A Monthly Newsletter of Indian Institute of Banking & Finance (Rs. 40/- per annum)

(ISO 9001 : 2008 CERTIFIED ORGANISATION)

Committed to professional excellence

IIBF VISION

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Top Stories

Basel-III Norms & Indian Banks - New Capital Requirements announced by RBI

Regulatory capital : The new matrix as % to RWAs - Risk Weighted Assets as per the existing norms, the total minimum capital ratio is 9%, comprising Tier-I and Tier-II capital.

i. Minimum common equity Tier-I ratio : 5.5
ii. Capital conservation buffer (comprising common equity) : 2.5
iii. Minimum common equity Tier-I ratio plus capital conservation buffer [(i)+(ii)] : 8
iv. Additional Tier-I capital : 1.5
v. Minimum Tier-I capital ratio [(i)+(iv)] : 7
vi. Tier-II capital : 2
vii. Minimum Total Capital ratio (MTC) [(v)+(vi)] : 9
viii. Minimum total capital ratio plus capital conservation buffer [(vii)+(ii)] : 11.5

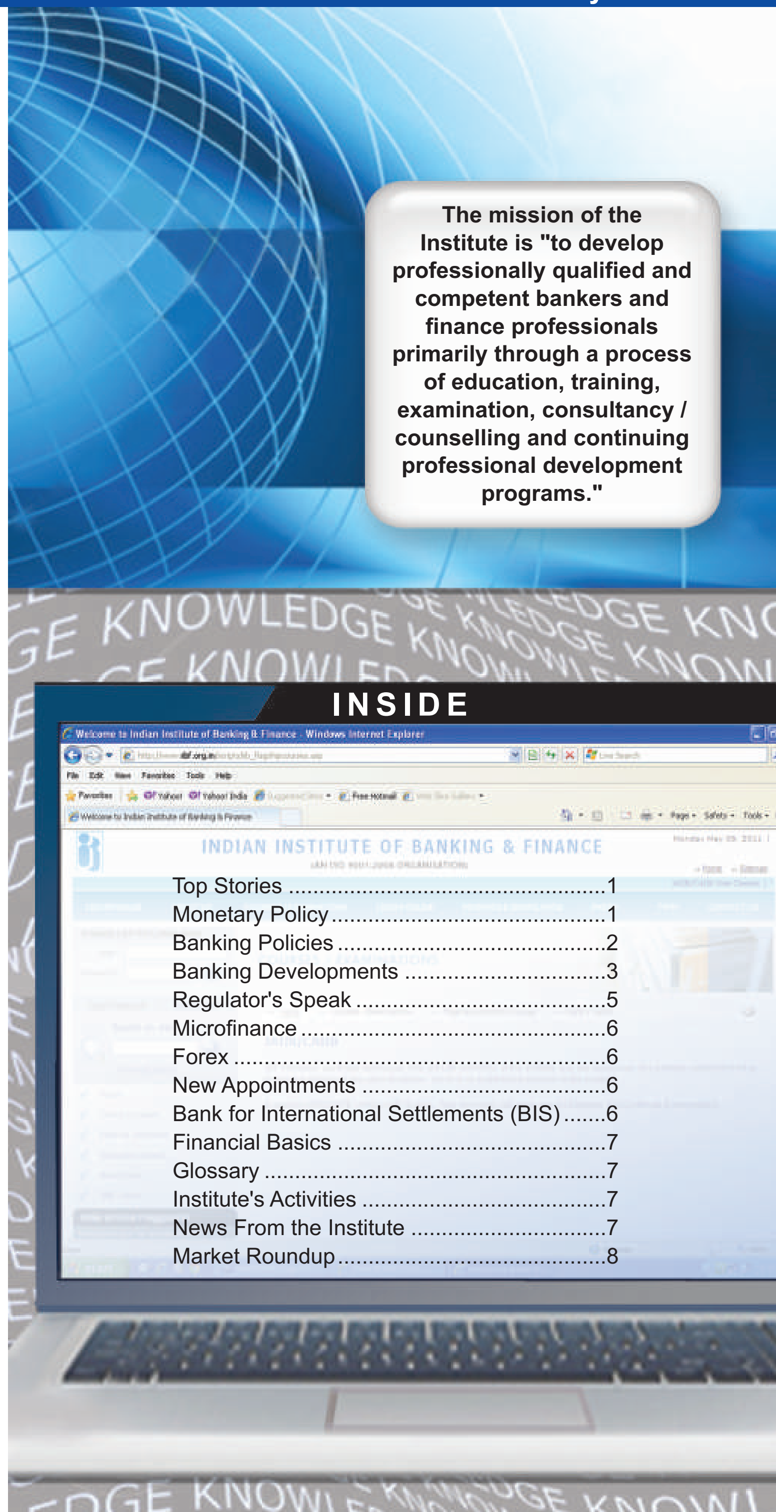
1st Quarter Monetary Policy Review : 17th April 2012

Policy Measures :

- Reduction in the repo rate under Liquidity Adjustment Facility (LAF) by 50 bps i.e. from 8.5 to 8.0%
- The reverse repo rate under the Liquidity Adjustment Facility (LAF) calibrated to 7.0%.
- The Marginal Standing Facility (MSF) rate stands adjusted to 9.0%.
- The borrowing limit of Scheduled Commercial Banks (SCBs) under the Marginal Standing Facility (MSF) raised from 1% to 2% of their Net Demand Time Liabilities (NDTL).
- GDP growth for the current year is 7.3%.

Monetary and Liquidity conditions

- Consistent with growth and inflation projections, M3 growth for 2012-13 is projected at 15%. To balance the



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

INSIDE

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resource requirements of the private and public sector, growth in non-food credit of SCBs is projected at 17%.

- In order to redress liquidity deficit, RBI injected liquidity of around ₹1.3 trillion through Open Market Operations (OMOs) and ₹0.8 trillion through reduction in the Cash Reserve Ratio (CRR) by 125 bps. Due to these measures and the easing of government's cash balances, the net borrowing under the Liquidity Adjustment Facility (LAF), which peaked at ₹2 trillion at end-March 2012, declined to ₹0.7 trillion on April 13, 2012.

Developmental and Regulatory Policies

- In order to proliferate banking services, it is proposed to mandate State Level Bankers' Committees (SLBCs) to prepare roadmaps covering all unbanked villages of population of less than 2,000 and notionally allot these villages to banks for providing banking services in a time bound manner.
- Banks should reduce their regulatory exposure ceiling to a single NBFC having gold loans up to 50% or more of its total financial assets, from the existing 10% to 7.5% of bank's capital funds. RBI has constituted a Working Group to undertake a detailed study of gold demand, trends in gold prices and lending by NBFCs against gold.
- On Basel-III, final guidelines on the implementation of capital regulations will be issued by end-April 2012 and those on liquidity risk management and liquidity standards by end-May 2012.

Currency Management

- With a view to address the issue of counterfeit notes in circulation, banks are advised to ensure that notes received over the counters are re-circulated only after duly authenticating them through machines. Given the extended geographical spread of bank branch network and leveraging on technology, the distribution of currency and coins will be done only through currency chests and bank branches.

Banking Policies

RBI cuts bidding time for government debt auctions

W.e.f. April 13, RBI has reduced the bidding time for competitive bids for government debt auctions by 30 minutes, to improve the efficiency of the auction process. The revised timings will now be between 10.30 am and 12 pm. Timing for non-competitive bidding remains unchanged at 10.30 am to 11.30 am. The timings will be applicable for primary auctions of all G-secs, including dated securities, treasury bills, cash management bills, state development loans and underwriting auctions.

RBI fixes ₹50,000-cr ceiling for MSS outstanding

RBI has fixed the ceiling for outstanding balance under the Market Stabilisation Scheme (MSS) for 2012-13 at ₹50,000 crore. It will be reviewed when the outstanding balance reaches the threshold limit of ₹35,000 crore. The current MSS outstanding balance is nil. RBI uses the MSS to withdraw money from the system on a short-term basis.

No prior permission for FCA

As per RBI's latest directive, domestic companies may now open, hold and maintain Foreign Currency Account (FCA) for overseas direct investments sans prior regulatory approval. RBI has stated that remittances sent to FCA by the Indian party should be utilized for making overseas direct investments into the joint venture / wholly-owned subsidiary.

Banks told to work out policy on lending against gold

The Finance Ministry has asked all PSBs to devise a policy for lending against the security of gold. Banks are soon expected to establish a policy for using gold as a security for giving term loans and overdraft accounts 'asap'.

RBI abolishes foreclosure fee on prepayment of home loan

As per the Damodaran Committee's recommendations on Customer Service in banks, RBI has abolished foreclosure charges, levied by banks on prepayment of home loans with floating interest rates. These charges were resented by home loan borrowers, especially since banks are hesitant in passing on the benefits of lower interest rates to the existing borrowers in a falling interest rate scenario. Also, foreclosure charges were restrictive because they deterred borrowers from switching over to cheaper available sources. Removal of these charges is expected to reduce the discrimination between existing and new borrowers.

NBFC norms by June-end

Draft guidelines on the regulatory framework for NBFCs - based on the recommendations of the Usha Thorat Working Group - will be issued by June-end. The Committee had recommended higher risk weights for exposure to sensitive sectors; an increase in minimum Tier-I capital to 12% to be achieved in 3 years; and liquidity requirements, asset classification and provisioning norms similar to those for banks. NBFCs that follow the 180-day classification norm for standard assets may have to shift to 90 days.

'Ways and Means Advances' to States pegged at ₹10,240 crore

For 2012-13, RBI has pegged the aggregate normal 'Ways and Means Advances' (WMA) limit for State governments at ₹10,240 crore. RBI provides WMA facility to States banking with itself, to help them to tide over temporary mismatches in the cash flow of receipts and payments. A State entrusts its banking business viz. payments, receipts, collection, remittance of money, management of public debt and issue of new loans to RBI via a voluntary agreement.

RBI to SLBCs : 'Plan roadmap for unbanked villages'

RBI has mandated State-Level Banking Committees (SLBCs) to prepare a roadmap to cover all unbanked villages of population less than 2,000 and notionally allot these villages to banks for providing banking services in a time-bound manner. The monetary policy statement for 2012-13 notes an increase in the penetration of banks in rural areas. Banks are now providing banking services in rural areas through 1,38,502 outlets. This includes 24,085 rural branches, 1,11,948 business correspondent outlets and 2,469 outlets through other modes. Banks have also been advised that the financial inclusion plans prepared by head offices are disaggregated at the respective controlling offices and further at the branch levels.

RBI to banks : Accept electronic mode for loan repayment

RBI has advised all banks to allow their customers to use the National Electronic Funds Transfer (NEFT) facility for repaying loans. This directive follows some complaints from customers regarding non-acceptance of NEFT for credit to loan accounts, thereby causing inconvenience to them.

Banking Developments

Nationalised banks to expedite corporate loan processing

Indian companies can hope for faster decisions on their loan proposals submitted to nationalised banks. Nationalised banks have set up Credit Approval Committees (CACs) at their respective head-offices to expedite decisions on such proposals. In the case of Category 'A' banks with business of ₹3-lakh crore or more, the CAC is empowered to take decisions on loan proposals up to ₹400 crore. In the case of Category 'B' banks, with business less than ₹3-lakh crore, the CAC can decide on loan proposals up to ₹250 crore. Resultantly, meritorious proposals can now expect decisions even in a day or two *vis-à-vis* the earlier month-long wait.

BCs serving other banks' customer will help expand financial inclusion

RBI's move to allow Business Correspondents (BCs) of one bank to serve customers of other banks has been welcomed and hailed as beneficial to customers, banks and the BCs themselves. Mr. Ajai Kumar, CMD, Corporation Bank says that the move would provide alternative channels for no-frill account holders to access basic banking services and would also help customers when they visit any place beyond their place of residence.

Strengthen recovery mechanism for NBFCs

To strengthen the NBFC sector, the advisory group under the chairmanship of Mr. Alok Nigam, Joint Secretary (Banking Operations), has suggested that NBFCs should be allowed to recover bad loans in line with banks by bringing them under the 'Recovery of Debts Due to Banks (RDDB) Act'. The committee is strongly urging the Finance Ministry to consider this suggestion.

Banks' daily borrowing from RBI down by half

Banks' daily borrowing from RBI on 4th April' 2012 fell by almost half from previous day's level to ₹83,795 crore. Banks borrowed ₹1.38 lakh crore from RBI's repo window on the 3rd April, much above the central bank's indicated level of comfort of 1% plus or minus NDTL. Banks borrowed ₹35,500 crore in the five days repo auction on the 4th April. The borrowing from the Liquidity Adjustment Facility (LAF) window of RBI rose to a historic high of ₹1.95 lakh crore on March 26.

Non-food credit increases deposit growth sluggish

Non-food credit in the fortnight to March 23, 2012 rose 16.8% y-o-y, taking outstanding credit to ₹45,30,326 crore. In the previous fortnight, loans to corporates and individuals had grown at 16.1% y-o-y. However, deposits have been sluggish, increasing by just 13.4% y-o-y. The year to date credit growth has been 16.9% - a little better than RBI projection of 16% for 2011-12. Indeed, banks seem somewhat risk averse in the light of a slowing economy and increasing NPAs.

PSBs can't invest in JVs, non-core ops without approval

The Finance Ministry has barred PSBs from investing in Joint Ventures (JVs) and non-core activities on the ground that capital should only be deployed in 'core' activities. Banks will now need the FM's prior approval before engaging in non-core activities such as investment in JVs, funds and subsidiaries. Government nominees on bank boards have also been asked not to pass resolutions to that effect. The government had decided to infuse Tier-I capital in the banks on the condition that loans would be extended to the productive sectors of the economy i.e. the banks' core activity. It expects banks to appreciate that the scarce capital be used strictly for the purpose for which it has been provided.

Bond yields rise as RBI rate cut impact fades

Yields have been falling in anticipation of monetary easing from RBI hitting their lowest in a month on 17th April 2012 when the central bank delivered a bigger-than-expected 50 bps cut. However, traders don't expect the rally in Indian debt prices to continue (at least in the short-term) because RBI plans to sell a hefty 3.7 billion rupees in bonds from April to September, with a sale of 160 billion planned for 20th April 2012. The yield on the benchmark 10-year bond settled up 2 bps to 8.36% after falling to 8.30% in early trade. The front loading of the cuts in the repo rate also indicates fewer such easing moves in the months ahead.

Higher provisioning for banks mooted

RBI has proposed dynamic provisioning for banks at higher provisioning during economic upturn to use during a slowdown when there is high pressure on loan losses. Efforts are being made to introduce counter-cyclical capital and provisioning buffers to address pro-cyclicality of capital and provisioning, after the financial crisis. A discussion paper on counter-cyclical provisioning framework with parameters calibrated based on credit history of Indian banks is also being prepared.

Decline in bank deposit

For the year ended March 2012, banks added ₹6.95 lakh crore to their deposit base, a decline from the figure of ₹7.15 lakh crore garnered in 2010-11. The shortfall in fresh mobilisation also resulted in the growth rate declining from 16% in 2010-11 to a little over 13% in the fiscal year just gone by. The decline has occurred despite a trend of rising interest rates that began in late 2010-11 and being sustained through 2011-12.

RBI faces a tight window

By cutting the repo rate by 50 bps and CRR by 125 bps, RBI has done all it can for the time-being, especially given the fiscal condition and pace of regulatory reforms. Recognising that growth is weak, RBI has stressed on demand revival through policy, possibly through measures to boost consumer and business confidence. RBI wants to go slow, especially because inflation has moderated; but could become sticky with high oil prices, large suppressed inflation, pass-through from a weaker rupee, impact of tax hikes in the Budget, continued wage pressures, and structural impediments to supply. The saving grace is the pricing power of companies which wanes as demand softens.

RBI debt purchases to offer temporary relief

RBI's efforts to ease a prolonged cash strain through debt purchases will only offer temporary relief to bonds and swap markets, given the heavy supply of debt waiting to be sold in coming months. Analysts say that RBI will use OMOs as just opportunistic liquidity tools, making them unlikely as a springboard for a rally in bond prices. “Such episodes may still be liquidity driven” opines Mr. A. Prasanna, Economist, ICICI Securities Primary Dealership. The tumbling rupee could also dampen the impact of OMOs from RBI. The currency has gone down more than 4% this month - forcing the central bank to sell $19.86 billion worth of dollars from September to January to protect it.

Banks can lend more to housing finance NGOs

Commercial banks can now lend more to NGOs providing housing-finance for slum dwellers. RBI has raised exposure limits for banks to these NGOs to ₹10 lakh, provided they on-lend for the specific purposes. Pursuant to the announcement made in the Union Budget for the year 2012-13, the limit has been increased from ₹5 lakh to ₹10 lakh for bank loans extended to NGOs, approved by NHB for their refinance, for on-lending for the purpose of construction / reconstruction of individual dwelling units or for slum clearance and rehabilitation of slum dwellers.”

Loan Deposit Ratio may tie RBI hands on rates

Loan-to-deposit ratio of Indian banks touched a new high of 76.65% in early March - indicating resource pressure in the system and forcing many banks to raise interest rates on deposits. Put simply, banks are lending from other resources than deposits. Given that for every ₹100 they raise as deposits, they have to park ₹5.50 as cash reserves requirements with RBI and another ₹24 in government bonds, they are left with only ₹69.50 to lend. Thus, at the systemic level, banks could be using their reserves and surplus to lend. Moreover, they have already invested almost 5% extra in government bonds. The average loan-to-deposit ratio has remained above 70% for more than 2 years amid tight systemic liquidity, prompting many large lenders to raise deposit rates. Banks are raising funds through issue of short-term instruments such as Commercial Papers (CPs), Certificates of Deposits (CDs) and bulk deposits. Tight liquidity is also a pointer to the resource pressure in the system.

Spanish banks' borrowing almost doubles in March

Spanish banks borrowed €316.3 billion from the European Central Bank (ECB) in March - almost double than a month earlier as banks subscribed to the ECB's special liquidity line. Spain's banks have leaned heavily on the ECB's 3-year liquidity offers, both in December and in February as tough funding conditions amid market tensions forced financials to depend on the central bank rather than wholesale markets. Total net borrowing was €227.6 billion in March compared with €152.4 billion in February.

Policy uncertainty hurt FDI flows in FY11

In 2010-11, Foreign Direct Investment (FDI) flows fell to $20.3 billion from $27.1 billion a year ago due to policy uncertainty. A comparison of FDI flows to India *vis-à-vis* the showed investments tracked the potential level till 2009-10, before falling by about 25% during 2010-11. Growth prospects, labour costs and policy environment have significantly impacted the FDI flows. The global FDI flows to emerging market economies recovered in FY11, but those to India remained sluggish, despite relatively better domestic economic performance ahead of a global recovery.

IIP growth falls to 4.1% in February

India's Industrial Production (IIP) rose less than expected in February while January numbers were revised sharply downwards - indicating that the $1.6-trillion economy was struggling to gain momentum but raising the probability that RBI would cut policy rates for the first time in 3 years. Industrial output expanded 4.1% in February as compared to the year-ago period, the highest since November but well short of the 6.6% median estimate. The government sprung a surprise as factory output growth for January was revised down to 1.1% from 6.8% estimated initially.

Govt. mulls closing loss-making bank, insurance companies branches

Financial Services Secretary Mr. D. K. Mittal opines that the government should consider closing down loss-making branches of banks and insurance companies, to optimise returns on capital employed in PSBs. The NPAs of banks have risen to ₹1.27 lakh crore till December 2011. Of this, the PSBs' gross bad loans jumped over 51% to a hefty ₹1.03 lakh crore in 2011. The gross NPAs of PSBs have increased from ₹68,597.09 crore at December 2010 end, to ₹103,891.27 crore as on December 2011.

Bank deposits, loan growth fall after year-end rush

The sharp year-end increase in deposits and advances of SCBs reversed to some extent in the first week of April month revealing the artificial boost given to meet annual targets. Bank deposits that had risen by ₹2 lakh crore towards the end of March dropped by about ₹17,000 crore, dragging the annual rate of growth from 17% to 14% in the first week of the new financial year. Similarly, annual credit growth was down from 19.3% to 18.73% within a week.

Regulator's Speak...

GST can tame price rise

RBI, which has been battling inflation for past two years, feels that the introduction of the Goods and Services Tax (GST) can help contain price rise. "The GST will be a critical reform in terms of catalysing growth, as it will help contain government finances and ease off demand pressures that have been contributing to inflation consistently" said Dr. Subir Gokarn, Deputy Governor, RBI. He added, "The GST can create the space for interest rates to come down and contribute to growth momentum. Since there can be no trade off between high inflation and high growth rate, dealing with prices is important to re-create high growth and a sustained low inflation is a pre-condition for high growth."

Financial inclusion should be a bank-led model

Banks are now in a better position *vis-à-vis* other entities to lead the financial inclusion goal in India, though mobile companies have been allowed to partner them. Dr. K. C. Chakrabarty, Deputy Governor, RBI says that "the goal of financial inclusion is better served through mainstream banking institutions as only they have the ability to offer the suite of products that effectuate meaningful financial inclusion." Under the 3-year financial inclusion drive, banks have covered all villages with population more than 2,000 by March 2012 and are working towards reaching out to all villages in a time-bound manner.

Stressed assets require better management

RBI has asked banks to improve their ability to manage stressed assets, but says that there is nothing alarming about an unexpected rise in the NPA levels this fiscal. "Concerns (on NPA) are there. We have told banks to improve their information system. But the situation is not alarming as such" says Dr. K. C. Chakrabarty, Deputy Governor, RBI. The total NPAs in the system are set to top 3% of the total assets this fiscal, against a 2.3% last fiscal at ₹98,000 crore. But what's worrying the regulator is the over 300% spike in corporate debt recast this fiscal, which has already touched ₹76,251 crore against ₹25,054 crore in the previous fiscal. This makes the overall CDR asset in the system to over ₹1.9 lakh crore.

Probability of rate hike remains

Close on the heels of announcing the annual credit policy, Dr. D. Subbarao, Governor, RBI has said that any future hike or scaling down in interest rates will depend on inflation. The overall inflation for March eased to 6.89%, lower than RBI's projection of 7%. Dr. Subbarao had said that "a reduction in the interest rate was based on an assessment of growth having slowed and a moderation in core inflation. Upside risks to inflation persist. These considerations inherently limit the space for further reduction in policy rates."

Microfinance

Use local language for agreement

RBI wants Micro-Finance Institutions (MFIs) to have their loan agreements cleared by their boards, preferably in the local language.

Most microfin firms' loan revamp plans fail bank scrutiny

4 out of the 5 microfinance institutions, which opted for loan recast, have failed to convince banks to admit their proposals in the Corporate Debt Restructuring (CDR) cell. These 4 microfinance companies together have around ₹175-200 crore outstanding loans with banks. According to current norms, to admit a loan restructuring plan in the CDR cell, at least 60% of the creditors by number and 75% of the lenders by value have to approve the package. However, only 69.5% of their lenders by value had agreed. Thus they did not get the required consensus.

Forex

Benchmark Rates for FCNR(B) Deposits applicable for the month of May 2012					
LIBOR / SWAP For FCNR(B) Deposits					
	LIBOR	SWAPS			
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	1.04720	0.559	0.673	0.884	1.106
GBP	1.86275	1.3790	1.4680	1.5770	1.7040
EUR	1.29750	0.952	1.070	1.247	1.446
JPY	0.55229	0.348	0.355	0.383	0.430
CAD	2.05000	1.691	1.813	1.920	2.027
AUD	4.95000	3.698	3.763	3.988	4.093
CHF	0.39283	0.220	0.270	0.365	0.490
DKK	1.57800	1.0700	1.1880	1.3530	1.5560
NZD	3.54600	2.813	2.993	3.218	3.445
SEK	2.82700	2.030	2.065	2.126	2.197

Source : FEDAI

Foreign Exchange Reserves		
Item	As on April 20, 2012	
	₹Bn.	US$ Mn.
	1	2
Total Reserves	15296.6	294602.9
(a) Foreign Currency Assets	13531.3	260218.3
(b) Gold	1382.5	27023.1
(c) SDRs	231.8	4457.2
(d) Reserve Position in the IMF	151.0	2904.3

Source : RBI

Forex cover to external debt at multi-year low

India's forex reserves as a proportion of external debt are increasingly shrinking. Reserves are used to meet the debt obligations. The forex reserves, which just about covered all of India's external debt as of March 2011, now covers only around 88.5% (as on December 2011). While the forex reserves declined by 3% in the nine months till December, what India owes the world increased by 9.4%. In the growing pie of external debt, the borrowers are increasingly going for short-term debt. Due to RBI's support to the rupee, the widening current account deficit and the increased debt outgo, the import cover of the forex reserves too is on a decline.

New Appointments

- Shri. Achal Kumar Gupta has been appointed as the Managing Director of State Bank of Patiala.
- Mr. Stuart Milne has been appointed as the Chief Executive Officer of HSBC India.
- Mr. Ashok Kumar Roy has been appointed as Chairman and Managing Director of General Insurance Company.
- Mr. P.S. Reddy has been appointed as the MD and CEO of Central Depository Services Ltd.

Bank for International Settlements (Continued...)

Continuing with our efforts to provide further details on Core Principles of Banking Supervision of BIS, we take you deep into the BIS thinking. This helps the readers to understand the logic that BIS employs to safeguard the banking system from serious financial upheavals.

(Continued from past issues)

General approach

The first Core Principle sets out the promotion of safety and soundness of banks and the banking system as the primary objective for banking supervision. Jurisdictions may assign other responsibilities to the banking supervisor provided they do not conflict with this primary objective 6. It should not be an objective of banking supervision to prevent bank failures. However, supervision should aim to reduce the probability and impact of a bank failure, including by working with resolution authorities, so that when failure occurs, it is in an orderly manner.

To fulfill their purpose, the Core Principles must be capable of application to a wide range of jurisdictions whose banking sectors will inevitably include a broad spectrum of banks (from large internationally active banks to small, non-complex deposit-taking institutions). Banking systems may also offer a wide range of products or services and the Core Principles are aligned with the general aim of catering to different financial needs. To accommodate this breadth of application, a proportionate approach is adopted, both in terms of the expectations on supervisors for the discharge of their own functions and in terms of the standards that supervisors impose on banks. Consequently, the Core Principles acknowledge that supervisors typically use a risk-based approach in which more time and resources are devoted to larger, more complex or riskier banks. In the context of the standards imposed by supervisors on banks, the proportionality concept is reflected in those Principles focused on supervisors' assessment of banks' risk management, where the Principles prescribe a level of supervisory expectation commensurate with a bank's risk profile 7 and systemic importance 8.

It should be borne in mind that successive revisions to standards and guidance issued by the Committee will be designed to strengthen the regulatory regime. Supervisors are encouraged to move towards the adoption of updated international supervisory standards as they are issued.

(Source :BIS)

Financial Basics

Variable Overhead

The indirect costs of operating a business that fluctuate somewhat with the level of business activity, but are incurred even if business activity is minimal. While most overhead costs such as rent, salaries and insurance are typically fixed, overhead costs that increase with higher business activity and decrease with lower business activity are termed as variable overhead. These usually consist of indirect material, indirect labor and other costs that cannot be directly allocated to a specific product, such as expenses for utilities and equipment maintenance.

Glossary

Corporate Debt Restructuring

The reorganization of a company's outstanding obligations, often achieved by reducing the burden of the debts on the company by decreasing the rates paid and increasing the time the company has to pay the obligation back. This allows a company to increase its ability to meet the obligations. Also, some of the debt may be waived by creditors in exchange for an equity position in the company.

Institute's Activities

Training Activities at Leadership Centre, IIBF, Kurla

Program Calendar for the Month of May and June 2012

Sr. No.	Program	Date	Venue
1.	Seminar on Customer Service	18th May, 2012	Chandigarh
2.	Train the Trainers Program on “Financial Inclusion”	3rd to 5th May, 2012	Leadership Centre, IIBF, Mumbai
3	Master Trainers Training Program	21st to 25th May, 2012	Leadership Centre, IIBF, Mumbai
4	Credit Appraisal	28th May to 1st June, 2012	Leadership Centre, IIBF, Mumbai
5	Leadership Development Program	14th to 16th June, 2012	Leadership Centre, IIBF, Mumbai

Past Programmes held at Leadership Centre

Sr. No.	Program	Date	No. of Participants
1.	Train the Trainers Program on “Financial Inclusion”	3rd May to 5th May, 2012	19
2.	Leadership Development Program	26th April to 28th April, 2012	27
3.	Master Trainers Training Program	23rd April to 27th April, 2012	33
4.	Seminar on Corporate Social Responsibility	21st April, 2012	16
5.	Seminar on IT & Cyber Security	17th April, 2012	25

News From the Institute

Web-classes and E-Learning for JAIIB / DB&F and CAIIB

The Institute has opened the web classes and E-learning for all the candidates of JAIIB / DB&F and CAIIB. For details visit www.iibf.org.in.

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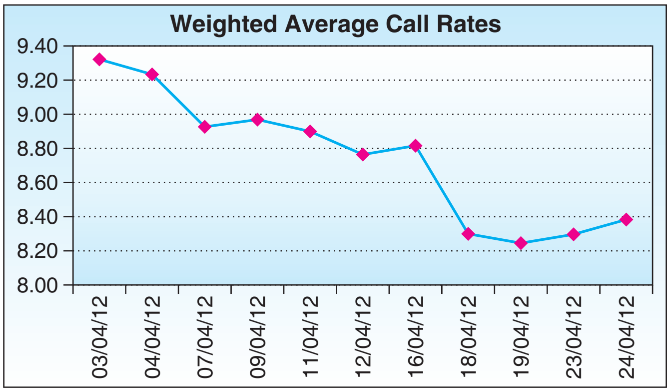
Mock test for JAIIB / DB&F and CAIIB

The Institute has opened mock test for all the candidates of JAIIB / DB&F and CAIIB. For details visit www.iibf.org.in.

Additional Reading Material for IIBF examinations

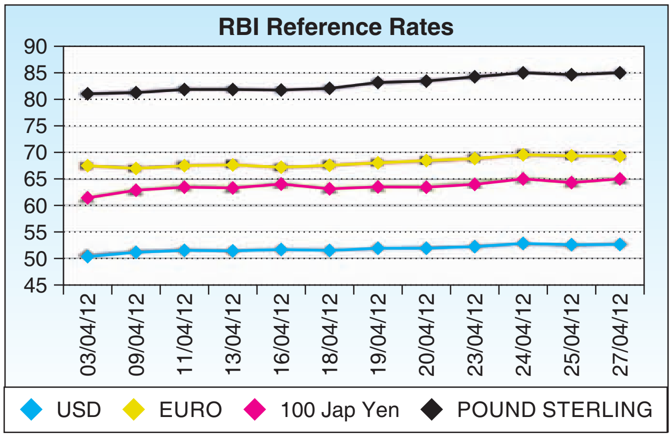
The Institute has put in its portal additional reading material for candidates taking various examinations culled out from the Master Circulars of RBI (For details visit www.iibf.org.in)

Market Roundup



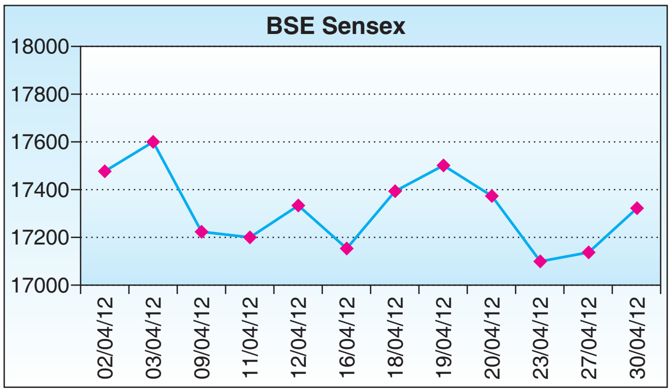
Source : CCIL Newsletter, April 2012

- The overnight call money rate, after end of financial year 2011-12 dived to end at 8.8%. It moved in a range of 9.5% and 8.5%.
- The call market on 10th fell back slightly to conclude at 8.75% from 8.80% before moving in a range of 9.10% and 8.75%.
- Interbank call rate rose to 8.35 / 8.40% on 24th still above the new repo rate of 8%.
- Interbank call rate stayed perched at 8.35 / 8.40% as the liquidity deficit remained high amidst continued heavy debt supply.



Source : Reserve Bank of India (RBI)

- Rupee to trade on the range of 50.40-51.20 against the dollar during the week in the absence of any major negative news, according to a report on 2nd by experts.
- The Rupee on 9th recovered most of its early losses, but still ended 3 paise down at 51.14 / 15 against the US currency due to late dollar selling by exporters.
- The Rupee slid to a near three-month low on 10th weighed by dollar demand by oil importers.
- The Rupee fell on 12th erasing earlier gains, weighed by dollar demand from local oil refiners and on continued concerns over foreign portfolio flows.
- During the month, Rupee generally depreciated against major currencies, by 4.18% against US Dollar, by 2.77% against EUR, by 5.76% against JPY and by 5.02% against GBP.



Source : Reserve Bank of India (RBI)

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