to make the journal informative and relevant has been a running theme. The Institute decided to elicit the opinion of members about the journal. Accordingly, a survey was carried out through the April-June 1991 issue of the journal. An important suggestion made in the course of the survey related to the need to introduce subjects relevant to candidates preparing for the examinations of the Institute. In 1992, a decision was taken to bring out one issue of the journal every year as a special issue to focus on developments taking place in
Chapter 6: Meeting the Challenges, of the 1990s

specific area of interest to bankers. The first special issue on Indian Capital Markets was brought out during the quarter January-March 1992. From time to time, steps were taken to improve the contents of the journal. To meet the needs of the members, a new section called Views and News was introduced to provide members information about various developments taking place in the field of banking and finance during the quarter.

The Institute received a number of requests from members to publish the journal in Hindi or to include more articles in Hindi. To meet the needs of members, the Institute brought out a separate booklet in Hindi on topics related to the Institute's examinations. The publication was distributed free of cost to those candidates who appeared for the associate examination through the Hindi medium. To improve the journal, an Editorial Advisory Board was constituted under the Chairmanship of Kalyan Banerjee, former Chairman EXIM Bank. The efforts of the Advisory Board were directed towards bringing the journal on time and improving the quality of articles published. The significant improvements that were made were first; the journal was published within 30 days from the closure of a quarter. Secondly, the presentation and layout were changed to make the journal more reader friendly and visually attractive. Thirdly, new columns like banking round up were introduced and fourthly to ensure that only quality articles were published, every article was referred to a subject specialist for vetting.

Newsletter

In addition to the quarterly journal, the Institute decided to publish a newsletter once in two months to help members keep pace with the developments in the field of
Chapter 6: Meeting the Challenges, of the 1990s

banking. Titled IIB Vision, the first issue of the newsletter was launched in August 1997. The priced publication available to individual members and corporate members of the Institute kept members informed of the latest developments in the field of banking, money, finance, foreign exchange and banking technology. The newsletter was an important resource base of information to candidates preparing for the Institute's examination and to bankers in the understanding of the policy-makers' perspectives on the complexities of the development of credit and other financial markets.

Library Facilities
The Institute maintained libraries at two premises in Bombay and also at various sub-centres in different parts of the country. The Central Library at Maker Towers, Cuffe Parade had an extensive collection of books on subjects like Banking, Finance, Management, Accountancy, Law, Foreign Exchange, and Economics etc. The library also subscribed to 250 journals on banking and other related topics. In 1995, almost 15,000 members availed of the borrowing and information services offered by the Central Library. To help its members, the Institute introduced postal lending service under its library service. This service was available with the Institute's Central Library at Bombay. An in-house library development committee was constituted to look after the library and strengthen the facilities at the sub-centres.

With the opening of zonal offices the usefulness of the central library at Maker Towers Cuffe Parade came under question. The Central Library was dismantled and the books and other resources collected so far were distributed among the four zonal offices. The premise was converted
into the Western Zonal Office. In view of the dilapidated condition of the building at D.N. Road, which housed the other library of the Institute in Mumbai, it was decided to close its operations. With these developments, the much-needed reading room facilities in Mumbai ceased to exist. Instead a portion of the corporate office was converted into a resource cum reference library. Library facilities were made available to members at the zonal offices and sub-centres.

Continuing Professional Development Programmes

The LTDPC emphasised that the Institute should go beyond its role as training and examining body and should put in place a mechanism whereby those who complete the examination would remain in contact with the Institute and benefit from its activities throughout their professional lives. The LTDPC reasoned that the banking environment was changing rapidly and that professional knowledge associated with it was required to be updated and revised. If the alumni of the Institute was to maintain their professional competence throughout their working lives, it was necessary as the LTDPC envisaged, that members be provided the opportunity to participate in a program of continuing professional education.

It must be said to the credit of the Institute, that it had been always been conscious of the need for continuing education. It had encouraged its sub-centres to organise seminars, lectures and even quiz programmes on a regular basis to keep members updated on issues relevant to bankers. The Sir Purshotamdas Thakurdas Memorial Lecture instituted in 1981 ensured that outstanding intellectuals addressed the members on contemporary
issues in banking and finance. The lectures delivered from 1981 to 1991 were brought out in a book for wider dissemination among members.

The Institute organised the Bank Educators Conference on an annual basis. The conference acted as a forum for HRD chiefs, bankers and educationists in banking and finance to exchange ideas and formulate strategies to tackle the emerging challenges. Beginning in 1996, the conference was held in Ahmedabad, Chennai, Mumbai, Hyderabad and Bangalore. Institutional Members nominated participants to these conferences.

The linkages that the Institute had established with overseas banking institutes culminated in the hosting of the 10th World Conference of Banking Institutes. This conference was held in Goa from November 4 to 10, 1993. The theme for the conference was "Banking Education and Training - Management of Dynamic Change". The conference discussed important issues relating to banking
education and training in the context of the global changes in the field of banking and finance. The participants discussed the future of banking education, use of modern technology in banking education and training, current economic issues in India, globalisation of financial services and management of human resources in banks. The role of new institutes and the relationship between banks and banking institutes was also emphasized. The proceedings of the conference were published by the Institute in the form of a book.

The Institute continued as in earlier years to collaborate with overseas banking institutions and arranged for members' participation in various seminars, conferences and workshops. This was done to expose the members to some of the latest developments in banking and sustain their continued professional development. Members were nominated to the Afro-Asian Banking School, International Banking Summer School, Asian and Pacific Association of Banking Institutes, World Conference of Banking Institutes, Cambridge Seminar, Fairplace Summer School, International Seminar of Bank Financial Management organised by the Institute of Canadian Bankers, Harvard Institute for International Development, Management Development Programme organised by the Asian Institute of Technology, Bangkok in England, Bank Financial Management organised by the Belgian Bankers Academy.

The Lord Aldington Banking Research Fellowship

The prestigious Lord Aldington Banking Research Fellowship underwent a series of changes in its rules and regulations. In 1992, the Institute in consultation with the sponsors ANZ Grindlays Bank made the following
changes. The focus of the fellowship moved from the U.K and Europe to neighbouring countries. The duration of the visit was not to exceed one month. Along with the change of rules, the sponsors added a contribution of Rs 2 Lakhs raising the amount of the fellowship to Rs 7 lakhs. In the very next year, a suggestion was made by ANZ Grindlays Bank to modify the rules governing the award of the fellowship to make it available for undertaking a research study in India as well. This resulted in a revision of the rules to the effect that a selected candidate could undertake research study for a period not exceeding three months on the latest developments in the field of banking and finance in any country where the ANZ Grindlays Bank had its presence. The fellowship was awarded on this basis from 1995 to 1997. In 1997, the bank suggested that the fellowship should be awarded for undertaking a research study in India on a subject to be selected by the Institute and publication of a text book on a subject which would be relevant to bankers or a visit of one of the neighbouring countries for 4-6 weeks in the field of banking and finance that may be relevant to India. The Bank also suggested that the fellowship for the above purposes could be tried in rotation. The Council was to go into the details relating to the suggestions such as the fellowship, eligibility criteria and other terms and conditions. In the meanwhile, the merger of the ANZ Grindlays Bank with Standard Chartered Bank had put a hold on further discussions on the future of the Fellowship. Since 1997, the Fellowship has been held in abeyance.

Diamond Jubilee Overseas Banking Research Fellowship
The Institute awarded the Diamond Jubilee Overseas Banking Research Fellowship instituted in 1988 every
year to members who satisfied the eligibility conditions. (See Annexure 10 for list of awardees) In 1993, the age limit for the applicants was raised to 40. In view of the changes made in the rules relating to the award of the Lord Aldington Banking Research Fellowship, the Institute permitted the members who were awarded the Diamond Jubilee Overseas Banking Research Fellowship to visit any country in the world excepting the neighbouring countries. Interestingly, since 1991, with the exception of one year i.e. 1998 every awardee visited the U.S prompting a suggestion of a change of name of the Fellowship to Diamond Jubilee United States Banking Research Fellowship!

Award of Prizes
The Institute had over the years instituted a number of prizes in honour of distinguished persons and institutions associated with the Institute. In 1993 there were 47 prizes, which were awarded to candidates who secured the highest number of marks in the first attempt at the various examinations of the Institute. The prize amounts varied from Rs 60 to Rs 2,500. There were a few cases where the prize amount for the second highest number of marks was higher than the prize amount available for the highest number of marks. This anomaly was due to the smaller amount of donations received by the Institute in the past. The Council reviewed the list of prizes and fixed the minimum amount of prize at Rs. 1,000. It decided to write to the donors of various prizes requesting them to increase their prize amounts so that the Institute could award prizes of at least Rs. 1,000/- per year under each head. While institutional donors responded positively, there was no response from most of the individual donors who had instituted prizes decades ago. The Council in its meeting
Chapter 6: Meeting the Challenges, of the 1990s

on June 21, 1995 decided that hence forth the Institute would accept a minimum donation of Rs. 25,000/- for instituting a prize. The amount of donation received would be added to the corpus under the 'Prize Funds Account'. The prize would be named as per the title given by the donor for a subject for which no prize had been instituted.

Organisational Changes

Important changes occurred in the Institute's organisational set-up. The first change concerned the office of the Chief Secretary. In 1998, the office of the Chief Secretary was redesignated as Chief Executive Officer (CEO) with ex-officio membership in the Council. From an Honorary Secretary in 1928 to that of a Chief Executive Officer in 1998, the office had evolved mainly triggered by the sharp developments in Indian banking including the large increase in the geographical and functional coverage of banks and by the increase in other financial institutions, apart from the shifts in macroeconomic policy framework and the internationalisation of finances. The incumbent Chief Secretary, R.H. Sarma was redesignated as CEO. The CEO was also made a member of the Council.

The second change was regarding the office of the President of the Institute. Since the establishment of the Reserve Bank of India in 1935, a convention was set by which except for brief interludes the Governor of the Reserve Bank was unanimously elected President of the Institute.

Governor Bimal Jalan was elected the President of the Institute in December 1997 as per this convention. When the issue of the re-election of the incumbent President was discussed in the Council meeting on July 1, 1999,
Governor Jalan stated that as a matter of policy it would be appropriate if the premier banking Institute's President was from the commercial banking sector. This would enable the vision and perspective of commercial banks to be appropriately reflected in the policies and programmes of the Institute. He suggested that the Governor of the Reserve Bank of India should not be elected as the President but assured the Council that the Reserve Bank of India would continue to be closely associated with the operations of all the banking/training institutions in the country such as the Indian Institute of Bankers (IIB), National Institute of Bank Management (NIBM), and Institute of Banking Personnel Selection (IBPS). Governor Jalan also informed the Council that such a decision had already been taken in respect of the NIBM. He suggested that G.G. Vaidya, Chairman of the State Bank of India be proposed for election as President of the Institute for the year 1999-00. He further suggested that the Chairman of the Indian Bank's association be elected as the Vice President of the Institute and another Vice President be elected from among the smaller banks. The Council accepted the suggestions of Governor Jalan and the well-established convention regarding the President ship of the Institute was thereby set to rest.

The Institute rearranged its organisational set-up as a follow up of the recommendations of the O&M Study Team. The corporate office was rearranged into three autonomous directorates - administration, examination and academic affairs each under the charge of a Director. The Institute opened four offices at Chennai, Calcutta, New Delhi and Mumbai to look after the matters relating to individual members in the four zones. These offices became operational from July 1999. The zonal offices were
responsible for enrolment/renewal/change of address of ordinary members, enrolment for various examinations, providing syllabus, study kits, identity cards and other general information, library facilities, examination results and all general correspondence with regard to the above services. The Institute kept in mind the recommendations of the O&M Study to strengthen its officer cadres and ensure that the zonal offices were essentially officer-oriented. While reorganizing its administrative structure, the Institute ensured a harmonious blend of direct recruitment and promotions to the officer cadre.

As a result of the reorganisation and changes in the systems and procedures and also a decline in the number of candidates appearing for the examination, there was a need to downsize the staff strength. The Institute formulated a Voluntary Retirement Scheme (VRS), which was accepted by 28 staff members.

Having effected a streamlining of the organisation the Institute decided to invest in its human resources. The Council had formulated detailed guidelines for periodic training of the personnel to improve operational efficiency and competence. In-house training programmes were organised for officers of the Institute in the junior and middle management grades. The training focused on managerial roles, teamwork, decision making, managing conflicts and was directed to developing leadership qualities. In-house training programmes were also introduced for the clerical staff. These were on personality development. From time to time, the Institute deputed its officers and clerical staff to various training programmes. These included programmes organised by the Centre for Organisational Development in Hyderabad, the National Institute of Personnel Management in Mumbai, National
Chapter 6: Meeting the Challenges, of the 1990s

Centre for Software Technology in Mumbai, Bombay Management Association, BIRD Lucknow and Institute of Rural management in Anand. All the members of the staff were provided comprehensive training in computer operations in collaboration with APTECH. From time to time, customised training programs on computer software operations were organised for the officers of the Institute. The senior executives of the Institute participated in selected international conferences in the field of education and training in the field of banking and finance.

Revision of Membership and Examination Fees In its meeting on January 11 1996, the Council considered proposals for the revision of membership and examination fees. They felt the need to make allotment of adequate funds for undertaking developmental activities through the sub-centres of the Institute. After a detailed discussion they decided to revise the membership subscription fees with effect from April 1 1996. The details are as in Box 6.1.

Box 6.1: ANNUAL SUBSCRIPTIONS OF INSTITUTIONS

<table>
<thead>
<tr>
<th>1</th>
<th>Fixed Rate Subscription</th>
<th>Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>i.</td>
<td>Reserve Bank of India</td>
<td>20,00,000</td>
</tr>
<tr>
<td>ii. a)</td>
<td>Financial Institutions at Central Level viz. IDBI, SIDBI, NABARD, EXIM Bank, UTI, IFCI and ICICI</td>
<td>5,00,000</td>
</tr>
<tr>
<td></td>
<td>b) Financial Institutions at Central level other than stated in ii (a)</td>
<td>2,00,000</td>
</tr>
<tr>
<td>iii.</td>
<td>Financial Institutions at State level/subsidiary companies promoted by banks</td>
<td>50,000</td>
</tr>
<tr>
<td>iv.</td>
<td>Non-scheduled Cooperative banks and Gramin Banks</td>
<td>3,000</td>
</tr>
</tbody>
</table>
Chapter 6: Meeting the Challenges, of the 1990s

2 Variable Rate Subscription

i. For State Co-operative banks, the annual subscription is based on the size of their deposits at the end of the previous year at the rates stated below subject to a maximum of Rs. 50,000 p.a.

ii. For State Bank and its subsidiaries, Nationalised Banks, Scheduled Co-op Banks, Private Sector Banks and Foreign banks the annual subscription is based on the size of their deposits at the end of the previous year at the rate stated below.

<table>
<thead>
<tr>
<th>Deposits</th>
<th>Annual Subs. Rate Rs p.a</th>
</tr>
</thead>
<tbody>
<tr>
<td>Below Rs 50 Crore.</td>
<td>10,000</td>
</tr>
<tr>
<td>Rs. 50 Crore. and above but below Rs 100 Crore</td>
<td>25,000</td>
</tr>
<tr>
<td>Rs. 100 Crore and above but below Rs 300 Crore</td>
<td>50,000</td>
</tr>
<tr>
<td>Rs. 300 Crore and above but below Rs 500 Crore</td>
<td>75,000</td>
</tr>
<tr>
<td>Rs. 500 Crore and above but below Rs 700 Crore</td>
<td>1,50,000</td>
</tr>
<tr>
<td>Rs. 700 Crore and above but below Rs 1000 Crore</td>
<td>2,00,000</td>
</tr>
<tr>
<td>Rs. 1000 Crore and above but below Rs 1500 Crore</td>
<td>2,50,000</td>
</tr>
<tr>
<td>Rs. 1500 Crore and above but below Rs 2000 Crore</td>
<td>3,00,000</td>
</tr>
<tr>
<td>Rs. 2000 Crore and above but below Rs 3000 Crore</td>
<td>5,00,000</td>
</tr>
<tr>
<td>Rs. 3000 Crore and above but below Rs 4000 Crore</td>
<td>7,00,000</td>
</tr>
<tr>
<td>Rs. 4000 Crore and above but below Rs 5000 Crore</td>
<td>10,00,000</td>
</tr>
<tr>
<td>Rs. 5000 Crore and above but below Rs 7000 Crore</td>
<td>11,00,000</td>
</tr>
<tr>
<td>Rs. 7000 Crore and above but below Rs 10000 Crore</td>
<td>12,00,000</td>
</tr>
<tr>
<td>Rs. 10000 Crore and above but below Rs 15000 Crore</td>
<td>13,00,000</td>
</tr>
<tr>
<td>Rs. 15000 Crore and above but below Rs 20000 Crore</td>
<td>14,00,000</td>
</tr>
<tr>
<td>Rs. 20000 Crore and above but below Rs 25000 Crore</td>
<td>15,00,000</td>
</tr>
<tr>
<td>Rs. 25000 Crore and above but below Rs 50000 Crore</td>
<td>16,00,000</td>
</tr>
<tr>
<td>Rs. 50000 Crore and above</td>
<td>17,00,000</td>
</tr>
</tbody>
</table>
Annual Membership was increased with effect from April 1 1996. The increase was as follows:

<table>
<thead>
<tr>
<th>Category of Members</th>
<th>Annual Subscription Rs.</th>
<th>Commuted Subscription Rs.</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fellows</td>
<td>200</td>
<td>2000</td>
</tr>
<tr>
<td>Associates</td>
<td>100</td>
<td>1000</td>
</tr>
<tr>
<td>Certificate/Ordinary members</td>
<td>70</td>
<td>700</td>
</tr>
</tbody>
</table>

Subsequently a one-time membership fee of Rs 1,000 was charged from certificated and ordinary members of the Institute from the financial year 1998-99. In addition to the one-time fee, a registration fee of Rs 100 was charged to the new ordinary member at the time of enrolment.

**Overview**

The last decade of the 20th century witnessed far-reaching developments in the field of banking. The banking scene presented a picture of rapid diversification of activities, technological advancement and keen competition to attract customers.

The IIB monitored the developments and their implications for banking education and training and seized the opportunities thrown up by the challenging times and evolved its policies and programs to meet the changing needs of professional bankers. While the Institute had broadened its activities in the last few years, it continued to be stymied by a public perception of its role as a mere examining body awarding qualifications for the purposes of increments. Efforts were therefore made to change this perception.

The 1990s saw Continuing Professional Development Programme (CPDP) emerge as an integral part of the
Institute's activities. The theoretical justification for CPDP was provided in the LTDPC recommendations. To quote ...The passing of the examination of the Institute should be considered as only the first step...and the Institute should put in place a mechanism whereby those who pass out remain in contact with the Institute and benefit from its activities throughout their professional lives. This is necessary for two main reasons.

a. The banking environment is changing rapidly and professional knowledge gets rapidly outdated. If the alumni of the Institute are to maintain their professional competence throughout their working lives, it is necessary that they be provided the opportunity and if necessary, even be compelled to participate in a program of continuing professional education.

b. When the Institute grants a qualification to a person who passes the Institute's examination and allows him to add distinctive letters to his name indicating the fact, the Institute holds out to the general public an assurance of the holder's professional competence. If that competence is not maintained at all times the image of the Institute and its public recognition gets discounted.

The mission statement clearly indicated that CPDP was to be on par with examination and training activities. The Institute revamped the examination system into a three-tier one - Basic, Managerial and Specialist. The introduction of niche/specialised courses that enabled bankers to become specialists in the respective areas and the M.B.A (Banking and Finance) were the logical outcome of the efforts to promote CPDP. Apart from academic courses, over 147 seminars were conducted in the various
sub-centres as part of CPDP and over 200 members were sponsored for various overseas banking and finance seminars and workshops during this period.

A drive was launched to re-energise the members of the Institute to participate actively in the CPDP programmes. Once members passed the Associate Examination, they no longer evinced interest in the Institute's activities. There were many who were content with carrying on their routine official functions and not find any reason in continuing their association with the Institute. The Institute addressed such members to create awareness among them that it was necessary for every banker to keep himself/herself professionally competent to face the challenging times. They initiated steps to motivate these members by highlighting the benefits of associating with the Institute's activities.

The incentives for the members go beyond the acquisition of the basic professional qualification in Banking. They could avail of the opportunity to specialise in different segments of modern banking through advanced diploma programmes. They could acquire a MBA degree in Banking and Finance through a tie-up with a reputed university. Some of them could make study visits to foreign countries under the overseas banking research fellowship. They would have access to publications of the Institute carrying up to date information on modern banking and related subjects. They would also have the advantage of participating in seminars/workshops and other continued professional development programmes and keeping pace with contemporary developments in banking and finance field. They could avail of access to the Institute's library including postal lending and reading room facilities. More importantly, they would have a sense of belonging to a professional body.
Chapter 6: Meeting the Challenges, of the 1990s

While the Institute identified the requirements of the banking industry, it also decided to streamline its own organisation, procedures and systems. The Institute was quick to embrace new technologies. Early in the 1990s, the Institute decided to go in for an in-house computer. In 1996, the in-house computer became operational and the examination and membership operations were placed on an online basis. The Institute upgraded its computer technology so as to establish connectivity through Wide Area (WAN) and Local Area (LAN) networks between the corporate and zonal offices so as to provide the members with prompt service.

The 1990s saw the Institute enjoy a sound financial position. In the Council meeting on August 8, 1991, when discussing the utilisation of the surplus funds amounting to over Rs 2 Crores, it was decided to appoint the LTDPC to suggest proposals for utilisation of the surplus funds. In 1995, it was decided that the Institute should prepare an annual budget and monitor the income and expenditure within the parameters of the budget. An investment committee was constituted by the Council from time to time to decide the guidelines to be issued for investment of the surplus funds. Prudent financial management of the funds helped the Institute realise a strong financial position. At the close of the 20th century, it was decided in the Council that it was necessary to draw a suitable scheme for utilising the surplus accumulated over the years. And to carry forward the mission of the Institute, three task forces were constituted - to determine vocational standards for banking and finance industry, diversify the activities of the Institute and identify the research needs in banking.
Dear Members,

Sub: Survey on long-term developmental activities

The Committee on Long Term Developmental activities of the Institute constituted by its Council has decided to carry out a quick survey amongst the members of the Institute to-

1. assess the importance of the examination conducted by the Institute for the bankers;
2. understand the expectations of the members from the Institute;
3. elicit views from the members about changes needed in the activities of the Institute;
4. gather any other information relevant to modify the focus of activities of the Indian Institute of Bankers in the years ahead.

The enclosed questionnaire is addressed to the members with an earnest request to return it to the Institute by 15th December 1992 to enable us to take stock of your valuable suggestions in moulding the future activities of the Institute.

The questionnaire is divided into 3 parts, viz.,

1. Member's Profile;
2. Member's views relating to the examinations; and
3. Role of the Institute in the nineties.

The completed Questionnaire should be returned to the Institute in the postage prepaid envelope enclosed.

Looking forward to your co-operation in making this survey a success.

R. D. PANDYA
Chief Secretary

Chapter 6: Meeting the Challenges of the 1990s
I. MEMBER'S PROFILE

1. Name (optional) :
2. Designation :
3. Member since (year) :
4. Category of member :
   - Ordinary Member
   - Certificated Associate (CAIIB)
   - Associate Member
   - Fellow Member

If you have discontinued your membership, what were the reasons for discontinuation? - Specify.

II. MEMBER'S VIEWS RELATING TO THE EXAMINATIONS

1. Do you think that the bankers of India should possess any professional qualification?

   Yes ☐  No ☐
Chapter 6: Meeting the Challenges, of the 1990s

2. If yes, do you think that the present examinations of the Institute are adequate to equip the members professionally?
   Yes ☐    No ☐

3. If no, what changes would you suggest in the existing examinations of the Institute?

________________________________________________________________________

________________________________________________________________________

4. In your view, should the Institute conduct an entrance examination for candidates who wish to take the qualifying examinations, so as to ensure that the level and quality of knowledge and of capabilities of future members are of the desired standards?
   Yes ☐    No ☐

5. What are the newer qualifying examinations which should be conducted by the Institute in related fields, such as (Multiple Choice).
   a. Merchant banking;
   b. Foreign exchange operations;
   c. Financial services (e.g. leasing, mutual funds, merchant banking, factoring, portfolio management, venture capital, etc.)
   d. Any other (specify). ___________________________

________________________________________________________________________

________________________________________________________________________
Chapter 6: Meeting the Challenges, of the 1990s

6. In your view, should the Institute organize its examination activities to provide the required benchmark for elevation to increasingly higher level of responsibilities in banking and related fields?

Yes ☐ No ☐

7. Do you perceive the Institute's qualifying examination as enhancing the acceptance of members' professional skills and capabilities?

Yes ☐ No ☐

8. Do you think that the Institute's qualifications have helped members to carry out their professional responsibilities more effectively and efficiently?

Yes ☐ No ☐

III. ROLE OF THE INSTITUTE IN THE NINETIES

1. What are your suggestions for enhancing the quality of professional support provided by the Institute in addition to the qualifying examinations being presently conducted: (Multiple choice)

   a. Conducting specialized examinations in newer fields particularly those relating to financial services, foreign exchange operations, merchant banking, mutual funds, venture capital, portfolio management, etc. ☐

   b. Conducting in-depth studies addressed towards analyzing operational problems in the fields of banking and evolving appropriate professional responses to such problems; ☐
c. Conducting professional development programmes for bank executives particularly for providing exposure to recent developments and knowledge in the fields of banking and allied fields.


d. Conducting research and surveys regarding trends and problems in the field of banking, financial services and other related fields for the benefit of the members;


e. Supporting and sponsoring the publication of standard books, compendium of articles, survey results and treatises on the various aspects of banking theory, law and practice (as also in related fields such as financial services, etc.) for dissemination of new knowledge and understanding relating to development in the banking industry;


f. Any other (specify). ___________________________
__________________________________________________________________________

2. Should the Institute decentralize to Zonal Centres its administrative structure, particularly regarding conducting examinations, Tutorial Classes, Training Centres and Reading Rooms, providing support relating to development of educational material, co-ordinating with other Institutions and research bodies?

Yes ☐ No ☐
Chapter 6: Meeting the Challenges, of the 1990s

3. In your opinion, should the Institute, in future, assign the responsibility for conducting the examinations to the banks through their training and development Institutions?

Yes [ ] No [ ]

If Yes, what policy framework should the Institute formulate to ensure the required professional and academic standards in conducting such examinations. Please specify (Multiple Choice)

i. Centralize, at the Institute's level, development of curriculum/standard text-books, reference books and other materials;

ii. Decide, with the advice and guidance of the Council, and in consultation with the banking industry, the types of examinations to be conducted and their content in terms of professional and academic knowledge to be assessed by such examinations;

iii. Centralize the appointment of the paper setters and develop guidelines regarding paper setting and its administration;

iv. Take on the responsibilities of conducting examinations at some Centres (say not exceeding 10% of all centres ) in order to ensure the appropriate understanding and feel necessary for administrative control;
v. Appoint moderators in consultation with the various training institutions of the banks and ensure reasonable uniformity in grading of papers; and

vi. Assign the task of administration of examinations through coordination and collaboration with the training institutions of the banks through the Institute's zonal offices.

4. Which are the activities of the Institute which you assess to be inadequate in terms of your needs and expectations, e.g.: (Multiple Choice)
   a. Conduct of the examinations;
   b. Content and quality of the Journal;
   c. Services through Sub-Centres;
   d. Correspondence Courses;
   e. Publications;
   f. Tutorial Classes;
   g. Reading Room and Library facilities; and
   h. Any other (specify).

5. What is your view of the external image of the Institute and perception regarding its role? (Multiple Choice)
   a. An examination conducting body;
Chapter 6: Meeting the Challenges, of the 1990s

b. A central body providing source of professional accreditation regarding knowledge relating to banking theory, law and practices;

c. An educational institution providing active support and help in preparing personnel in banking and other related fields to qualify as professionals by taking the examination;

d. An Institution identifying the issues relating to the banking industry, and providing newer understanding and briefing regarding responses to such trends and problems;

e. A professional institution disseminating knowledge relating to newer concepts, practice and developments in the field of banking.

f. Any other.

6. In what way should the Institute's role be differentiated from banks' staff training setups and NIBM?

7. How would this differentiation be achieved in terms of: (Multiple choice)

i. Certification of professional qualifications;
Chapter 6: Meeting the Challenges, of the 1990s

ii. Banking operations and management skills and capabilities; □

iii. Enhancing the levels of operational skills and capabilities in banking and related fields; □

iv. Conducting research relating to trends in banking and related fields; □

v. Co-ordinating with other Institutions which have linkages with the Institutions such as Institute of Management, Central Bank, Regulatory agencies, etc.

8. How should the objectives and operations of these three sets of bodies be integrated in terms of congruence derived from commonality of objectives and some overlaps in developmental activities. (Please specify)

________________________________________________________________________

________________________________________________________________________

________________________________________________________________________

9. Should the Institute go in for greater collaboration with similar Institutions in other countries?

Yes □ No □
Chapter 6: Meeting the Challenges, of the 1990s

10. In which of these areas should the Institute collaborate with similar Institutions in other countries? Multiple Choice)

a. Banking research ;

b. Organizing fellowship studies;

c. Organizing banking conference;

d. Other areas (Please specify),

11. What in your opinion are the new activities which the Institute should undertake in the coming years in order to provide the required professional support and help to its members?

______________________________________________
______________________________________________
______________________________________________
______________________________________________
______________________________________________

Into the New Millennium
The new millennium began with the task forces submitting their reports to the Council. The Task Force on Vocational Standards was asked to work out a strategy to determine the vocational standards for each activity undertaken by bankers and identify the gap, if any, between desirable standards and actual standards. The Task force was to suggest ways and means to bridge the gap. The Task Force under the Chairmanship of M.S. Verma, former Chairman of the State Bank of India, recommended that the time was quite opportune to lay down vocational standards in banking and finance activities and introduce vocational qualifications in these areas.

Three steps were identified for developing vocational standards and awarding qualifications. These were (a) developing standards (b) acceptance and application of standards and (c) assessment and certification of attainment of standards. The Task Force recommended a phased introduction of standards starting with front level activities of the banks. It also recommended the constitution of a Banking Standards Development Board. Following the recommendations, the Institute constituted a Banking Standards Development Board with K. Kannan, former Chairman and Managing Director of the Bank of Baroda as Head. The Banking Standards Development Board heralded the beginning of setting competency standards.
performance standards for bank employees. Once standards were set, a scientific assessment and validation process will have to be put in place so that bank employees who desired to get vocational qualifications could get themselves tested. This would help bankers improve their productivity and efficiency.

The Task Force on Research Studies under the Chairmanship of N.A. Mujumdar, former Principal Adviser, Reserve Bank of India, was appointed to identify the need for and feasibility of promoting research in the job areas relevant to contemporary banking. The Task Force was asked to evolve a mechanism at the Institute to foster research and development in the areas of operational banking. The formation of a Research Advisory Committee (RAC) consisting of members with background in economics, monetary and banking subjects with adequate operational experience especially in banking operations was recommended. The proposed RAC would play the role of a consultant and would be instrumental in identifying and initiating studies on issues relevant to banks. The Institute was quick to act on the recommendation of the Task Force. A Research Advisory Committee was constituted under the Chairmanship of Dilip Nachane, Senior Economics Professor, Mumbai University with a panel of economists from banks. The RAC would liaison with individual banks to identify their requirements for studying their problems, offer solutions and conduct research. It would be bank specific. At the same time, it would identify topics common to all banks and commission studies to arrive at solutions.

The Task Force on Diversification of the Activities of the Institute was asked to explore the possibility of bringing the entire financial services sector under the ambit of

244

Towards Professional Excellence in Banking and Finance
Chapter 7: Into the New Millennium

the Institute. The Task Force under the Chairmanship of S.A. Dave, former chairman of Unit Trust of India, reiterated the need to adopt diversification as a necessity. It suggested that the Institute should seize the opportunities made available by the reform process to offer its services to all segments of an integrated financial service industry. Going a step further, it suggested that the name of the Institute should be changed to Indian Institute of Banking and Finance.

The Task Force suggested that the Institute should introduce a course in financial advising, an appropriate qualification in a tie-up arrangement with the Insurance Academy and also programmes for capital market business, mutual funds and NBFC on the lines of its programmes for UTI employees. It also suggested the need for short duration niche courses and pre-entry qualifications for entering the financial sector. The Task Force recommended that the Institute could pay attention to strengthening the capabilities of the training institutions in the banking sector. In addition, the Task Force suggested areas where activities could be undertaken. Interestingly, some of these areas had already been identified and initiatives were taken by the Institute to launch programmes. The Task Force acknowledged these efforts. These initiatives were in the area of Financial Advising, Trainers Development Programme in Bank Financial Management and Mutual Funds Management.

Masters Level Programme in Financial Counseling and Planning

The Institute recognised the need to equip bankers with professional competence to counsel their constituents in
Towards Professional Excellence in Banking and Finance

financial investment related matters. It planned to launch a Masters Level Programme in Financial Advising/Counseling in collaboration with the Australian Securities Institute, which was already running a similar programme in their country. The proposed Masters level programme included the following areas of study.

1. Introduction to Financial Advising
2. Wealth Creation
3. Wealth Protection
4. Managing and Marketing Financial Services

The Institute took a pro-active step and finalised the programme with the expectation that the Diploma would become a licentiate qualification for professionals in the financial sector. The Institute initiated talks with the regulatory authorities for recognition of the course.

Trainers Development Programme in Bank Financial Management

The Institute concluded negotiations with the Institute of Canadian Bankers for licensing their internationally recognised programme in Bank Financial Management. The programme designed by Canadian Professors cut across the boundaries of specific banks and encompassed branch banking, branch opening, risk management, treasury management, investment management and credit management. The unique feature of this programme was a computerised simulation module known as BANKMOD. This module would provide participants with an opportunity to test their skills in financial strategies and enable participants obtain a practical understanding of the variables and the fundamental relationships that

Chapter 7: Into the New Millennium
influence the decision making process in the area of financial management. The Canadian professors would conduct to train-the-trainers programmes. The trainers who had been trained would replicate the bank financial management programme for the benefit of fellow bankers in a series of programmes. While doing so, they would tackle bank specific issues and case studies.

Programme on Mutual Fund Management
The Institute initiated steps to introduce a Diploma Examination for employees of the mutual fund industry. A committee under the Chairmanship of Niamatullah, Managing Director SBI Funds Ltd was constituted for the purpose. The Institute also took steps to work out an arrangement with the Association of Mutual Funds of India (AMFI) for conducting examinations for their certificate programme for the distributors and employees of mutual funds outside the NSE examination centres. The tie-up arrangements with AMFI would result in mutual recognition of their certificate examination and the proposed diploma examination for the purposes of granting exemptions. The Institute initiated efforts to have the Diploma Examination recognised by SEBI as an industry level qualification for practitioners of mutual funds. The first examination was held in December 2001. The areas covered in the programme included

1. Capital Market - Role and Structure
2. Investment Management
3. Mutual Funds Operation

Candidates passing all the subjects would be awarded a Diploma in Mutual Fund Management.
Opening Its Doors To Non-Members

With the launch of the Diploma in Capital Market and Merchant Banking and the Diploma in Mutual Fund Management, the Institute took a decision to offer the services of the Institute except the associate examination to all those working in the financial services industry. This category of clientele would not be called upon to become members but would be charged slightly higher fees for the services rendered. With this decision, the Institute opened its diploma examinations to those working in banks, mutual funds, and housing finance companies and also in NBFCs registered with the Reserve Bank of India. No longer was it compulsory for any applicant or his or her employer to be a member of the Institute. The fee for the diploma examination was Rs 4,000 for Members and Rs 6,000 for Non-Members. For the Diploma in Banking Technology, a further amount of Rs 500 for Members and Rs 750 for Non-Members was charged for project work. The Associate Diploma in Banking Examination and the Associate Examination (JAIIB and CAIIB) were restricted to members of the Institute.

The Institute Goes Online

Recognising the power of the Internet, the Institute constituted a committee under the Chairmanship of Ganti Subrahmanyam, Director, National Institute of Bank Management, to examine the modalities of developing and launching a banking education portal. The Institute launched its online education through its educational portal www.iib-online.org. The Council realized that the portal would supplement the conventional tutorial classes where one could learn at one's own pace and time. It decided to subsidise the enrolment fees at Rs 150 per subject for 100 hours and absorb any revenue shortfall.
during the first year. The registration fees of Rs 100 was to be payable to its technology partner NIIT. The fee for non-members was fixed at Rs 225. Initially, three courses of JAIIB and five courses of CAIIB were hosted on the site. By January 2002, the Institute added six more courses - three related to the Diploma in Banking Technology and the other three to its Diploma in Treasury, Investment and Risk Management.

With an interactive education portal site, members could now

1. Register for examinations
2. Enroll for on-line tutorials
3. Access books and reference articles
4. Connect to various banking and related sites on each subject
5. Get an "Expert Answer" on subject queries
6. Enter a "Discussion Forum" to interact with peers and experts
7. Store important topics in using the "Book Mark"
8. Take "Revision Tests", "Mock-Tests" and "Quiz" to measure their understanding of the subject.
9. Receive information on their membership details and examination results.
10. Participate in chat shows

Short duration skill development Courses
To leverage the advantages of E-learning, the Institute constituted an Expert Group under the chairmanship of
P.N. Joshi, former Chairman, United Western Bank Ltd, to study the need and feasibility of offering short duration skill development courses. The Expert Group in its interim report recommended the introduction of web based short duration courses. The advantages of such courses would be first, the banking professionals would have access to special programmes in basic banking and certain fundamental subjects rather than traditional long courses. Secondly, the banking professionals could choose a course of their choice. Thirdly, they could complete the course in a short period and fourthly, examinations would be optional. The Expert Group complimented the excellent work done by the Institute in bringing out study kits and various publications and suggested that the Institute should exhibit the same zeal in developing and delivering these short duration skill development courses. They identified a few areas for initial development of the courses. These related to risk management, asset liability management, financing of foreign trade, financial derivatives, human resource management and marketing of banking services. An examination at the end of the course, would be purely voluntary. The duration of learning would be thirty online hours. The delivery on the Internet, it is well recognised, would offer wider scope for participation in the programme and encourage pursuit of specialised knowledge.

Convergence of Banking and Insurance

With many banks contemplating entering the insurance business, and the insurance players seeking collaboration of banks, the Institute decided that it is time to have a program on Bancassurance. A Task Force under the Chairmanship of M.G. Diwan, former Chairman of L.I.C, was constituted to study the need for the Institute to enter Banc-assurance education. The study was to pave the
way for a certificate course under the Insurance Development Regulatory Authority (IRDA).

Other Initiatives

Membership

Over the years the Institute had attracted most of the bank employees to register as members. On March 31, 2001, the Institute had on its rolls, 7,76,704 members. However, of these, only 2,04,531 members had paid their subscriptions regularly. As mentioned earlier, many of the professionals ceased to interact with the Institute, once they completed their examinations. Quite a few were disinterested in upgrading their professional skills. The Institute reached out to these members and motivated them to re-activate their association with the Institute. Realising that their unpaid subscriptions would act as a strong deterrent, the Institute decided to waive the arrears provided the members paid the commuted subscription of Rs 1,000 and a re-enrolment fees of Rs 200. The scheme was extended up to September 30, 2001. Wide publicity was given in the journal and the web site requesting members to renew their membership. The membership awareness campaign yielded results. In the Council meeting held on November 17, 2001, it was reported that 18,720 members had renewed their membership. The Institute also attracted 5,519 new members during the year 2000-01.

Eligibility Criteria for Associate and Fellowship

The Institute initiated revised criteria for election of Fellows and Associates. Accordingly, to be elected as Fellow, an applicant needed to

1. Be an officer in a bank or financial institution mentioned in article 8A which is a member of the Institute
Chapter 7: Into the New Millennium

2 Have passed the Associate (CAIIB) Examination of the Institute

3 Be a continuing member of the Institute

4 Have completed five years after becoming an Associate:

and

5 Apply for Fellowship through his/her employer with their recommendation

The Fellows would be elected by the Council and the Life Membership fee of Rs. 5,000 would be payable on election.

The Executive Committee would elect Associates. To be eligible to be elected as an Associate, an applicant would have to

1) Be an officer in a bank or financial institution mentioned in article 8A which is a member of the Institute

2) Have passed the Associate (CAIIB) Examination of the Institute

3) Be a continuing member of the Institute

4) Have held the post of an officer for a period of five years

5) Have completed ten years after passing the Associate examination

6) Apply for Associate ship through his/her employer with their recommendation

The Life Membership fee for the Associate ship was Rs 2,500 and was to be payable on election. The revised criteria were approved by members of the Institute at the Annual General Meeting of the Institute held in September 2001.
Rationalisation of Formula for Subscriptions from Institutional Members

While the number of Institutional Members of the Institute was 686, there were still a number of banks especially smaller banks that were outside the fold of the Institute. These banks expressed their reservations about becoming institutional members because of the iniquitous financial burden cast on them as a result of the deposit based subscription formula. The Council constituted a sub-committee under the chairmanship of Shri K.V.Krishnamurthy, Chairman and Managing Director, Bank of India and members of the Council to review the existing formula and if required suggest a more rational formula. The subgroup recommended a two-component formula. One, a fixed component based on the size of the bank and second a variable component based on the number of employees in the bank. The Council accepted the recommendations of the subgroup and the new formula for the Institutional subscription was made operative from April 01, 2001.

The basic subscription payable by commercial banks and scheduled co-operative banks were fixed at the following rates.

a. Commercial Banks
   If the number of employees is
   - Less than 1000 - Rs 1,00,000
   - 1001 to 2500 - Rs 3,00,000
   - 2500 and above - Rs 4,00,000

b. Scheduled Co-Operative Banks
   If the number of employees is
   - Less than 500 - Rs 10,000
   - 501-1000 - Rs 50,000
   - 1000 and above - Rs 1,00,000
Towards Professional Excellence in Banking and Finance

Chapter 7: Into the New Millennium

The variable subscription payable by the Commercial Banks and Scheduled Co-operative Banks was fixed at Rs 75 per employee as on January 1 of a year.

The ceiling for the annual subscription payable by Commercial/Scheduled Co-operative Banks based on the basic and variable components was fixed at Rs 15,00,000. The subscription payable by the Reserve Bank of India was retained at Rs 20,00,000.

The revised formula was to be reviewed after two years. Some of the member banks expressed their reservation about the revision of Institutional membership subscription. The Council on the basis of the representations received decided that a new slab for commercial banks paying their annual basic subscription would be added. Accordingly, if the number of employees were

- 500 and below - Rs 50,000
- 501 to 1000 - Rs 1,00,000

Reaching out to Unsuccessful Candidates

The Institute realised that a significant number of its members had not yet passed the associate examination under the old examination. Many of them had passed in a few subjects and could not continue further because they had exhausted all the available attempts. Realising that it was necessary to encourage this group of members to upgrade their professional skills, the Institute decided to allow a transfer of credit obtained in the past provided the members switched over to the revised syllabus for the associate examination. They were allowed eight more attempts to complete the examinations.
Ensuring Availability of Study Kits
The Council decided to de-link the supply of study kits for the Associate/Diploma examination from the applications for enrolment for the examinations. Study kits were available at the zonal offices throughout the year for Rs 150 per subject for Associate Examination and Rs 300 per subject for Diploma Examinations. Since the cost of the study kit was included in the examination fees, the Institute reduced the fees for the examination. Accordingly, the examination fees were: Rs. 1,500 for JAIIB, Rs. 2,000 for CAIIB and Rs. 4,000 for the Diploma Examinations. Non-Members were charged Rs 6,000.

The Journal Gets a Name
The Institute's quarterly Journal helped members to keep abreast of developments in banking and finance. To strengthen the identity of the Journal the Institute decided to give it a name. Suggestions for an appropriate name were invited from members through the July-September 2000 issue of the journal. Members responded enthusiastically to this initiative. The Editorial Advisory Board out of the number of suggestions received selected the name **Bank Quest** put forward by two members Rachel Alice of Manjira Grameen Bank and S.R.Kottapalli of State Bank of India. They were awarded a cash prize of Rs 3,000 each for their creative contribution. The journal was christened **Bank Quest** from April 2001.

Honouring Sir Purshotamdas Thakurdas
The Sir Purshotamdas Thakurdas Memorial Lecture was an annual event looked forward to by members to perpetuate the memory of one of the founders of the Institute. Distinguished intellectuals were invited to deliver lectures as a tribute to Sir Purshotamdas.
Thakurdas. The Institute had published a compilation of lectures from 1981 to 1991 in a book titled "A Tribute to Purshotamdas Thakurdas." The Institute had invited C.Rangarajan to deliver the lecture series in 1992. In the meanwhile he was appointed Governor of the Reserve Bank and elected President of the Institute. As a result of this development, it was not possible to hold the lecture series in 1992. Subsequently, the lectures were conducted with unfailing regularity. The Institute published a sequel to the first volume consisting of lectures from the year 1993 to 2000. The book was titled "Perspectives of Finance, Reforms and Innovation."

Interactive Services to Members
The Institute installed an Interactive Voice Response System (IVRS) to promptly answer member's queries. Some of the frequently asked questions related to renewal of membership, examination dates and venues, balance attempts left, subjects completed, declaration and despatch dates of examination results and certificates, status of applications made for exemption, verification of marks and information about examinations. The IVR System became operational from 2001 and members could avail of its services at the corporate and zonal offices.

Towards Achieving Zero Complaints
The Institute had pledged to achieve zero complaints by 1996. In an effort towards realising this goal of zero complaints, a number of institutional mechanisms were instituted. Members were advised to approach the zonal heads for all grievances, queries and complaints in the area of examinations, obtaining syllabus, study kits and identity cards, library borrowing facility, arrears of membership and examination fees. If the grievances were
not responded to within a period of 15 days, they could contact the Directorates at the corporate office through e-mail. And, if the Directorate did not respond within 21 days, the members could approach the Chief Executive Officer (CEO) in Mumbai.

Looking Ahead
In the light of the growing financial sector with diversified instruments and a large number of participants and in view of the integration of the Indian financial markets with the international ones, the Institute thought it necessary to revisit the gamut of issues relating to its objectives and mission. The revisit required the Institute to make detailed analyses about its strengths, weaknesses, opportunities and threats. It became clear that limiting the focus of the Institute to pure banking

Workshop on Prevention of Bank Frauds and Financial Crimes in Tanzania

- The History of The Indian Institute of Bankers
would not be in line with the rapid developments taking place in the financial sector of the country. There was a need to look beyond banking but with emphasis on banking as the main core of financial intermediation. On the basis of a note presented by the CEO of the Institute (See Attachment at the end of the chapter), the Council in its meeting on April 29, 2002 decided that the Institute needed to reorient its activities to the changing dynamics of the economy. Accordingly, the Objectives of the Institute have been reworked. The revised Objectives are as follows:

1) To facilitate study of theory and practice of Banking and Finance.
2) To test and certify attainment of competence in the profession of Banking and Finance.
3) To collect, analyse and provide information needed by professionals in Banking and Finance.
4) To promote continuous professional development.
5) To promote and undertake research relating to operations, products, instruments, processes, etc., in Banking and Finance and to encourage innovation and creativity among finance professionals so that they could face competition and succeed.

The Mission statement has also been amended to reflect the newly adopted objectives. 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 programmes."

The Vision of the Institute is "to be the premier Institute for developing and nurturing competent professionals"
Chapter 7: Into the New Millennium

in Banking and Finance field." Finally, the Institute considered it necessary to have a brand identity of its own. The buzz line in this regard is "Committed to Professional Excellence."

In line with the changed objectives the Institute will be restructured in a way that five focal points of activity would be addressed by developing strategic business units. These would be (1) Testing and Certification, (2) Educational Services, (3) Continuing Professional Development, (4) Research and Development and (5) Information Service.

The challenges that arise from the change in the objectives are clearly substantial. The Council of the Institute will have to be broad based to include professionals representing a wide array of activities in the financial sector. They require to be supported by competent staff within the strategic business units that are dedicated and trained for the purpose.

Overview

On April 30, 2002 the Institute has entered the seventy-fifth year of its service to the banking community of the country. The seventy-five years have seen the Institute evolve into an institution that cared for distinction in improving human capital in the financial sector, in particular, banks. Led by top bankers in the country and patronised by banks and financial institutions, the Institute today has in addition to a corporate office, four zonal offices, 130 sub-centres and 170 employees. Since its inception the Institute has serviced over 7 lakh members. The academic activities of the Institute as may be scanned through the pages of this history have been designed in a manner that would eventually lead to a
Chapter 7: Into the New Millennium

Sub centres in Action

Sub centres in Action.
Chapter 7: Into the New Millennium

certification. The examinations have been divided into three tiers leading to either certificates or diplomas. Around 2,88,562 and 1,33,998 members have cleared the JAIIB and CAIIB examinations. 2,250 bank professionals have successfully completed the Diploma courses conducted by the Institute. The certificates / qualifications awarded by the Institute are recognised by banking & financial institutions for the grant of promotions and increments. Academic institutions in India and abroad also recognises these qualifications at the time of admissions and credit transfer for their courses.

The phenomenal growth in the membership and activities of the Institute reflects the massive expansion and diversification that have taken place in the Indian financial system over the last seven decades and more. In a service industry like banking where human
resource is the key input, there is increasing recognition of the critical importance of human resource development for meeting the emerging challenges. It is in this context that the role of the Indian Institute of Bankers assumes enormous importance. Going by the track record, there is no reason why the Institute which has played a commendable role in the sphere of banking education by developing imaginative programmes and constantly upgrading its quality, would not be sensitive to the needs of the bankers and other participants in the financial system and adapt itself to meet the emerging challenges.
1. Preface
The Council in its meeting held on 17.11.2001 while considering the agenda on the Status of Academic activities of the Institute, decided that

"...it is appropriate to have a revisit to its objectives and vision vis-a-vis its present activities and relevance thereof... The Council therefore directed the Chief Executive Officer to make a presentation to the members of the Council at its next meeting, of the Institute's objectives, mission, vision, present and proposed activities with its relevance to the finance sector and the future perspective/role in the emerging banking and financial environment"

Accordingly, an analysis of the above factors is presented in the following paragraphs

2. Current Status
Objectives
Major objectives as enshrined in the Memorandum of Association of the Institute are as under:

- To encourage the study of the theory of Banking
- For that purpose to institute a scheme of examinations
- To issue certificates, scholarships, and prizes
- To collect and circulate statistics, and information relating to the business of banking in India
Mission
The Institute has been carrying on different activities to achieve the said objectives for nearly six decades without a mission statement till the Long Term Development Plan Committee under the Chairmanship of Mr. Y.H. Malegam recommended the following mission statement.

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

The mission statement was subsequently accepted by the Governing Council in its meeting held on 16.4.1996.

Keeping in view the objectives and the mission statement the Institute has initiated a number of steps during the last few years. The activities included strengthening of conventional activities as well as new initiatives.

3. Strategic Business Units
The present activities could be grouped into four Strategic Business Units (SBUs) as under:

SBU-1: Educational Services
- The Institute has published a number of study books pertaining to different subjects of banking in the last six or seven years.
- The Institute obtained copyright for a number of foreign books and republished the same and made them available at affordable cost to the Indian Bankers.
- The Institute published model answers on questions asked in the Institute's examinations.
Chapter 7: Into the New Millennium

- The Institute has launched online tutorials on the subject of JAIIB, CAIIB and a few Diploma Examinations.

- The Institute has proposed to host a number of skill development courses in its Educational Portal.

- The Institute is in the process of developing a three tier educational program for the Middle East.

- The Institute has proposed to conduct a program on Prevention of Frauds and Financial Crimes at Dar-es-Salaam as per the request of Tanzania Institute of Bankers.

SBU-2: Testing & Certification
The Institute has revamped the examination system into a Three tier one:

a) Junior Associate Examination at entry level

b) Certified Associate Examination at Managerial Level

c) Series of Diploma Examinations of specialization

- In addition, the Institute has tied up with the Australian Securities Institute for a customized Masters level program in Financial Counselling and planning.

- The Institute has finalized an arrangement with the Canadian Bankers Institute for franchise for a comprehensive Bank Financial Management Program supported by computer simulation models.

- The Institute is to launch a certification course in Bancassurance under IRDA Guidelines.
Chapter 7: Into the New Millennium

- The Institute has constituted Banking Standards Development Board to determine the professional standards of competency and introduce certification in Competency Standards.

SBU-3: Continuing Professional Development (CPD)
- The Institute organized a few seminars and lectures at various centres with a view to fostering continued professional development of bankers.
- The Institute has been publishing the quarterly Journal for many years. The Institute has in the immediate past revamped the Journal with new design, layout and quality input.
- The Institute has constituted a Research Promotion Board with a view to encourage creative thinking and innovation among professionals.
- The Institute has proposed to organize Trainers Development Programs in selected areas with help of experts from India and elsewhere.
- The Institute has started publishing a bi-monthly news digest called "IIB VISION" to make available news and development pertaining to banking and finance.
- The Institute has launched its information portal.

4. SWOT Analysis

It could be observed from the above that all the SBUs have not developed uniformly. There is a lot more to be done with regard to all the SBUs and specially in the areas of
Chapter 7: Into the New Millennium

CPD and information service. An attempt has therefore been made in the following paragraphs to identify the strengths, weakness of the Institute and opportunities available and threats to the Institute.

Strengths

- Organic link with the banking industry
- Long years of Experience
- A credible Examination system
- Non-profit status
- Global contacts through membership in the World Conference of Banking Institutes, Asia Pacific Association of Banking Institutes (APABI) and European Banking Training Network (EBTN).

Weakness

- Goodwill limited to banking sector and not extending to other segments of financial sector
- Absence of an effective communication system facilitating easy flow of information between the Institute and its members.
- No systematic worthwhile effort to build a public image
- No effort to effectively use the mass media
- Unscientific approach to CPD activities
- Absence of efforts to attract Finance Professionals to its information portal.
- Clientele limited to persons already in employment
Opportunities

With the advent of globalization and privatization, a fast paced integration of financial sector is taking place in our country as elsewhere. This development provides new opportunities to the Institute

- In the form of ever-changing need for new skill sets
- New and hitherto unserviced financial sector segments in the matter of competency development.
- The younger generation, competent and ever willing to acquire new skill sets, are looking for an opening in banking and financial sector. Even software organizations engaged in providing technological solutions to finance sector looks for competent youngsters qualified in financial services management.
- The ever increasing need for data and information for better decision making by finance professionals, consultants etc.
- The need for continuous innovation and creativity and consequent professional development to meet the changes of competent environment.
- Absence of a team of non-commercial professional trainers in the country.

Threats

A number of private players with high level of commercial motive and their style of publicity and advertising, glossy brochures etc. pose a threat to the existence of the Institute.
Chapter 7: Into the New Millennium

5. Proposals
In the backdrop of the above scenario it is imperative for the Institute also to adopt new strategies, new mission and extended objectives. It is therefore proposed that we may adopt the following amended objectives as the core ones:

- To facilitate study of theory and practice of banking and finance
- To test and certify attainment of competency in the profession of banking and finance
- To collect, analyze and provide information needed by professionals of today and tomorrow
- To promote continuous professional development
- To promote and encourage innovation and creativity among financial professionals so that the professionals could face competition and succeed.

Revised Mission Statement

The mission of the Institute could be restated as "to provide solutions to all the professional and education needs of the banking and financial services of today and tomorrow".

Vision Statement

The Institute could adopt the following Vision Statement:

"The Institute will be in five years' time the premier Institute for developing and sustaining a cadre of competent professionals in banking and financial services field".
Strategy

With the above revised approach, the Institute would be able to cater to the needs of the entire financial services sector on the one hand and prepare the future banking and financial professionals on the other hand. We may also have to simultaneously decide on a differential pricing policy for members and nonmembers. While the Institute may charge subsidized rates from members, it may adopt a cost plus pricing in the case of non-members.

As the rules governing admission of members provided for in the Articles of Association of the Institute (furnished below) remain unamended, the Governing Council will have control over admission of new members.

Article 8 "Individuals who are employees of a banking establishment or financial institution or any other institution, which is an Institutional Member of the Institute will be admitted by the Chief Executive Officer as ordinary members in accordance with rules prescribed from time to time by the Executive Committee."

Article 8A "Institutional members shall consist of Banking Establishments both in the nationalized as well as private sector including the Reserve Bank of India, State Bank of India, other financial institutions both central and state, Unit Trust of India, Co-operative Banks and any other Institution as may be approved by the Council. The Institutional members will be elected by the Council".

With a view to achieving the revised vision and mission, the following actions to strengthen the Strategic Business Units may be initiated:
Chapter 7: Into the New Millennium

Testing and Certification Unit
Pre Entry Level

- Evolve Finance Professional Aptitude Tests (FPAT) and facilitate younger generation to choose intelligently the profession
- Design, develop and offer Foundation Course in Finance
- Provide information on the career openings in the Finance Sector

Post Entry

- Continue the present activities
- Design, Develop and offer specialization Course for different segments of Financial services
- Design and evolve Banking Quotient in the style of IQ & EQ
- Institute a mechanism for Self Evaluation and testing in BQ

Educational Unit

- Develop books on banking and finance for different segments of Population e.g. Banking for kids, Banking for Students etc.
- Strengthen the study books by including live cases and activity oriented exercises
- Develop Trainers' Manual on the lines of ILO manuals
- Develop customized courseware for select client groups
Chapter 7: Into the New Millennium

Continuing Professional Development

- Plan and organize series of seminars, Lectures, workshops etc., in a professional manner singly or jointly with professionals Institutes in India and abroad

- Promote in a systematic manner creative thinking and innovation, if necessary by instituting suitable recognition and award system

- Publish Journals/magazines in different segments of Financial services

Information service

- Enrich and make the Institute's portal into a information storehouse

- Compile and analyze data and make available the results electronically and otherwise

- Organize and manage a query based information service

- Print and publish information booklets for the benefit of finance professionals and general public who are clients of financial services industry

- Provide cyber links to other finance world web sites

6. Brand Identity

The objective of the Institute should be to create and maintain a positive and efficient image of IIB in the minds of those who come into contact with the Finance world. Towards this end the Institute should evolve a prompt and efficient response system through periodical communications (e.g. Newsletters, Counseling meets,
Chapter 7: Into the New Millennium

Advertisements, participation in events related to banking and finance, associated with other sister organizations in India & abroad). A corporate culture aiming excellence should be evolved. Excellence may be adopted as brand identity word for the Institute. It should aim at doing everything excellently and assure that every one coming into contact with the Institute would be able to achieve excellence in their profession.

Mumbai: R.H. SARMA
Date: (Chief Executive Officer)
**List of Annexures**

1. Memorandum of Association of the Indian Institute of Bankers 276
2. Articles of Association of The Indian Institute of Bankers 284
3. Presidents of the Indian Institute of Bankers 317
4. Vice Presidents Of The Institute 318
5. Council Members of the Institute 320
6. Secretaries of the Institute 332
7. Organisational Structure Of The Indian Institute Of Bankers 333
8. Local Centres of The Indian Institute of Bankers 334
9. Awardees of The Lord Aldington Banking Research Fellowship 337
10. Awardees of The Diamond Jubilee Overseas Banking Research Fellowship 339
11. Speakers At The Sir Purshotamdas Thakurdas Annual Memorial Lecture. 340
12. Bank Educationists Conference 341
MEMORANDUM OF ASSOCIATION OF THE INDIAN INSTITUTE OF BANKERS

1. The name of the Company (hereinafter called "the Institute") is "THE INDIAN INSTITUTE OF BANKERS"

2. The registered office of the Institute will be situated in the Province of Bombay.

3. The objects for which the Institute is established are:-

   a) To support and protect the character, status, and interest of persons engaged in or connected with the business of banking generally and particularly of persons engaged in or connected with the business of banking in India.

   b) To consider all questions affecting the interests of bankers and of persons engaged in or connected with the business of banking, and to initiate and watch over, and, if necessary, to petition Parliament or the Government of India or any Local Government or promote deputations in relation to general measures affecting the business of banking or persons connected therewith, and to procure changes of law or practice.

   c) To encourage the study of the theory of banking and for that purpose to institute a scheme of examinations and to give certificates, scholarships, and prizes.
d) To promote information on banking and kindred subjects by lectures, discussions, books, correspondence with public bodies and individuals, or otherwise.

e) To collect and circulate statistics, and other information, relating to the business of banking in India.

f) To acquire by purchase, donation or otherwise and to maintain, extend and improve a library consisting of works on banking, commerce, finance, political economy, and kindred subjects.

g) To provide means of social intercourse between persons engaged in or connected with the business of banking in India.

h) The subscribe to, become a member of, and co-operate with any other association, whether incorporated or not, whose objects are, altogether or in part, similar to those of the Institute, and to procure from and communicate to any such association such information as may be likely to forward the objects of the Institute.

i) To enter into any arrangements with any governments or authorities supreme, municipal, local, or otherwise, that may seem conducive to the objects of the Institute or any of them and to obtain from any such Government or authority any rights, privileges and concessions which the Institute may think it desirable to obtain, and to carry out exercise, and comply with any such arrangement, rights, privileges and concessions.
j) To establish and support or aid in the establishment and support of associations, institutions, funds, trusts, and conveniences calculated to benefit persons connected with or who have been connected with the business of banking in India or employed by or who have been employed by the Institute or the defendants or connections of any such persons, and to grant pensions and allowances, and to make payments toward insurance, and to subscribe or guarantee money for charitable or benevolent objects, or for any exhibition or for any public, general or useful object.

k) To promote any institutions or associations for the purpose of acquiring all or any of the property, rights and liabilities of the Institute, or for any other purpose which may seem directly or indirectly calculated to benefit the Institute.

l) Generally to purchase, take on lease or in exchange, hire, or otherwise acquire, any moveable or immovable property, and any rights or privileges which may be deemed necessary or convenient for any of the purposes of the Institute.

m) To construct, maintain and alter any buildings, or works, necessary or convenient for the purposes of the Institute.

n) To invest and deal with the moneys of the Institute not immediately required in such manner as may from time to time be determined.
o) To borrow or raise or secure the payment of money in such manner as the Institute shall think fit, and in particular by the issue of mortgages, bonds, debentures, or debenture stock, perpetual or otherwise, charged upon all or any of the property of the Institute (both present and future) and to purchase, redeem, or pay off any such securities.

p) To take any gift of property whether subject to any trust or not for any one or more of the objects of the Institute.

q) To take any such steps by personal, written appeals or otherwise as may from time to time be deemed expedient for the purposes of procuring contributions to the funds of the Institute, in the shape of donations, annual subscriptions or otherwise.

r) To print and publish any advertisements, newspapers, periodicals, books, brochures or leaflets that the Institute may think advisable.

s) To sell, improve, manage, develop, exchange, lease, mortgage, pledge, dispose of, turn to account, or otherwise deal with, all or any part of the property or rights or interests of the Institute.

t) To undertake and execute gratuitously any trusts or any agency business which may seem directly or indirectly conducive to any of the objects of the Institute.
u) To do all such other things as may be deemed incidental or conducive to the attainment of the above objects or any of them.

4. The income and property of the Institute, whencesoever derived, shall be applied solely towards the promotion of the objects of the Institute as set forth in this Memorandum of Association; and no portion thereof shall be paid or transferred, directly or indirectly, by way of dividend, bonus or otherwise howsoever by way of profit, to the members of the Institute. Provided that nothing herein shall prevent the payment, in good faith, of remuneration to any officer or servant of the Institute, or to any member of the Institute, or other person, in return for any services actually rendered to the Institute.

5. The fourth paragraph of this memorandum contains conditions on which a license is granted by the Government of Bombay to the Institute in pursuance of Section 26 of the Indian Companies Act 1913.

6. The liability of members is limited.

7. Every member of the Institute undertakes to contribute to the assets of the Institute, in the event of the same being wound up during the time that he is a member, or within one year afterwards, for payment of the debts and liabilities of the Institute contracted before the time at which he ceases to be a member, and of the costs, charges and expenses of winding up the same, and for the adjustment of the rights of the contributories amongst themselves, such amount as may be required not exceeding one rupee.
8. If upon the winding up or dissolution of the Institute there remains, after the satisfaction of all its debts and liabilities, any property whatsoever, the same shall not be paid to or distributed among the members of the Institute, but shall be given or transferred to some other institution or institutions having objects similar to the objects of this Institute, and which shall prohibit the distribution of its or their income and property among its or their members to an extent at least as great as is imposed on the Institute under or by virtue of clause 4 hereof, such institution of institutions to be determined by the members of the Institute at or before the time of dissolution, and in default thereof by such Judge of the High Court of Judicature at Bombay or other Judge as may have or acquire jurisdiction in the matter, and if and so far as effect cannot be given to the aforesaid provision then to some charitable object.

9. True accounts shall be kept of the sums of money received and expended by the Institute, and the matter in respect of which such receipt and expenditure takes place, and of the property, credits, and liabilities of the Institute; and, subject to any reasonable restrictions as to the time and manner of inspecting the same that may be imposed in accordance with the regulations of the Institute for the time being, shall be open to the inspection of the members. Once at least in every year the accounts of the Institute shall be examined and the correctness of the balance-sheet ascertained by one or more properly qualified auditor or auditors.

We, the several persons whose names and addresses are subscribed are desirous of being formed into an association in pursuance of this Memorandum of Association.
Names, address and descriptions of subscribers

1. SIRPURSHOTAMDASTHAKURDAS, Merchant
   Kt., C. I. E., M. B.E., M. L. A.
   Messrs. Narandas Rajaram & Co.,
   Navsari Chambers,
   Hornby Road, BOMBAY

2. THEHON'BLE SIRPHIROZE SETHNA, Merchant
   Kt. O.B.E., J.P.,
   Sun Life Assurance Co. of Canada,
   Canada Building,
   Hornby Road, Fort, BOMBAY.

3. E.J. BUNBURY, ESQ., Merchant
   Messrs. Forbes, Forbes,
   Campbell & Co., Ltd.
   Home Street,
   FORT, BOMBAY

4. J. C. LENNIE, ESQ., Banker
   Chartered Bank of India,
   Australia & China,
   Esplanade Road, BOMBAY.
   (Chairman of the Bombay
   Exchange Banks' Association)

5. A. G. GRAY, ESQ., Banker
   Manager,
   Bank of India Ltd.,
   Fort, BOMBAY
6. R. A. GRAY, ESQ., Banker
   Offg. Secretary & Treasurer,
   Imperial Bank of India,
   Fort, BOMBAY

7. K. M. MACDONALD, ESQ., M.C., Banker
   Secretary & Treasurer;
   Imperial Bank of India,
   Strand Road, CALCUTTA

Dated the 4th day of April 1928.

Witness to the above signatures : -
R.W. E. CRADDOCK, ESQ.,
Personal Assistant to the
Managing Governors,
Imperial Bank of India,
Central Office, BOMBAY

- The History of The Indian Institute of Bankers
ARTICLES OF ASSOCIATION OF THE INDIAN INSTITUTE OF BANKERS

INTERPRETATION

Interpretation

1. The marginal notes hereto shall not affect the construction hereof. In these regulations, unless there be something in the subject or context inconsistent therewith.

"The Institute" means the above-named Institute.

"The Council" means the members for the time being of the council hereby constituted.

"The office" means the registered office for the time being of the Institute.

"Month" means English Calendar month.

"In writing" means written or printed, or partly written or partly printed.

Words importing the singular number only include the plural number and vice versa.

Words importing persons include corporations.
MEMBERSHIP

Members 2. The subscribers to the Memorandum of Association of the Institute and such other persons as shall be admitted to membership in accordance with these regulations, and none others, shall be members of the Institute, and shall be entered in the register of members accordingly.

Number for registration 3. For the purposes of registration, the number of Members of the Institute is to be taken to be unlimited.

Classes 4. There shall be four classes of members namely: -
   a) Fellows
   b) Associates
   c) Certificated Associates and
   d) Ordinary members.

Fellows 5. Fellows (other than the Fellows created by article 39) shall be elected by the Council. Each applicant shall be nominated by two or more Fellows who shall certify in writing that the candidate is a fit person to be elected a Fellow. The Council shall have power to elect, as honorary Fellows, men of distinction in the practice or literature of banking, mercantile law, political economy, or other kindred subjects.
Associates 6. Associates shall be elected by the Council from those who have been not less than 10 years in the service of any banking establishment, or from those who have passed the examinations instituted or recognised by the Council, or from those who, being on the staff of a banking establishment, are graduates of a recognised University. Each applicant shall be proposed by two Fellows of the Institute, who shall certify in writing that the candidate is a fit person to be elected an Associate of the Institute.

Certificated Associates 7. Certificated Associates shall consist of those members who have gained the certificate of the Institute.

Ordinary Members 8. Ordinary members shall be elected by the Council in accordance with rules from time to time prescribed by the Council, from the staff of any banking establishment in India.

Subscriptions 9. The subscriptions payable by members of the Institute shall be as follows:-
The History of The Indian Institute of Bankers

Fellows . . . Rs. 50 per annum
Associates . . . Rs. 10 ,, ,, Certificated Associates ... Rs. 5 ,, ,, Ordinary Members . . . Rs. 5 ,, ,, The subscription shall be payable in advance on the first day of January in every year. One year's subscription shall be payable on admission.

Commutation of Subscriptions

The subscriptions may be commuted by a single payment of Rs.500/- in the case of Fellows, Rs.100/- in the case of Associates, and Rs.50/- in the cases of Certificated Associates and Ordinary Members.

Reduced subscription when allowed

10. Any Fellow, Associate, Certificated Associate or Ordinary Member, who has retired from active work in any banking institution, shall, upon application to the Council and provided his name shall have been for at least five consecutive years before the date of the application upon the register of the Institute, be allowed to subscribe one half of the rates mentioned in article 9.

- The History of The Indian Institute of Bankers
Non-Payment of 11. Any member who shall not have subscriptions, paid his subscription before the 1st day of March in any year may be declared a defaulter by the Council whereupon he shall cease to be a Member.

Retirement 12. Any member desirous of retiring from the Institute shall give notice in writing of this desire in that behalf to the Council and he shall be deemed to have ceased to be a Member from the date of such notice. But no Member shall be entitled to give such notice unless his subscription has been paid for the year in which the notice of his retirement is received.

Exclusion 13. Any member, who shall fail in observance of any of the regulations or bye-laws of the Institute, or shall, in the opinion of the Council, have been guilty of any act derogatory to his character and reputation and calculated to bring discredit on the Institute, may be excluded from the Institute by resolution of a majority of at least three-fourths of the members of the Council present and voting at a special Council meeting at which not less than 10
members shall be present. Such member shall have seven clear days notice sent to him of the special Council meeting and he may attend the meeting and give such explanation of his conduct as desires but shall not be present at the voting or take part in the proceedings otherwise than as aforesaid or as the Council allows.

Forfeiture 14. A member so excluded shall forfeit all claims to a return of the money paid by him to the Institute by way of annual subscription or in commutation thereof, as the case may be, and shall cease to be a member of the Institute.

Name of Institute 15. The use of the name of the Institute not to be used for the purpose of advertisement is prohibited.

Articles binding on Members 16. Every member binds himself to abide by these Articles and by any alteration or modification thereof that may be made in conformity with the Indian Companies Act for the time being in force.
GENERAL MEETINGS

First General Meeting  17. The first general meeting shall be held at such time not being less than one month nor more than six months after the incorporation of the Institute and at such place as the Council may determine.

Other General Meetings  18. Other general meetings shall be held once at least in every year at such time, not being more than 15 months after the holding of the last preceding general meeting, and at such place as may be determined by the Council.

Extraordinary General Meetings  19. The above mentioned general meetings shall be called Ordinary General Meetings and all other general meetings shall be called Extraordinary General Meeting.

When Extraordinary General Meeting to be called  20. The Council may, whenever they think fit, and they shall upon a requisition made in writing by 15 or more Fellows and 35 or more Associates (other than Certificated Associates) convene an Extraordinary General Meeting.
21. Any requisition so made must state the object of the meeting proposed to be called and must be signed by the requisitionists and deposited at the office.

22. If the Council do not proceed to cause a meeting to be held within 21 days from the date of the requisition being so deposited, the requisitionists may themselves convene a meeting.

23. Seven days' notice to the members specifying the place, day and hour of meeting, and, in case of special business, the general nature of such business, shall in the discretion of the Council or other persons convening the meeting be given either by advertisement in any journal published by the Institute or by notice sent by post, or otherwise served as hereinafter provided.

24. When it is proposed to pass a special resolution, the two meetings may be convened by one and the same notice, and it is to be no objection to such notice that it only convenes the second meeting contingently on the resolution being passed by the requisite majority at the first meeting.
As to omission to give notice

25. The accidental omission to give notice of any meeting to or the non-receipt of any such notice by any of the members shall not invalidate any resolution passed at any such meeting.

PROCEEDINGS AT GENERAL MEETINGS

Business and Special Business

26. All business shall be deemed special that is transacted at an Extraordinary General Meeting and all that is transacted at an Ordinary General Meeting, shall also be deemed special, with the exception of the consideration of the accounts, balance sheets, and the ordinary reports of the Council and other officers in the place of those retiring by rotation, the election of Auditors and the fixing of the remuneration, if any, of the Auditors.

Quorum to be present when business commenced

27. Ten members personally present and entitled to vote at the meeting shall be a quorum for a general meeting, and no business shall be transacted at any general meeting unless the quorum requisite be present at the commencement of the business.
28. The President of the Institute shall preside as Chairman at every general meeting of the Institute. If there be no President or if at any meeting he is not present at the time of holding the meeting the members present and entitled to vote at the meeting shall choose one of the members of the Council present to be the Chairman; or, if no member of the Council shall be present and willing to take the chair, the members present and entitled to vote at the meeting shall choose one of their members to be Chairman.

29. If within half an hour from the time appointed for the meeting a quorum is not present, the meeting, if convened upon the requisition of members, shall be dissolved, but in any other case it shall stand adjourned to the same day in the next week, at the same time & place, or to such other day, time & place as the Council may by notice to the members appoint. If at such adjourned meeting a quorum is not present the members present & entitled to vote at the meeting shall be a quorum & may transact the business for which the meeting was called.
30. Every question submitted to a meeting shall be decided, in the first instance by a show of hands and in the case of an equality of votes the Chairman shall both on a show of hands and on a poll, have a casting vote in addition to the vote to which he may be entitled as a member.

31. At any general meeting, unless a poll is demanded by the Chairman or by at least five members present and entitled to vote at the meeting, a declaration by the Chairman that a resolution has been carried, or carried by a particular majority, or lost, or not carried by a particular majority and an entry to that effect in the book of proceedings of the Institute, shall be conclusive evidence of the fact without proof of the number or proportion of the votes recorded in favour of or against such resolution.

32. If a poll is demanded as aforesaid, it shall be taken in such manner and at such time and place as the Chairman of the meeting directs, and the result of the poll shall be deemed to be the resolution of the meeting at which the poll was demanded.
The Chairman of a general meeting, General Meeting may, with the consent of the meeting, adjourn the same from time to time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place.

The demand of a poll shall not prevent the continuance of a meeting for the transaction of any business other than the question on which a poll has been demanded. The demand for a poll may be withdrawn.

On a show of hands every member being a Fellow or Associate (other than a Certificated Associate) present in person shall have one vote and upon a poll every member being a Fellow or Associate (other than a Certificated Associate) present in person or by proxy shall have one vote.
Proxies

36. Votes may be given either personally or by proxy. The instrument appointing a proxy shall be in writing under the hand of the appointer. No person shall be appointed a proxy who is not a Fellow or Associate (other than a Certificated Associate) of the Institute. The instrument appointing a proxy shall be deposited at the office not less than 48 hours before the time for holding the meeting or adjourned meeting (as the case may be) at which the person named in such instrument proposes to vote, and no proxy shall be entitled to vote except at the particular meeting mentioned in the instrument or in an adjournment thereof.

Form of proxy

37. Every instrument of proxy, whether for a specified meeting or otherwise, shall as nearly as circumstances will admit, be in the form or to the effect following:-
THE INDIAN INSTITUTE OF BANKERS

I, the undersigned .................................................................
Being a Fellow/Associate of the Indian Institute of
Bankers hereby appoint..............................(for failing him........................
..................or failing him..........................................................)
as my proxy, to vote for me or on my behalf at the Ordinary/
Extraordinary. General Meeting of the Institute to be held
on the.............................Day of.............................19. and at any
adjournment thereof.

As witness my hand this..........................................................
day of..............................19.

Certificated 38. Certificated Associates and Ordinary
Associates and Members shall be entitled, to receive
Ordinary Members may as Fellows and Associates are entitled
Members may to receive and to attend all General
attend meetings Meetings but not to vote thereat.
but not vote.
39. There shall be a Council for the management of the affairs of the Institute, which shall consist of not less than 20 and not more than 30 members, and the following shall be the first members of the Council and are hereby created Fellows of the Institute, that is to say:-

Sir Onkar Mull Jatia, Kt., O.B.E.,
J. Y. Lamb, R.W. Buckley,
The Secretary and Treasurer, for the
time being of the Imperial Bank of
India, Calcutta,
Sir Norcot Warren,
K. C.I.E.,
Sir Purshotamdas Thakurdas,
Kt.,
C.I. E., M.B.E.M.L.A.,
Sir Phiroze Sethna, Kt., O.B.E., J.P.,
E.J. Bunbury,
The Chairman, for the time
being, of the Bombay Exchange Banks' Association,
Bombay,
A.G. Gray,
S. N. Pochkhanawala,
M.L. Tannan,
The Secretary and Treasurer, for the
time being of the Imperial Bank of
India, Bombay,
Sir James F. Simpson,
Kt.,
Sir S.R. M. Annamalai Chettiar,
Vidya Sagar Pandya,
M.L.A.,
The Secretary and Treasurer, for the
time being, of the Imperial Bank of India,
Madras,
Ambalal Sarabhai,
P.W. O'Brien,
C.S. Burns,
J.P.,
Lala Radha Mohan,
Jamshed N.R. Mehta,
and Rai Bhabadur Dhanpatrai,
M.L.C.
40. The above shall hold office until the first Ordinary General Meeting of the Institute when a new Council shall be elected, the retiring members being eligible for re-election.

41. At the second Ordinary General Meeting and at every succeeding ordinary General meeting one-third of the members of the Council shall retire from office and be eligible for re-election. If the number of the members of the Council is not a multiple of three, then the number nearest to but not exceeding one-third, shall so retire and be eligible.

42. The one-third, or other nearest number to retire as aforesaid at the second Ordinary General Meeting shall, unless the members of the Council agree among themselves, be determined by lot; but at every subsequent Ordinary General Meeting one-third, or other nearest number, who have been longest in the office shall retire. As between two or more who have been in the office an equal length of time the member or members to retire shall in default of agreement between them be determined by lot. The length of time a member has been
in office shall be computed from his last election or appointment where he has previously vacated office. A retiring member of the Council shall be eligible for re-election and shall act as a member of the Council throughout the meeting at which he retires.

Registration of office. 43. Any member of the Council desirous of vacating his office may send in his resignation in writing to the Council, and on the acceptance of such resignation by the Council his office shall become vacant, and not before.

Disqualification for Office 44. The office of a member of the Council is vacated by disqualification if a competent Court declares that he has committed an act of insolvency or of bankruptcy, or if he becomes of unsound mind, or if he abstains, without leave, from attending the meetings of the Council for a period of six months consecutively; and a resolution of the Council declaring him disqualified as aforesaid shall be conclusive as to the fact and grounds of disqualification stated in the resolution.
45. In the event of a causal vacancy occurring in the Council, the Council may nominate a Fellow of the Institute to fill the vacancy; but any person so chosen shall retain his office so long only as the vacating member would have retained the same if no vacancy had occurred.

46. No person shall be eligible for election to Membership of the Council at any General Meeting unless he is a Fellow of the Institute; and no Fellow of the Institute, not being a retiring member of the Council shall unless recommended by the Council for election, be eligible for election to membership of the Council at any General Meeting, unless he, or some other Fellow of the Institute intending to propose him, has, at least seven clear days and not more than twenty eight days before the meeting, left at the office a notice in writing duly signed, signifying his candidature for the office or the intention of such Fellow of the Institute to propose him.
PRESIDENT AND VICE-PRESIDENTS

First President 47. There shall be a President of the Institute who shall be elected at the Ordinary General Meeting in each year & shall continue in office till the close of the next Ordinary General Meeting; or if for any cause his successor shall not be elected at such Meeting then till the election of his successor. He shall be eligible for re-election.

Period of Office of the First President 48. The First President of the Institute shall be Sir Norcot Warren K.C.I.E, who President shall hold office until the first Ordinary General Meeting of the Institute, when a new President shall be elected, the retiring President, being eligible for re-election.

Qualification for Office of President and when notice of candidature must be given. 49. Only members of the Council shall be eligible for the office of President, and no person, not being a retiring President shall unless recommended by the Council for election be eligible for election as President at any general meeting, unless some Fellow of the Institute intending to propose him has, at least seven clear days and no more than twenty eight days before the meeting left at the office a notice in writing duly signed signifying the intention of such Fellow of the Institute to propose him.
Election of Vice-Presidents 50. The Council may from time to time elect such of their members as they think fit to be Vice-Presidents of the Institute. The Vice-Presidents so elected shall hold office until the close of the Ordinary General Meeting of the Institute held next after the date of their election or for such shorter period as may have been determined by the Council at the time of their election.

Casual Vacancy 51. In the event of a casual vacancy occurring in the office of President the Council shall, and in the event of a casual vacancy occurring in the office of Vice-President the Council may elect one of their members being eligible to fill the vacancy; but any person so chosen shall retain his office so long only as the vacating member would have retained the same if no vacancy had occurred.

PROCEEDINGS OF THE COUNCIL

Power to make regulations 52. The Council may make, vary and rescind regulations for their Meetings and proceedings, and for the appointment of Committees, and generally for the management of the affairs of the Institute, subject always to the provisions of the Memorandum of Association and of these Articles.
Minutes of proceedings.

53. Minutes of the proceedings of every meeting of the Council shall be taken by the Secretary, or, in case of his absence, by some other person appointed by the Chairman, which minutes shall afterwards be copied fairly into a minute-book, to be kept for that purpose and signed by the Chairman of that or the next succeeding meeting.

POWERS OF COUNCIL

General Powers of Institute vested in Council.

54. The Management of the Institute shall be vested in the Council, who shall be the governing body of the Institute, and who may exercise all such powers and do all such acts and things as the Institute is, by statute or by its Memorandum of Association or by these Articles or otherwise, authorised to exercise and do, and are not by these Articles or by statute directed or required to be exercised or done by the Institute in general meeting, but subject nevertheless to the provisions of the Indian Companies Act 1913 and of these Articles, and to any regulations not being inconsistent with these Articles from time to time made by the Institute in general meeting; provided that no such regulation shall invalidate any prior act of the Council which would have been valid if such regulation had not been made.
55. Without prejudice to the general powers conferred by the last preceding clause and the other powers conferred by these Articles it is hereby expressly agreed that the Council shall have the following powers, namely:

(a) To pay all costs, charges, and expenses preliminary and incidental to the promotion, formation, registration, and establishment of the Institute.

(b) To purchase, take on lease or in exchange, or otherwise acquire, on account of and for the purposes of the Institute, and any property, rights, or privileges, which the Institute, is authorised to acquire, at such price, and generally on such terms and conditions, as they think fit; and to sell, let on lease, mortgage, dispose of, turn to account, or otherwise deal and all or any part of the property, whether moveable or immoveable, or the rights of the Institute.

(c) At their discretion to pay for any property rights, or privileges acquired by, or services rendered to, the Institute, either wholly or partially in cash or in bonds,
debentures of other securities of the Institute, or in such other manner as they shall think fit.

(d) To enter into any arrangement with any person, institution, company or association, or with any public authority (Whether supreme, municipal, local or of any other description), which may seem calculated to further any of the objects of the Institute, and to obtain any rights, licenses, privileges, or concessions, which may seem conducive to all or any of the objects of the Institute.

(e) To borrow or raise money for the purposes of the Institute on such terms, and on such security, as may be thought fit, and in particular by the issue of debentures of debenture stock, perpetual or redeemable, charged upon all or any of the assets of the Institute both present and future.

(f) To invest and deal with any moneys of the Institute not immediately required for the purposes thereof, upon such securities and in such manner as they may think fit, and from time to time realise or vary such investments.
(g) To grant pensions, allowances, gratuities and bonuses, contributory or otherwise, to persons who are or have been in the employment of the Institute or the dependants of such persons and to enter into any agreements for that purpose.

(h) To collect funds and invite, promote or procure, grants, subsidies, subscriptions, gifts, benefactions, donations, devises and bequests, and to apply the same, or the proceeds thereof, for the purposes of the Institute, subject to the directions (if any) of the donor.

(i) To appoint, and at their discretion discharge, remove or suspend, such managers, secretaries, officers, instructors, lecturers, teachers, clerks and employees generally, brokers, solicitors, agents, and servant for permanent, temporary, or special services, as they may from time to time think fit, and to determine their powers and duties and fix their salaries or emoluments and to require security in such instances and to such amount as they think fit.

(j) To appoint any person or persons (whether incorporated or not) to
accept and hold in trust for the Institute any property belonging to the Institute, or in which it is interested, or for any other purpose, and to execute and to all such deeds and things as may be requisite in relation to any such trust and to provide for the remuneration of such trustee or trustees.

(k) To institute, conduct, defend, compound, or abandon any legal proceedings by or against the Institute, or its officers, or otherwise concerning the affairs of the Institute, and also to compound and allow time for payment or satisfaction of any debts due and of any claims or demands by or against the Institute.

(l) To make and give receipts, releases, and other discharges for money payable to the Institute and for the claims and demands of the Institute.

(m) To refer any claims or demands by or against the Institute to arbitration and observe and perform the awards.

(n) To compromise and release, or forego any action, suit, right, or claim, on behalf of the Institute, in respect of any matter in which the Institute may be interested.
(o) To determine who shall be entitled to sign on the Institute's behalf bills, notes, receipts, acceptances, endorsements, cheques, releases, contracts and documents.

(p) From time to time to make, vary and repeal such regulations or bye-laws, as they may consider expedient for the management of the Institute and the affairs thereof.

(q) To enter into all such negotiations and contracts and rescind and vary all such contracts and execute and do all such acts, deeds and things in the name and on behalf of the Institute as they may consider expedient for, or in relation to, any of the matters aforesaid, or otherwise for the purposes of the Institute.

(r) To ratify any act, or thing executed or done by any disqualified officer of the Institute, or any improperly constituted Council, or any unauthorised person purporting to act on their behalf, or on behalf of the Institute and on such act or thing being so ratified the same shall have the same force and effect as if such act or thing had been originally executed or done by the Council properly appointed and acting in due form.
SEAL

Custody of Seal 56. The Council shall provide for the safe custody of the seal, and the seal shall never be used except by the authority of the Council previously given and in the presence of two members of the Council at the least, who shall sign every instrument to which the seal is affixed, and every such instrument shall be countersigned by the Secretary or some other person appointed by the Council.

Accounts to be kept 57. The Council shall cause true accounts to be kept:

(a) Of all sums of money received and expended by the Institute, and the matters in respect of which such receipt and expenditure take place; and

(b) Of the assets, credits, and liabilities of the Institute where to be kept.

Where to be kept The books of Account shall be kept at the office, or at such other place or places as the Council thinks fit.
58. The Council shall from time to time determine whether and to what extent and at what times and places and under what conditions or regulations, the accounts and books of the Institute, or any of them, shall be open to the inspection of the members; and subject to such conditions and regulations, the accounts and books of the Institute shall be open to the inspection of members at all reasonable time during business hours.

59. At the first Ordinary General Meeting and at each subsequent Ordinary General Meeting the Council shall lay before the Institute a statement of the accounts for the past year. Every such statement of accounts shall be accompanied by a report of the Council as to the affairs of the Institute generally, and a printed copy of such statement and report shall, seven days before the meeting, be served on the members in the manner in which notices are hereafter directed to be served. Every such statement and report shall be signed by the President and two other members of the Council.
AUDIT

Accounts to be audited annually. 60. An auditor or auditors shall be appointed and their duties regulated in accordance with sections 144 and 145 of the Indian Companies Act 1913, or any statutory modifications thereof for the time being in force, and for this purpose the said sections shall have effect as if the word "Council" were substituted for the word "directors" and as if the words "first general meeting" were substituted for the words "statutory meeting".

NOTICES

How notices to be served. 61. Any notice or other document required to be served on any member shall be deemed sufficiently served by personal service, or by advertisement in any journal published by the Institute, or by leaving the same at, or sending it through the post in a prepaid envelope or wrapper addressed to the then registered address of such member in British India.
Members resident out of British India.

62. Every member, whose registered address is not in British India, may from time to time notify in writing to the Institute an address in British India, which shall be deemed his registered address within the meaning of the last preceding Article. A member having no registered address in British India shall not be entitled to any notice.

When notice deemed to be served.

63. Any notice, if sent by post, shall be deemed to have been served at the time when the envelope or wrapper containing the same should be delivered in the ordinary course of post and all notices given by advertisement shall be deemed to have been given on the day on which the journal contained the advertisement would be delivered in the ordinary course of post if despatched immediately on publication.

Indemnity

64. Every President, Vice-President, member of the council, auditor, secretary, treasurer, and other officer or servant of the Institute, and their respective heirs, executors and administrators shall be indemnified by the Institute and secured harmless out of the assets of the Institute from and against all
claims, liabilities, losses, damages, suits, actions, costs, charges and expenses which they or any of them, their or any of their heirs, executors or administrators, shall or may incur or sustain by or by reason of any act done, concurred in or omitted in or about the execution of their duty or supposed duty, in their respective offices, except such (if any) as they shall incur or sustain, by or through their own willful neglect or default respectively, and none of them shall be answerable for the acts, receipts, neglects, or defaults of the other or others of them or for joining in any receipt or other act for the sake of conformity, or for the insufficiency or deficiency of any security in or upon which any moneys of or belonging to the Institute shall be placed out or invested, or for any loss or damage arising from the bankruptcy, insolvency or tortuous act of any person with whom any moneys securities or effects shall be deposited, or for any other loss, misfortune or damage whatever which may happen in or in relation to the execution of their respective offices, except the same shall happen by or through their own dishonesty.
Names, address and descriptions of subscribers

1. SIR PURSHOTAMDAS THAKURDAS, Merchant
   Kt., C.I.E., M.B.E., M.L.A.
   Messrs. Narandas Rajaram & Co.,
   Navsari Chambers, Hornby Road,
   BOMBAY

2. THE HON'BLE SIR PHIROZE SETHNA, Merchant
   Kt., O.B.E., J.P.,
   Sun Life Assurance Co. of Canada,
   Canada Building, Hornby Road,
   Fort, BOMBAY.

3. E.J. BUNBURY, ESQ., Merchant
   Messrs. Forbes, Forbes, Campbell & Co. Ltd.
   Home Street,
   Fort, BOMBAY

4. J.C. LENNIE, ESQ., Banker
   Chartered Bank of India, Australia & China,
   Esplanade Road,
   BOMBAY.
   (Chairman of the Bombay Exchange
   Banks' Association)

5. B.G. GRAY, ESQ., Merchant
   Manager,
   Bank of India Ltd.,
   Fort, BOMBAY
6. R.A. GRAY, ESQ., Merchant
   Offg. Secretary & Treasurer,
   Imperial Bank of India,
   Fort, BOMBAY

7. K.M. MACDONALD, ESQ., M.C. Merchant
   Secretary & Treasurer;
   Imperial Bank of India,
   Strand Road,
   CALCUTTA

Dated the 4th day of April 1928.

Witness to the above signatures : -
R.W.E. CRADDOCK, ESQ.,
Personal Assistant to the Managing Governors,
Imperial Bank of India,
Central Office,
BOMBAY
### Annexure 3

**PRESIDENTS OF THE INDIAN INSTITUTE OF BANKERS**

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1927</td>
<td>Sir Norcot Warren</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1928</td>
<td>Sir Phiroze Sethna</td>
<td>Merchant</td>
<td>Sunlife Assurance Co. of Canada</td>
</tr>
<tr>
<td>1928-1929</td>
<td>Sir Norman Murray</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1929-1930</td>
<td>Sir Dsborne A. Smith</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1930-1931</td>
<td>K M MacDonald</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1931-1937</td>
<td>Sir Osborne A. Smith</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1937-1943</td>
<td>Sir James B Taylor</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1943-1945</td>
<td>Sir William Lammond</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1945-1949</td>
<td>Sir Chintaman D.</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td></td>
<td>Deshmukh</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1949-1957</td>
<td>Sir Benegal Rama Rau</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1957-1962</td>
<td>HVRLengar</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1962-1967</td>
<td>P.C. Bhattacharya</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1967-1970</td>
<td>L.K. Jha</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1970</td>
<td>R.K. Talwar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1970-1975</td>
<td>S. Jagannathan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1975</td>
<td>R. K. Talwar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1975-1977</td>
<td>K.R. Puri</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1977</td>
<td>M. Narasimham</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1978-1982</td>
<td>I.G. Patel</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1982-1984</td>
<td>Manmohan Singh</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1985-1990</td>
<td>R.N. Malhotra</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1991-1992</td>
<td>S. Venkitaramanan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1993-1997</td>
<td>C. Rangarajan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1998-1999</td>
<td>Bimal Jalan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2000</td>
<td>G.G. Vaidya</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>2001</td>
<td>K.V. Krishnamurthy</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>2002</td>
<td>Y. Radhakrishnan</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
</tbody>
</table>
Annexure 4

VICE PRESIDENTS OF THE INSTITUTE

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928-1929</td>
<td>Sir James F. Simpson</td>
<td>Partner</td>
<td>M/s Gordon Woodroof &amp; Co. Ltd.</td>
</tr>
<tr>
<td>1928-1938</td>
<td>Sir Onkar Mull Jatia</td>
<td>Managing Director</td>
<td>Andrew Yule &amp; Company Limited</td>
</tr>
<tr>
<td>1928-1943</td>
<td>A.G. Gray</td>
<td>Manager</td>
<td>Bank of India Ltd.</td>
</tr>
<tr>
<td>1928-1945</td>
<td>Ex-officio</td>
<td>Secretary &amp; Treasurer</td>
<td>Imperial Bank of India Madras</td>
</tr>
<tr>
<td>1939-1956</td>
<td>Sir Badridas Goenka</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1943-1945</td>
<td>CD. Deshmukh</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1945-1953</td>
<td>A.R. Chisholm</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1953-1956</td>
<td>S.K. Handoo</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1956-1957</td>
<td>H.V.R. Iengar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1956-1969</td>
<td>C.H. Bhabha</td>
<td>Chairman</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1957-1962</td>
<td>P.C. Bhattacharya</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1962-1965</td>
<td>B. Venkatappiah</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1966-1969</td>
<td>V.T. Dehejia</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1969-1973</td>
<td>N.K. Karanjia</td>
<td>General Manager</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1969-1976</td>
<td>R.K. Talwar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1973-1975</td>
<td>B.N. Adarkar</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1975-1977</td>
<td>M. Sen Sarma</td>
<td>Chairman &amp; Managing Director</td>
<td>United Bank of India</td>
</tr>
<tr>
<td>1976-1977</td>
<td>T.R. Varadachary</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1977-1978</td>
<td>V.R. Desai</td>
<td>Chairman &amp; Managing Director</td>
<td>United Commercial Bank</td>
</tr>
<tr>
<td>1977-1983</td>
<td>P.C.D. Nambiar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1978-1987</td>
<td>M.G. Parikh</td>
<td>Chairman</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1982-1985</td>
<td>R.C. Shah</td>
<td>Chairman &amp; Managing Director</td>
<td>Export-Import Bank of India</td>
</tr>
<tr>
<td>1983-1984</td>
<td>R.P. Goyal</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Designation</td>
<td>Institutional Affiliation</td>
</tr>
<tr>
<td>------------</td>
<td>-------------------</td>
<td>------------------------------</td>
<td>---------------------------------</td>
</tr>
<tr>
<td>1984-1985</td>
<td>V.N. Nadkarni</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1985-1989</td>
<td>D.N. Ghosh</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1985-1992</td>
<td>M.N. Golporia</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India/</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1990-1992</td>
<td>R. Srinivasan</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India Ltd.</td>
</tr>
<tr>
<td>1991-1993</td>
<td>P.S. Gopalakrishnan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank Ltd.</td>
</tr>
<tr>
<td>1993-1995</td>
<td>D. Basu</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1993-1997</td>
<td>J.V. Shetty</td>
<td>Chairman</td>
<td>Indian Banks’ Association</td>
</tr>
<tr>
<td>1995-1997</td>
<td>P.G. Kakodkar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1997-1998</td>
<td>M.S. Verma</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1997-1999</td>
<td>Rashid Jilani</td>
<td>Chairman</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>1998-1999</td>
<td>M.P. Radhakrishnan</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1999</td>
<td>G.G. Vaidya</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1999-2000</td>
<td>A.T. Pannir Selvan</td>
<td>Chairman &amp; Managing Director</td>
<td>Union Bank of India</td>
</tr>
<tr>
<td>1999-2000</td>
<td>S. Srinivasan</td>
<td>Chairman &amp; CEO</td>
<td>Bharat Overseas Bank Ltd.</td>
</tr>
<tr>
<td>2000</td>
<td>S.S. Kohli</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>2000</td>
<td>H.N. Sinor</td>
<td>Chairman &amp; Managing Director</td>
<td>ICICI Bank Limited</td>
</tr>
<tr>
<td>2001</td>
<td>Dalbir Singh</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India</td>
</tr>
</tbody>
</table>

- The History of The Indian Institute of Bankers
## Annexure 5

### COUNCIL MEMBERS OF THE INSTITUTE

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928</td>
<td>Sir Currimbhoy Ebrahim</td>
<td>Merchant</td>
<td>M/s Currimbhoy Ebrahim &amp; Sons</td>
</tr>
<tr>
<td>1928</td>
<td>Ambalal Sarabhai</td>
<td>Millowner</td>
<td></td>
</tr>
<tr>
<td>1928-1929</td>
<td>E.J. Bunbury</td>
<td>Partner</td>
<td>M/s Forbes Campbell &amp; Co. Ltd.</td>
</tr>
<tr>
<td>1928-1929</td>
<td>Sir Annamalai Chettiar</td>
<td>Banker</td>
<td></td>
</tr>
<tr>
<td>1928-1929</td>
<td>Sir Norman Murray</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1928-1931</td>
<td>Rai Bahadur Dhanpatrai</td>
<td>Chairman</td>
<td>Punjab National Bank Ltd.</td>
</tr>
<tr>
<td>1928-1932</td>
<td>J.Y. Lamb</td>
<td>General Manager</td>
<td>Allahabad Bank Limited</td>
</tr>
<tr>
<td>1928-1932</td>
<td>R.W. Buckley</td>
<td>Chairman</td>
<td>Calcutta Exchange Banks Association</td>
</tr>
<tr>
<td>1928-1932</td>
<td>Vidya Sagar Pandya</td>
<td>Secretary</td>
<td>Indian Bank Limited</td>
</tr>
<tr>
<td>1928-1933</td>
<td>Raibahadur Lala Radha Mohan</td>
<td>Rais &amp; Banker</td>
<td></td>
</tr>
<tr>
<td>1928-1936</td>
<td>P.W. O’Brien</td>
<td>General Manager</td>
<td>Bank of Mysore</td>
</tr>
<tr>
<td>1928-1937</td>
<td>Sir S.N. Pochkhanawala</td>
<td>Director</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1928-1938</td>
<td>Sir Onkar Mull Jatia</td>
<td>Managing Director</td>
<td>Andrew Yule &amp; Co.</td>
</tr>
<tr>
<td>1928-1943</td>
<td>A.G. Gray</td>
<td>Manager</td>
<td>Bank of India Limited\</td>
</tr>
<tr>
<td>1928-1950</td>
<td>Sir Purushotamdas Thakurdas</td>
<td>Founder Member</td>
<td>Indian Institute of Bankers</td>
</tr>
<tr>
<td>1928-1955</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>Imperial Bank of India, Bombay</td>
</tr>
<tr>
<td>1928-1955</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>Imperial Bank of India, Calcutta</td>
</tr>
<tr>
<td>1928-1955</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>Imperial Bank of India, Madras</td>
</tr>
<tr>
<td>1928-1968</td>
<td>Ex-Officio</td>
<td>Chairman</td>
<td>Bombay Exchange Banks</td>
</tr>
<tr>
<td>1928-1968</td>
<td>M.L. Tannan</td>
<td>Principal</td>
<td>Sydenham College of Commerce</td>
</tr>
<tr>
<td>1929-1931</td>
<td>K.M. MacDonald</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1929-1932</td>
<td>D.R. Balaji Row</td>
<td>Secretary</td>
<td>Indian Bank Limited</td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Designation</td>
<td>Institutional Affiliation</td>
</tr>
<tr>
<td>----------</td>
<td>-------------------------------</td>
<td>---------------</td>
<td>-----------------------------------------</td>
</tr>
<tr>
<td>1931-1933</td>
<td>Sir Lalubhai Samaldas</td>
<td>Director</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1931-1937</td>
<td>Sir Osborne Arkell Smith</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1931-1938</td>
<td>Sir Phiroze Sethna</td>
<td>Manager</td>
<td>Sun-Life Insurance</td>
</tr>
<tr>
<td>1931-1947</td>
<td>N.L. Puri</td>
<td>Agent</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1932-1935</td>
<td>A.R. Smith</td>
<td>Agent</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1932-1936</td>
<td>M.V. Wilson</td>
<td>General Manager</td>
<td>Allahabad Bank Limited</td>
</tr>
<tr>
<td>1932-1937</td>
<td>K.C. Pandalai</td>
<td>Chairman</td>
<td>Bank of Travancore</td>
</tr>
<tr>
<td>1932-1939</td>
<td>C.W. Hayden</td>
<td>Manager</td>
<td>National City Bank of New York</td>
</tr>
<tr>
<td>1932-1945</td>
<td>Rai Bahadur Maharaj Krishna Kapur</td>
<td>Chairman</td>
<td>Punjab National Bank Limited</td>
</tr>
<tr>
<td>1932-1946</td>
<td>Rai Bahadur Lala Ramsaran Das</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1933-1936</td>
<td>E.H. Curling</td>
<td>Manager</td>
<td>Lloyds Bank Limited</td>
</tr>
<tr>
<td>1933-1956</td>
<td>Lala Shri Ram</td>
<td>Industrialist</td>
<td>Shri Ram Group</td>
</tr>
<tr>
<td>1934-1944</td>
<td>W.H. Whittington</td>
<td>Assistant Manager</td>
<td>Bank of India Limited</td>
</tr>
<tr>
<td>1934-1945</td>
<td>Sir William Lammond</td>
<td>Managing Governor</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1935-1940</td>
<td>Sir Sikandar Hyat Khan</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1935-1942</td>
<td>D.R. Kinloch</td>
<td>Agent</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1935-1943</td>
<td>Sir James B Taylor</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1936-1966</td>
<td>Sir R.P. Masani</td>
<td>Manager</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1937</td>
<td>A.D.Logan</td>
<td>Manager</td>
<td>Lloyds Bank Limited</td>
</tr>
<tr>
<td>1937-1942</td>
<td>Manilal B Nanavati</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1937-1952</td>
<td>W.G. Groundwater</td>
<td>General Manager</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1938-1939</td>
<td>N.N. Law</td>
<td>Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1938-1949</td>
<td>J.H. Webster</td>
<td>Manager</td>
<td>Eastern Bank</td>
</tr>
<tr>
<td>1938-1958</td>
<td>Jadunath Roy</td>
<td>Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1939-1949</td>
<td>Sir H.P. Mody</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1939-1958</td>
<td>RB Sir Badridhas Goenka</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1941-1946</td>
<td>Sir Byramjee Jeejeebhoy</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1941-1955</td>
<td>H.C. Captain</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1942-1943</td>
<td>R. Macfarlane</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1942-1951</td>
<td>C.D. Deshmukh</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
</tbody>
</table>

- *The History of The Indian Institute of Bankers*
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1943-1946</td>
<td>W. Kerr</td>
<td>Manager</td>
<td>National Bank of India Ltd., Bombay</td>
</tr>
<tr>
<td>1943-1946</td>
<td>Wajahat Hussain</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1943-1947</td>
<td>L.O. Tasker</td>
<td>Agent</td>
<td>Chartered Bank of India</td>
</tr>
<tr>
<td>1943-1949</td>
<td>Sir H.P. Mody</td>
<td></td>
<td></td>
</tr>
<tr>
<td>1943-1950</td>
<td>C.R. Trevor</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1944-1948</td>
<td>A.C. Clarke</td>
<td>Manager</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1945-1948</td>
<td>J.G. Bhandari</td>
<td>Financial Adviser</td>
<td>Cooperative Dept. of Punjab NWFP &amp; Delhi</td>
</tr>
<tr>
<td>1945-1955</td>
<td>A.R. Chisholm</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1946-1948</td>
<td>G.T. Gillespie</td>
<td>Manager</td>
<td>National Bank of India Ltd., Bombay</td>
</tr>
<tr>
<td>1947-1955</td>
<td>M.G. Mehkri</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1948-1950</td>
<td>A.C. Watkins</td>
<td>Agent</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1948-1953</td>
<td>W. Harris</td>
<td>Manager</td>
<td>National Bank of India Ltd., Bombay</td>
</tr>
<tr>
<td>1949-1951</td>
<td>B.J.A.G. Barr</td>
<td>Manager</td>
<td>Mercantile Bank of India</td>
</tr>
<tr>
<td>1949-1956</td>
<td>Pranlal Devkaran Nanjee</td>
<td>Manager</td>
<td>Indian Banks Association</td>
</tr>
<tr>
<td>1949-1957</td>
<td>Sir Benegal Rama Rau</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1949-1968</td>
<td>A.D. Gorwala</td>
<td>Ex Civil Servant</td>
<td></td>
</tr>
<tr>
<td>1949-1972</td>
<td>R.G. Saraiya</td>
<td>Co-operator</td>
<td></td>
</tr>
<tr>
<td>1950-1951</td>
<td>G.P. Cooke</td>
<td>Agent</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1950-1955</td>
<td>N. Sundaresan</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1951-1955</td>
<td>D.D. MacGregor</td>
<td>Agent</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1952-1955</td>
<td>B.J. Thakur</td>
<td>General Manager</td>
<td>United Western Bank</td>
</tr>
<tr>
<td>1953-1956</td>
<td>G.R. Westi</td>
<td>Manager</td>
<td>National Bank of India Ltd., Bombay</td>
</tr>
<tr>
<td>1953-1956</td>
<td>S.K. Handoo</td>
<td>Managing Director</td>
<td>Imperial Bank of India</td>
</tr>
<tr>
<td>1953-1957</td>
<td>S.J. Elgar</td>
<td>Manager</td>
<td>Mercantile Bank of India</td>
</tr>
<tr>
<td>1953-1965</td>
<td>Tulsidas Kilachand</td>
<td>Chairman</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1954-1957</td>
<td>D.R. Thom</td>
<td>General Manager</td>
<td>Bank of India Limited</td>
</tr>
<tr>
<td>1955-1956</td>
<td>E.C. Phillips</td>
<td>Manager</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1955-1958</td>
<td>Ram Nath</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1955-1961</td>
<td>K.G. Ambegaonkar</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1955-1964</td>
<td>S.T. Sadasivan</td>
<td>General Manager</td>
<td>United Commercial Bank Limited</td>
</tr>
</tbody>
</table>

Towards Professional Excellence in Banking and Finance
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1955-1968</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Bombay</td>
</tr>
<tr>
<td>1955-1968</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Calcutta</td>
</tr>
<tr>
<td>1955-1968</td>
<td>Ex-Officio</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Madras</td>
</tr>
<tr>
<td>1955-1969</td>
<td>C.H. Bhabha</td>
<td>Chairman</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1956-1957</td>
<td>G.K. Macfarlane</td>
<td>Manager</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1956-1959</td>
<td>D.G. Moore</td>
<td>Manager</td>
<td>National Bank of India Ltd., Bombay</td>
</tr>
<tr>
<td>1956-1962</td>
<td>H.V.R. Iengar</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1956-1970</td>
<td>P.V. Gandhi</td>
<td>Managing Director</td>
<td>Devkaran Nanjee Bank Limited</td>
</tr>
<tr>
<td>1957-1960</td>
<td>T.R. Lalvani</td>
<td>General Manager</td>
<td>Bank of India Limited</td>
</tr>
<tr>
<td>1957-1961</td>
<td>H.J.M. Cook</td>
<td>Manager</td>
<td>Chartered Bank, Calcutta</td>
</tr>
<tr>
<td>1957-1967</td>
<td>P.C. Bhattacharya</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1957-1973</td>
<td>N.K. Karanija</td>
<td>General Manager</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1958-1961</td>
<td>D.P. Parthasarathy</td>
<td>Manager</td>
<td>Indian Bank Ltd.</td>
</tr>
<tr>
<td>1958-1967</td>
<td>C.S. Divekar</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1958-1969</td>
<td>N.M. Chokshi</td>
<td>Manager</td>
<td>Bank of Baroda Ltd.</td>
</tr>
<tr>
<td>1958-1973</td>
<td>B.K. Dutt</td>
<td>Chairman</td>
<td>United Bank of India Ltd.</td>
</tr>
<tr>
<td>1959-1960</td>
<td>J.B. Leask</td>
<td>Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1960-1965</td>
<td>M.V. Rangachari</td>
<td>Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1960-1968</td>
<td>A.D.R. Geddis</td>
<td>Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1960-1970</td>
<td>T.D. Kansara</td>
<td>Chairman</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1961-1964</td>
<td>I.G. Thomson</td>
<td>Manager</td>
<td>Chartered Bank of India, Australia &amp; China</td>
</tr>
<tr>
<td>1961-1979</td>
<td>C.N. Vakil</td>
<td>Professor</td>
<td>University of Bombay</td>
</tr>
<tr>
<td>1962-1965</td>
<td>B. Venkatappiah</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1964-1965</td>
<td>G.S. Sundaram</td>
<td>Secretary</td>
<td>Indian Bank Limited</td>
</tr>
<tr>
<td>1964-1967</td>
<td>R.E. Grant</td>
<td>Resident Vice-President</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1964-1968</td>
<td>James Russell</td>
<td>Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Designation</td>
<td>Institutional Affiliation</td>
</tr>
<tr>
<td>----------</td>
<td>-----------------</td>
<td>-------------------------</td>
<td>--------------------------------------------</td>
</tr>
<tr>
<td>1965-1969</td>
<td>V.T. Dehejia</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1967-1968</td>
<td>R.S. Rees</td>
<td>Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1967-1969</td>
<td>P.A. Tilestone</td>
<td>Resident Vice-President</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1967-1970</td>
<td>L.K. Jha</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1968-1970</td>
<td>RamRakha</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Bombay</td>
</tr>
<tr>
<td>1968-1971</td>
<td>A.A. Norrie</td>
<td>Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1968-1971</td>
<td>R.L. Magon</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Madras</td>
</tr>
<tr>
<td>1968-1973</td>
<td>D.R. Chapman</td>
<td>Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1968-1976</td>
<td>R.K. Talwar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1968-1977</td>
<td>D.T. Lakdawala</td>
<td>Professor</td>
<td>University of Bombay</td>
</tr>
<tr>
<td>1968-1980</td>
<td>D.N. Maluste</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1968-1986</td>
<td>J.N. Saxaste</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India/Industrial Development Bank of India</td>
</tr>
<tr>
<td>1969-1971</td>
<td>R.L. Davidson</td>
<td>Resident Vice-President</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1969-1976</td>
<td>K. Gopal Rao</td>
<td>Chairman</td>
<td>Andhra Bank</td>
</tr>
<tr>
<td>1969-1977</td>
<td>T.R. Varadachary</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1969-1980</td>
<td>V.C. Patel</td>
<td>Custodian</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1970-1971</td>
<td>P.C.D. Nambiar</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Calcutta</td>
</tr>
<tr>
<td>1970-1971</td>
<td>J.F. Simpson</td>
<td></td>
<td>State Bank of India, Bombay</td>
</tr>
<tr>
<td>1970-1971</td>
<td>S.C. Nagar</td>
<td>Secretary &amp; Treasurer</td>
<td>State Bank of India, Bombay</td>
</tr>
<tr>
<td>1970-1975</td>
<td>N. Ramanand Rao</td>
<td>Custodian</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1970-1975</td>
<td>S. Jagannathan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1970-1976</td>
<td>M.G. Parikh</td>
<td>Chairman</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1971</td>
<td>I. S. Gordon</td>
<td>Chief Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1971-1973</td>
<td>K. Warner</td>
<td>Regional Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1971-1974</td>
<td>H.W. Meserve</td>
<td>Vice-President</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1971-1975</td>
<td>G.W. Will</td>
<td>Chief Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1971-1975</td>
<td>B.N. Adarkar</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
</tbody>
</table>

Towards Professional Excellence in Banking and Finance
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1971-1979</td>
<td>V.M. Bhide</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of Maharashtra</td>
</tr>
<tr>
<td>1971-1983</td>
<td>V.S. Natarajan</td>
<td>Chairman</td>
<td>State Bank of India, Madras</td>
</tr>
<tr>
<td>1972-1985</td>
<td>H.T. Parekh</td>
<td>Chairman</td>
<td>HDFC Ltd.</td>
</tr>
<tr>
<td>1973-1975</td>
<td>H.M. Jackson</td>
<td>General Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1973-1977</td>
<td>P.B. Pickering</td>
<td>Manager</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1973-1978</td>
<td>V.R. Desai</td>
<td>Chairman &amp; Managing Director</td>
<td>United Commercial Bank</td>
</tr>
<tr>
<td>1973-1980</td>
<td>P.F. Gutta</td>
<td>Chairman &amp; Managing Director</td>
<td>Union Bank of India/ Central Bank of India</td>
</tr>
<tr>
<td>1974-1975</td>
<td>V.D. Thakkar</td>
<td>Manager</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1974-1976</td>
<td>J.J. Collins</td>
<td>Manager</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1974-1982</td>
<td>C.E. Kamath</td>
<td>Chairman</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>1975-1977</td>
<td>K.R. Puri</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1975-1978</td>
<td>K. Warner</td>
<td>Regional Manager</td>
<td>National &amp; Grindlays Bank, Bombay</td>
</tr>
<tr>
<td>1975-1980</td>
<td>M. Sunder Ram Shetty</td>
<td>Chairman &amp; Managing Director</td>
<td>Vijaya Bank Ltd.</td>
</tr>
<tr>
<td>1975-1982</td>
<td>V.S. Damle</td>
<td>Chairman</td>
<td>United Western Bank Ltd.</td>
</tr>
<tr>
<td>1975-1985</td>
<td>R.C. Shah</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of Baroda/Export-Import Bank of India</td>
</tr>
<tr>
<td>1976-1977</td>
<td>C.P. Shah</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1976-1978</td>
<td>Allan H. Williams</td>
<td>Vice-President</td>
<td>First National City Bank of Newyork</td>
</tr>
<tr>
<td>1976-1984</td>
<td>N. Vaghul</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1976-1985</td>
<td>B.K. Chatterji</td>
<td>Chief General Manager/Chairman &amp; Managing Director</td>
<td>State Bank of India/United Commercial Bank</td>
</tr>
<tr>
<td>1977</td>
<td>M. Narasimham</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1977-1978</td>
<td>B.K. Vora</td>
<td>Chairman &amp; Managing Director</td>
<td>Dena Bank</td>
</tr>
<tr>
<td>1977-1979</td>
<td>N.H. Green</td>
<td>Chief Manager- India</td>
<td>Chartered Bank</td>
</tr>
<tr>
<td>1977-1980</td>
<td>V.S. Murthy</td>
<td>Professor</td>
<td>Jamnalal Bajaj Institute of Management</td>
</tr>
</tbody>
</table>

- The History of The Indian Institute of Bankers
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1977-1980</td>
<td>O.P. Gupta</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>1977-1981</td>
<td>S. Niyogi</td>
<td>Chairman &amp; Managing Director</td>
<td>United Bank of India</td>
</tr>
<tr>
<td>1977-1982</td>
<td>I.G. Patel</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1977-1983</td>
<td>P.C.D. Nambiar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1978-1981</td>
<td>H.C. Sarkar</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1980</td>
<td>L.A.W. Evans</td>
<td>Regional Director-South Asia</td>
<td>Grindlays Bank Limited</td>
</tr>
<tr>
<td>1980-1983</td>
<td>M.V. Subba Rao</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Bank</td>
</tr>
<tr>
<td>1980-1982</td>
<td>V.S. Vyas</td>
<td>Director</td>
<td>Indian Institute of Management, Ahmedabad</td>
</tr>
<tr>
<td>1980-1982</td>
<td>W.S. Tambe</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1980-1983</td>
<td>R. Raghupathy</td>
<td>Chairman &amp; Managing Director</td>
<td>Syndicate Bank</td>
</tr>
<tr>
<td>1980-1984</td>
<td>P.S. Santhanakrishnan</td>
<td>Managing Director</td>
<td>State Bank of Indore</td>
</tr>
<tr>
<td>1981</td>
<td>S.L. Chopra</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>1981-1982</td>
<td>N.N. Pai</td>
<td>Chairman</td>
<td>Industrial Development Bank of India</td>
</tr>
<tr>
<td>1981-1983</td>
<td>O.S. Reddy</td>
<td>Chairman &amp; Managing Director</td>
<td>Andhra Bank</td>
</tr>
<tr>
<td>1981-1984</td>
<td>Ashok Dayal</td>
<td>Regional Director-South Asia</td>
<td>Grindlays Bank</td>
</tr>
<tr>
<td>1981-1985</td>
<td>B.V. Sonalkar</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1981-1991</td>
<td>R. Srinivasan</td>
<td>Chairman &amp; Managing Director</td>
<td>New Bank of India/</td>
</tr>
<tr>
<td>1981-1993</td>
<td>S.K. Bhattacharyya</td>
<td>Management &amp; Consultant</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1982-1983</td>
<td>M.V. Patwardhan</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of Maharashtra</td>
</tr>
<tr>
<td>1982-1985</td>
<td>Manmohan Singh</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1982-1985</td>
<td>P.D. Ojha</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Designation</td>
<td>Institutional Affiliation</td>
</tr>
<tr>
<td>------------</td>
<td>---------------------</td>
<td>----------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>1983-1984</td>
<td>R.P. Goyal</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1983-1984</td>
<td>R.R. Kumar</td>
<td>Chairman &amp; Managing Director</td>
<td>Union Bank of India</td>
</tr>
<tr>
<td>1983-1984</td>
<td>V.N. Nadkarni</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1983-1985</td>
<td>P.B. Srinivasan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank Ltd.</td>
</tr>
<tr>
<td>1983-1985</td>
<td>M.R.B. Punja</td>
<td>Chairman</td>
<td>Industrial Development Bank of India</td>
</tr>
<tr>
<td>1983-1986</td>
<td>M.G.K. Nair</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Bank, Madras</td>
</tr>
<tr>
<td>1983-1988</td>
<td>R. Bandyopadhyaya</td>
<td>Director</td>
<td>NIBM</td>
</tr>
<tr>
<td>1983-1989</td>
<td>B. Ratnakar</td>
<td>Chairman &amp; Managing Director</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>1984-1985</td>
<td>N.N. Mahajan</td>
<td>Managing Director</td>
<td>State Bank of Hyderabad</td>
</tr>
<tr>
<td>1984-1986</td>
<td>A.S. Puri</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1984-1986</td>
<td>T.Tiwari</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1984-1986</td>
<td>S. Kumarasundaram</td>
<td>Chairman &amp; CEO</td>
<td>Bank of Madura Ltd.</td>
</tr>
<tr>
<td>1984-1988</td>
<td>G.W.W. Cunningham</td>
<td>Director-South Asia</td>
<td>Grindlays Bank</td>
</tr>
<tr>
<td>1984-1992</td>
<td>M.N. Goiporia</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India/State Bank of India</td>
</tr>
<tr>
<td>1985-1989</td>
<td>D.N. Ghosh</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1985-1990</td>
<td>J.S. Varshneya</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>1985-1990</td>
<td>U.K. Sarma</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1985-1990</td>
<td>Y.S. Hegde</td>
<td>Chairman &amp; Managing Director</td>
<td>Corporation Bank</td>
</tr>
<tr>
<td>1985-1991</td>
<td>R.N. Malhotra</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1985-1991</td>
<td>B.K. Ghose</td>
<td>Chairman &amp; Managing Director</td>
<td>Dena Bank</td>
</tr>
<tr>
<td>1985-1993</td>
<td>Kalyan Banerjee</td>
<td>Chairman</td>
<td>Export-Import Bank of India</td>
</tr>
<tr>
<td>1985-1994</td>
<td>V. Mahadevan</td>
<td>Managing Director</td>
<td>State Bank of Indore</td>
</tr>
<tr>
<td>1985-1994</td>
<td>S.S. Nadkarni</td>
<td>Chairman &amp; Managing Director</td>
<td>Industrial Development Bank of India</td>
</tr>
<tr>
<td>1986-1988</td>
<td>C.S. Kalyansundaram</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1986-1988</td>
<td>S. Padraanabhan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank Ltd.</td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Designation</td>
<td>Institutional Affiliation</td>
</tr>
<tr>
<td>--------------</td>
<td>--------------------------</td>
<td>------------------------------</td>
<td>-----------------------------------</td>
</tr>
<tr>
<td>1986-1989</td>
<td>S.V. Shanmuga Vadivelu</td>
<td>Chairman</td>
<td>Bank of Madura Ltd.</td>
</tr>
<tr>
<td>1986-1989</td>
<td>J.S. Bhatnagar</td>
<td>Chairman &amp; Managing Director</td>
<td>Union Bank of India</td>
</tr>
<tr>
<td>1988</td>
<td>C.R. Selby</td>
<td>CEO</td>
<td>HSBC Ltd.</td>
</tr>
<tr>
<td>1988-1989</td>
<td>David Roberts</td>
<td>Vice-president</td>
<td>Citibank</td>
</tr>
<tr>
<td>1988-1991</td>
<td>K. Manmohan</td>
<td>Chairman &amp; Managing Director</td>
<td>UCO Bank</td>
</tr>
<tr>
<td>1988-1993</td>
<td>P.S. Gopalakrishnan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank Ltd.</td>
</tr>
<tr>
<td>1989</td>
<td>Ashok Kumar</td>
<td>Chairman</td>
<td>Jammu &amp; Kashmir Bank</td>
</tr>
<tr>
<td>1989-1990</td>
<td>V. Atal</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1989-1990</td>
<td>M.E. Sterling</td>
<td>Chief-Manager, India</td>
<td>Standard Chartered Bank</td>
</tr>
<tr>
<td>1989-1994</td>
<td>Ramesh Gelli</td>
<td>Chairman &amp; CEO</td>
<td>Vysya Bank Ltd.</td>
</tr>
<tr>
<td>1990-1991</td>
<td>J.P. Kundra</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1990-1992</td>
<td>P.S. Nat</td>
<td>Chief Executive</td>
<td>Standard Chartered Bank</td>
</tr>
<tr>
<td>1990-1992</td>
<td>K.R. Nayak</td>
<td>Chairman &amp; Managing Director</td>
<td>Andhra Bank</td>
</tr>
<tr>
<td>1990-1993</td>
<td>A.C. Shah</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of Baroda</td>
</tr>
<tr>
<td>1990-1993</td>
<td>M.S. Chahal</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab &amp; Sind Bank</td>
</tr>
<tr>
<td>1990-1994</td>
<td>V. Visvanathan</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1991</td>
<td>N.D. Prabhu</td>
<td>Chairman &amp; Managing Director</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>1991</td>
<td>T.K. Sinha</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1991-1992</td>
<td>S. Venkitaramanan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1991-1994</td>
<td>O.P. Chawla</td>
<td>Director</td>
<td>NIBM</td>
</tr>
<tr>
<td>1991-1995</td>
<td>M. Gopalakrishnan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank</td>
</tr>
<tr>
<td>1991-1997</td>
<td>J.V. Shetty</td>
<td>Chairman &amp; Managing Director</td>
<td>United Bank of India</td>
</tr>
<tr>
<td>1991-1999</td>
<td>Rashid Jilani</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
</tbody>
</table>

Towards Professional Excellence in Banking and Finance
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1992-1995</td>
<td>J.Rao</td>
<td>Vice-President &amp; CEO - India</td>
<td>Citibank</td>
</tr>
<tr>
<td>1992-1998</td>
<td>C. Rangarajan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1992-1998</td>
<td>S. Doreswamy</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1993-1994</td>
<td>A.K. Bhattacharyya</td>
<td>Chairman &amp; Managing Director</td>
<td>United Bank of India</td>
</tr>
<tr>
<td>1993-1994</td>
<td>G.S. Dahotre</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of India</td>
</tr>
<tr>
<td>1993-1995</td>
<td>D. Basu</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1993-1996</td>
<td>S.A. Dave</td>
<td>Chairman</td>
<td>Unit Trust of India</td>
</tr>
<tr>
<td>1993-1999</td>
<td>Aran Monappa</td>
<td>Professor</td>
<td>Indian Institute of Management, Ahmedabad</td>
</tr>
<tr>
<td>1993-2000</td>
<td>P.N. Joshi</td>
<td>Chairman</td>
<td>United Western Bank Ltd.</td>
</tr>
<tr>
<td>1994</td>
<td>B. Rai</td>
<td>Chairman &amp; Managing Director</td>
<td>Allahabad Bank</td>
</tr>
<tr>
<td>1994-1995</td>
<td>M.K. Sthna</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1994-1995</td>
<td>A.P. Aiyar</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1994-1995</td>
<td>K. Ramakrishnan</td>
<td>Managing Director</td>
<td>State Bank of Travancore</td>
</tr>
<tr>
<td>1994-1997</td>
<td>B.B. Shetty</td>
<td>Chairman &amp; Managing Director</td>
<td>Vijaya Bank Ltd.</td>
</tr>
<tr>
<td>1994-2001</td>
<td>G.P. Gupta</td>
<td>Chairman</td>
<td>Industrial Development Bank of India</td>
</tr>
<tr>
<td>1995-1997</td>
<td>Deepak Rudra</td>
<td>Chairman &amp; Managing Director</td>
<td>UCO Bank</td>
</tr>
<tr>
<td>1995-1997</td>
<td>M.G. Bhide</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1995-1997</td>
<td>P.G. Kakodkar</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1995-1997</td>
<td>S.P. Talwar</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1995-1998</td>
<td>G.H. Deolalkar</td>
<td>Director</td>
<td>NIBM</td>
</tr>
<tr>
<td>1995-1999</td>
<td>O.P. Setia</td>
<td>Managing Director</td>
<td>State Bank of Bikaner &amp; Jaipur</td>
</tr>
<tr>
<td>1995-2000</td>
<td>A.T. Pannir Selvan</td>
<td>Chairman &amp; Managing Director</td>
<td>Union Bank of India</td>
</tr>
<tr>
<td>1995-2000</td>
<td>K. Kannan</td>
<td>Chairman &amp; Managing Director</td>
<td>Bank of Baroda</td>
</tr>
</tbody>
</table>

- The History of The Indian Institute of Bankers
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1996</td>
<td>B. S. Shenoy</td>
<td>CEO</td>
<td>New India Co-operative Bank Ltd./The Shamrao Vithal Co-operative Bank</td>
</tr>
<tr>
<td>1996-1998</td>
<td>P. Kotaiah</td>
<td>Chairman</td>
<td>NABARD</td>
</tr>
<tr>
<td>1997</td>
<td>Dalbir Singh</td>
<td>Chairman &amp; Managing Director</td>
<td>Central Bank of India</td>
</tr>
<tr>
<td>1997-1998</td>
<td>G. Narayanan</td>
<td>Chairman &amp; Managing Director</td>
<td>Andhra Bank</td>
</tr>
<tr>
<td>1997-1998</td>
<td>K. Subramaniam</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Bank</td>
</tr>
<tr>
<td>1997-1999</td>
<td>M.S. Verma</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1997-1999</td>
<td>T.R. Sridharan</td>
<td>Chairman &amp; Managing Director</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>1997-1999</td>
<td>Jagdish Capoor</td>
<td>Deputy Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1997-1999</td>
<td>Stephen Martin Fish</td>
<td>Chief Executive</td>
<td>Standard Chartered Bank</td>
</tr>
<tr>
<td>1997-2000</td>
<td>S. Srinivasan</td>
<td>Chairman &amp; CEO</td>
<td>Bharat Overseas Bank Ltd.</td>
</tr>
<tr>
<td>1997-2001</td>
<td>B. Choudhury</td>
<td>Chairman &amp; Managing Director</td>
<td>United Bank of India</td>
</tr>
<tr>
<td>1998-1999</td>
<td>M.P. Radhakrishnan</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1998-1999</td>
<td>Bimal Jalan</td>
<td>Governor</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>1998-2000</td>
<td>Ramesh Mishra</td>
<td>Chairman &amp; Managing Director</td>
<td>Dena Bank</td>
</tr>
<tr>
<td>1998-2000</td>
<td>S. Rajagopaluan</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Bank</td>
</tr>
<tr>
<td>1998-2000</td>
<td>G.G. Vaidya</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1998-2001</td>
<td>Ganti Subramaniam</td>
<td>Director</td>
<td>NIBM</td>
</tr>
<tr>
<td>1998-2001</td>
<td>K.V. Krishnamurthy</td>
<td>Chairman &amp; Managing Director</td>
<td>Syndicate Bank/ Bank of India</td>
</tr>
<tr>
<td>1999</td>
<td>V. Leeladhar</td>
<td>Chairman &amp; Managing Director</td>
<td>Vijaya Bank/ Union Bank of India</td>
</tr>
<tr>
<td>1999</td>
<td>Y.C. Nanda</td>
<td>Managing Director</td>
<td>NABARD</td>
</tr>
<tr>
<td>1999</td>
<td>Y.K. Bhushan</td>
<td>Chairman</td>
<td>NMIMS. Bombay</td>
</tr>
<tr>
<td>1999-2000</td>
<td>S.K. Mukherjee</td>
<td>Managing Director</td>
<td>State Bank of Bikaner &amp; Jaipur</td>
</tr>
<tr>
<td>1999-2000</td>
<td>V. Janakiram</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>1999-2001</td>
<td>A. Vasudevan</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2000</td>
<td>S.S. Kohli</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab National Bank</td>
</tr>
<tr>
<td>2000</td>
<td>B. Samal</td>
<td>Chairman &amp; Managing Director</td>
<td>Allahabad Bank</td>
</tr>
</tbody>
</table>

Towards Professional Excellence in Banking and Finance
<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
<th>Institutional Affiliation</th>
</tr>
</thead>
<tbody>
<tr>
<td>2000</td>
<td>B. Vasanthan</td>
<td>Chairman &amp; Managing Director</td>
<td>Andhra Bank</td>
</tr>
<tr>
<td>2000</td>
<td>H.N. Sinor</td>
<td>Managing Director &amp; CEO</td>
<td>ICICI Bank</td>
</tr>
<tr>
<td>2000</td>
<td>Janki Ballabh</td>
<td>Chairman</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>2000</td>
<td>R.H. Sarma</td>
<td>CEO</td>
<td>Indian Institute of Bankers</td>
</tr>
<tr>
<td>2000</td>
<td>S.T. Gadre</td>
<td>Managing Director</td>
<td>United Western Bank</td>
</tr>
<tr>
<td>2000-2001</td>
<td>S.K. Mukerji</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>2000-2001</td>
<td>M.G. Srivastava</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2000-2001</td>
<td>R.J. Kamath</td>
<td>Chairman &amp; Managing Director</td>
<td>Canara Bank</td>
</tr>
<tr>
<td>2000-2001</td>
<td>S. Srinivasan</td>
<td>Managing Director</td>
<td>State Bank of Indore</td>
</tr>
<tr>
<td>2001</td>
<td>K. Cherian Varghese</td>
<td>Chairman &amp; Managing Director</td>
<td>Corporation Bank</td>
</tr>
<tr>
<td>2001</td>
<td>N.S. Gujral</td>
<td>Chairman &amp; Managing Director</td>
<td>Punjab &amp; Sind Bank</td>
</tr>
<tr>
<td>2001</td>
<td>S.C. Gupta</td>
<td>Chairman &amp; Managing Director</td>
<td>Indian Overseas Bank</td>
</tr>
<tr>
<td>2001</td>
<td>Mohamad Tahir</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2001</td>
<td>P.P. Vora</td>
<td>Chairman &amp; Managing Director</td>
<td>IDBI</td>
</tr>
<tr>
<td>2001</td>
<td>K.L. Khetarpaul</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2001</td>
<td>P.N. Venkatchalam</td>
<td>Managing Director</td>
<td>State Bank of Travancore</td>
</tr>
<tr>
<td>2001</td>
<td>Y. Radhakrishnan</td>
<td>Managing Director</td>
<td>State Bank of India</td>
</tr>
<tr>
<td>2001</td>
<td>S.K. Chakraborti</td>
<td>Chairman &amp; Managing Director (Acting)</td>
<td>IDBI</td>
</tr>
<tr>
<td>2001</td>
<td>S.L. Parmar</td>
<td>Executive Director</td>
<td>Reserve Bank of India</td>
</tr>
<tr>
<td>2002</td>
<td>Romesh Sobti</td>
<td>Country Representative India</td>
<td>ABN AMRO Bank</td>
</tr>
</tbody>
</table>

- The History of The Indian Institute of Bankers
Annexure 6

SECRETARIES OF THE INSTITUTE

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Designation</th>
</tr>
</thead>
<tbody>
<tr>
<td>1928</td>
<td>K.G.J. Headington</td>
<td>Hon. Secretary</td>
</tr>
<tr>
<td>1928-1929</td>
<td>W.H. Whittington</td>
<td>Jt. Hon. Secretary</td>
</tr>
<tr>
<td>1929</td>
<td>R.W.E. Craddock</td>
<td>Jt. Hon. Secretary</td>
</tr>
<tr>
<td>1928-1945</td>
<td>J.P. Teasdale</td>
<td>Jt. Hon. Secretary</td>
</tr>
<tr>
<td>1929-1930</td>
<td>H. Hinchcliffe</td>
<td>Jt. Hon. Secretary</td>
</tr>
<tr>
<td>1930-1931</td>
<td>W.P. Griffith</td>
<td>Jt. Hon. Secretary</td>
</tr>
<tr>
<td>1931</td>
<td>S.V. Srinivasan</td>
<td>Hon. Secretary</td>
</tr>
<tr>
<td>1931-1962</td>
<td>A.J. Doctor</td>
<td>Hon. Secretary</td>
</tr>
<tr>
<td>1931-1935</td>
<td>A.F.M. Mungall</td>
<td>Hon. Secretary</td>
</tr>
<tr>
<td>1962-1966</td>
<td>J.D. Sundram</td>
<td>Full-time Secretary</td>
</tr>
<tr>
<td>1966-1968</td>
<td>S.N. Sengupta</td>
<td>Full-time Secretary</td>
</tr>
<tr>
<td>1968-1974</td>
<td>S.N. Sengupta</td>
<td>Chief Secretary</td>
</tr>
<tr>
<td>1974-1977</td>
<td>M.L. Gogtay</td>
<td>Chief Secretary</td>
</tr>
<tr>
<td>1977-1978</td>
<td>T.D. Katara</td>
<td>Chief Secretary</td>
</tr>
<tr>
<td>1978-1995</td>
<td>R.D. Pandya</td>
<td>Chief Secretary</td>
</tr>
<tr>
<td>1995-1998</td>
<td>R.H. Sarma</td>
<td>Chief Secretary</td>
</tr>
<tr>
<td>1998</td>
<td>R.H. Sarma</td>
<td>Chief Executive Officer</td>
</tr>
</tbody>
</table>
Annexure 7

ORGANISATIONAL STRUCTURE OF THE INDIAN INSTITUTE OF BANKERS

GOVERNING COUNCIL

COMMITTEES

CHIEF EXECUTIVE OFFICER

DEPUTY CHIEF EXECUTIVE OFFICER

DIRECTOR (ACADEMIC AFFAIRS)

DIRECTOR (EXAMINATION)

DIRECTOR (ADMINISTRATION)

JT. DIRECTOR (CORPORATE PLANNING DIVISION)

JT. DIRECTOR (TECHNOLOGY)

JT. DIRECTOR (ACCOUNTS & FINANCE)

JT. DIRECTOR (ACADEMIC)

DY. DIRECTOR COMPANY SECRETARY

DY. DIRECTOR WESTERN ZONE MUMBAI

DY. DIRECTOR EASTERN ZONE KOLKATA

DY. DIRECTOR NORTHERN ZONE DELHI

DY. DIRECTOR SOUTHERN ZONE CHENNAI

SUB-CENTRES (130)

- The History of The Indian Institute of Bankers
Annexure 8

LOCAL CENTRES OF THE INDIAN INSTITUTE OF BANKERS

North Zone

1. Ambala Cantt
2. Faridabad
3. Hissar
4. Rohtak
5. Jammu
6. Srinagar
7. Bhatinda
8. Jullandhar
9. Patiala
10. Agra
11. Allahabad
12. Bareily
13. Dehradun
14. Faizabad
15. Gorakhpur
16. Kanpur
17. Lucknow
18. Meerut
19. Muzaffarnagar
20. Varanasi
21. Chandigarh

West Zone

1. Ahmedabad
2. Baroda
3. Rajkot
4. Panaji
5. Bhopal
6. Indore
7. Jabalpur
8. Raipur
9. Bilaspur
10. Bilai
11. Ahmednagar
12. Aurangabad
13. Jalgaon
14. Nagpur
15. Pune
16. Ratnagiri
17. Alwar
18. Bikaner
19. Churu
20. Hanumangarh
21. Jaipur
22. Jaisalmer
23. Jodhpur
24. Kotah
25. Sriganganagar
26. Udaipur

East Zone

1. Asansol
2. Berhampore
3. Berhampur
4. Bhubaneswar
5. Burdwan
6. Cuttack
7. Guwahati
8. Jorhat
9. Midnapore
10. Patna
11. Rourkela
12. Serampore
13. Silchar
14. Siliguri

- The History of The Indian Institute of Bankers
<table>
<thead>
<tr>
<th>South Zone</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>5. Trivandrum</td>
<td>32. Quilon</td>
<td>32. Quilon</td>
</tr>
<tr>
<td>7. Vellore</td>
<td>34. Salem</td>
<td>34. Salem</td>
</tr>
<tr>
<td>8. Vizianagaram</td>
<td>35. Secunderabad</td>
<td>35. Secunderab</td>
</tr>
<tr>
<td>10. Vizianagaram</td>
<td>37. Thanjavur</td>
<td>37. Thanjavur</td>
</tr>
<tr>
<td>11. Vellore</td>
<td>38. Thiruvalla</td>
<td>38. Thiruvalla</td>
</tr>
<tr>
<td>13. Kollam</td>
<td>40. Tirunelveli</td>
<td>40. Tirunelveli</td>
</tr>
<tr>
<td>14. Udupi</td>
<td>41. Tirupur</td>
<td>41. Tirupur</td>
</tr>
<tr>
<td>15. Trichur</td>
<td>42. Trichur</td>
<td>42. Trichur</td>
</tr>
<tr>
<td>16. Trivandrum</td>
<td>43. Trivandrum</td>
<td>43. Trivandrum</td>
</tr>
<tr>
<td>17. Tuticorin</td>
<td>44. Tuticorin</td>
<td>44. Tuticorin</td>
</tr>
<tr>
<td>18. Vellore</td>
<td>45. Udupi</td>
<td>45. Udupi</td>
</tr>
<tr>
<td>20. Vellore</td>
<td>47. Vellore</td>
<td>47. Vellore</td>
</tr>
<tr>
<td>22. Virudhunagar</td>
<td>49. Virudhunagar</td>
<td>49. Virudhunagar</td>
</tr>
<tr>
<td>23. Vishakapatnam</td>
<td>50. Vishakapatnam</td>
<td>50. Vishakapatnam</td>
</tr>
<tr>
<td>25. Kattapanna</td>
<td>52. Kattapanna</td>
<td>52. Kattapanna</td>
</tr>
<tr>
<td>27. Mahe</td>
<td>54. Mahe</td>
<td>54. Mahe</td>
</tr>
</tbody>
</table>
# Annexure 9

**AWARDEES OF THE LORD ALDINGTON BANKING RESEARCH FELLOWSHIP**

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Subject of Study</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>Suresh Kumar</td>
<td>Economics of Foreign Branches of Indian Banks</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1979</td>
<td>R. Krishnamurthy</td>
<td>Euro Currency Loans</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1980</td>
<td>R.D. Umrootkar</td>
<td>Developments of Exchange Markets in India</td>
</tr>
<tr>
<td></td>
<td>Chartered Bank</td>
<td></td>
</tr>
<tr>
<td>1981</td>
<td>The Fellowship</td>
<td>The Fellowship was withheld in 1981 as no candidate was found suitable</td>
</tr>
<tr>
<td></td>
<td>was withheld in 1981</td>
<td></td>
</tr>
<tr>
<td></td>
<td>as no candidate was</td>
<td></td>
</tr>
<tr>
<td></td>
<td>found suitable</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>S. Krishna Kumar</td>
<td>Export Strategies for Eighties</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1982</td>
<td>S.B. Kucheria</td>
<td>Banking and Economic Growth</td>
</tr>
<tr>
<td></td>
<td>State Bank of Saurashtra</td>
<td></td>
</tr>
<tr>
<td>1983</td>
<td>Madan Goyal</td>
<td>Banking in Eighties - Key issue Challenges and Strategic Planning</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1984</td>
<td>S. Sridhar</td>
<td>Industrial Development : Role of Leasing</td>
</tr>
<tr>
<td></td>
<td>Exim Bank</td>
<td></td>
</tr>
<tr>
<td>1985</td>
<td>Surjeet Kumar</td>
<td>Marketing in Banks</td>
</tr>
<tr>
<td></td>
<td>Indian Overseas Bank</td>
<td></td>
</tr>
<tr>
<td>1986</td>
<td>Prabhakar Kaza</td>
<td>Fraud control - A System Approach</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1987</td>
<td>Vaijayanti Mauskar</td>
<td>A Framework for Strategic Management of Computerisation in Banks</td>
</tr>
<tr>
<td></td>
<td>Bank of India</td>
<td></td>
</tr>
<tr>
<td>1988</td>
<td>V.K. Sharma</td>
<td>The Scope of Recent Financial Innovations in External Reserves and Management</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>A.K. Sengupta</td>
<td>Launching Factoring Services in India</td>
</tr>
<tr>
<td></td>
<td>NIBM</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>S.K. Chakraborti</td>
<td>Changing Regulatory Environment for Indian Banks Operating in the UK - Need for Creative Adaptation</td>
</tr>
<tr>
<td></td>
<td>Bank of Baroda</td>
<td></td>
</tr>
<tr>
<td>Year</td>
<td>Name</td>
<td>Subject of Study</td>
</tr>
<tr>
<td>------</td>
<td>-----------------------</td>
<td>----------------------------------------------------------------------------------</td>
</tr>
<tr>
<td>1991</td>
<td>Harish V. Bhinde</td>
<td>Strategic Re-orientation of International Operations of Indian Banks in Creative Response to New Global Challenges</td>
</tr>
<tr>
<td></td>
<td>Bank of India</td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>Fellowship was not</td>
<td></td>
</tr>
<tr>
<td></td>
<td>awarded due to changes</td>
<td></td>
</tr>
<tr>
<td></td>
<td>proposed by ANZ</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Grindlays Bank.</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>Manjit Singh</td>
<td>Securities and Control in Automated Environment</td>
</tr>
<tr>
<td></td>
<td>Punjab &amp; Sind Bank</td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>M.M. Sathye</td>
<td>Lending Costs: Margins and Financial Viability in Rural Lending Institutions</td>
</tr>
<tr>
<td></td>
<td>BIRD, NABARD</td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>A.P. Varada Rao</td>
<td>Promoting Forfeiting as Alternate Means of Export Credit</td>
</tr>
<tr>
<td></td>
<td>STC, Syndicate Bank</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>P.K. Krishnamurthy</td>
<td>Evolving a Framework for Asset Liability Management</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
</tbody>
</table>
### Annexure 10

**AWARDEES OF THE DIAMOND JUBILEE OVERSEAS BANKING RESEARCH FELLOWSHIP**

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Subject of Study</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Exim Bank</td>
<td></td>
</tr>
<tr>
<td>1989</td>
<td>C. Radbarkrishnan</td>
<td>Strategic adoption of Technology for the Indian Banking system</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1990</td>
<td>Gade Shriram</td>
<td>US commercial paper</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1991</td>
<td>J.K. Sinha</td>
<td>Study of international gold market with reference to a domestic potential Case study of USA.</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>1992</td>
<td>Narayanaswami Murugan</td>
<td>Effectiveness, security, controls and audit of computer systems in Banking</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1993</td>
<td>Manas Ranjan Das</td>
<td>Bank failures and role of deposit insurance - the USA experience.</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1994</td>
<td>Srinibas Swain</td>
<td>Financial options market in the USA</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1995</td>
<td>G. Mahalingam</td>
<td>Evolving regulatory framework for Derivatives</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>1996</td>
<td>Abhaya Prasad Hota</td>
<td>Real time gross settlement (RTGS) payment systems</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>1997</td>
<td>Rabi Narayan Mishra</td>
<td>Product innovation in Indian financial market with special reference to assets securitisation.</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>1998</td>
<td>S. Sasikala</td>
<td>Financial Derivatives - A study of risk management and controls</td>
</tr>
<tr>
<td></td>
<td>State Bank of India</td>
<td></td>
</tr>
<tr>
<td>1999</td>
<td>K. Balu</td>
<td>Infrastructure Financing by Indian Banks and Financial Institutions -strategy, risk and regulations</td>
</tr>
<tr>
<td></td>
<td>Reserve Bank of India</td>
<td></td>
</tr>
<tr>
<td>2000</td>
<td>Uma Ramaseshan</td>
<td>Internet Banking - A new paradigm.</td>
</tr>
<tr>
<td></td>
<td>United Bank of India</td>
<td></td>
</tr>
<tr>
<td>2001</td>
<td>H.S. Srinivasan</td>
<td>The emerging role of banks in E-commerce</td>
</tr>
<tr>
<td></td>
<td>Corporation Bank</td>
<td></td>
</tr>
</tbody>
</table>
## Annexure 11

**SPEAKERS AT THE SIR PURSHOTAMDAS THAKURDAS ANNUAL MEMORIAL LECTURE.**

<table>
<thead>
<tr>
<th>Year</th>
<th>Name</th>
<th>Topic</th>
</tr>
</thead>
<tbody>
<tr>
<td>1981</td>
<td>L.K. Jha</td>
<td>Supply-side Economics</td>
</tr>
<tr>
<td>1982</td>
<td>K.N. Raj</td>
<td>The Global Slump and ‘Rules of the Game’</td>
</tr>
<tr>
<td>1983</td>
<td>Dragoslav Arvamovic</td>
<td>International Financial Co-operation: Problems and Prospects</td>
</tr>
<tr>
<td>1984</td>
<td>Amiya Kumar Bagchi</td>
<td>The Economics of Business and Business of Economics</td>
</tr>
<tr>
<td>1985</td>
<td>Alexandre Lamfalussy</td>
<td>Structural Changes in International Financial Markets</td>
</tr>
<tr>
<td>1986</td>
<td>Sukhamoy Chakravarty</td>
<td>Report of the Committee to review the working of the Monetary System &amp; Re-examination</td>
</tr>
<tr>
<td>1987</td>
<td>Jagdish Bhagwati</td>
<td>Indian Economic Performance and Policy Design</td>
</tr>
<tr>
<td>1988</td>
<td>A.M. Khusro</td>
<td>Management of Indian Economy-Macro-economic and Sectoral Policies</td>
</tr>
<tr>
<td>1989</td>
<td>M.S. Gore</td>
<td>India and the Concept of Nation State</td>
</tr>
<tr>
<td>1990</td>
<td>A. Vaidyanathan</td>
<td>Cottage and Small Industries in India - Policy &amp; Performance</td>
</tr>
<tr>
<td>1991</td>
<td>M. Narasimham</td>
<td>Financial Sector Reforms</td>
</tr>
<tr>
<td>1993</td>
<td>I.G. Patel</td>
<td>Some Reflections of the Financial Liberalisation</td>
</tr>
<tr>
<td>1994</td>
<td>Arjun Sengupta</td>
<td>The Financial Sector and Reforms in India</td>
</tr>
<tr>
<td>1995</td>
<td>Shanker Acharya</td>
<td>The Economic Consequences of Economic Reforms</td>
</tr>
<tr>
<td>1996</td>
<td>Parthasarathi Shome</td>
<td>Fiscal Policy in 1990s: Needed Reforms and Ramification for the Financial Sector</td>
</tr>
<tr>
<td>1998</td>
<td>S.S. Tarapore</td>
<td>Need for Second Generation Banking Sector Reforms</td>
</tr>
<tr>
<td>1999</td>
<td>R.A. Mashelkar</td>
<td>Resurgence of Innovative India: The Challenges &amp; Strategy</td>
</tr>
<tr>
<td>2000</td>
<td>C. Rangarajan</td>
<td>Capital Flows : Another Look</td>
</tr>
<tr>
<td>2001</td>
<td>P. Chidambaram</td>
<td>Economic Reforms - Reappraising the past: lessons for the future</td>
</tr>
</tbody>
</table>

Towards Professional Excellence in Banking and Finance
### Annexure 12

**BANK EDUCATIONISTS CONFERENCE**

<table>
<thead>
<tr>
<th>Theme</th>
<th>Date</th>
<th>Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>Evolving Syllabus for Associate Examinations</td>
<td>October 5, 1996</td>
<td>Ahmedabad</td>
</tr>
<tr>
<td>Challenges and opportunities in a fast changing banking scenario</td>
<td>August 18-20, 1997</td>
<td>Chennai</td>
</tr>
<tr>
<td>Strategies for keeping pace with changing times and meeting challenges</td>
<td>September 23, 1998</td>
<td>Mumbai</td>
</tr>
<tr>
<td>Banking in high-tech environment and the role of IIB, HRD wings &amp; training colleges</td>
<td>March 6-7, 2000</td>
<td>Hyderabad</td>
</tr>
<tr>
<td>National Seminar on HRD in Finance Sector</td>
<td>October 5-6, 2001</td>
<td>Bangalore</td>
</tr>
</tbody>
</table>
Select Bibliography


Bhargava. Brijkishore, Indigenous Banking in Ancient and Medieval India, Taraporevala Sons & Co., Bombay (No date)

Da Costa,. E. P. W., Reserve Bank of India, Fifty Years 1935-85, Reserve Bank of India, Bombay, 1985


