



Committed to professional excellence

IIBF VISION

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VISION

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

MISSION

To develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy / counselling and continuing professional development programs.



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TOP STORIES**RBI to release ₹100 notes in lavender**

The RBI will soon release a new Rs.100 note. The lavender-coloured notes will have the motif of 'Rani Ki Vav' – an intricately constructed step-well which is also a UNESCO World Heritage site. For the visually impaired, the new notes will have intaglio of Mahatma Gandhi's portrait, Ashoka Pillar emblem, raised triangular identification mark with micro-text 100, and four angular bleed lines both on the right and left sides.

IBBI issues revised insolvency regulations

The Insolvency and Bankruptcy Board of India (IBBI) has issued revised norms to the Corporate Insolvency Resolution Process (CIRP) regulations, paving the way for home-buyers to seek relief as financial creditors and allowing conditional withdrawal of insolvency applications, among other key changes. The new mechanism provides that for every class of creditors having at least ten creditors in the class, the interim resolution professional will have to offer a choice of three insolvency professionals in the public announcement to act as the authorized representative of creditors in each class.

IBBI insists on independence of resolution professionals

The Insolvency and Bankruptcy Board of India (IBBI) has directed Insolvency Professional Entities (IPEs) to refrain from joining any panel of any market participant. IBBI has reiterated the position of law that an IPE cannot provide any service to any person. They can only provide support services to the insolvency professionals who are its partners or directors.

Angel funds need to disclose about investment, material changes

SEBI has mandated Angel Funds to disclose details related to investment, venture capital undertakings and 'material changes, within 10 days of launching a scheme. The term sheet has three categories *viz.* information related to investment and investee company; compliance with SEBI's AIF regulation; and 'material changes'.

Overseas investment limit of AIFs, VCFs hiked

SEBI has increased the overseas investment limit of alternative investment funds (AIFs) and venture capital funds (VCFs) to \$750 million, from the current \$500 million. AIFs and VCFs will have to mandatorily disclose the utilization of such limits on SEBI's intermediary portal, within five working days of the usage.

Banking Policies**RBI revises short sale norms in secondary market for G-Secs**

The RBI has revised norms on short sale in the secondary market for government securities (G-secs). The 'short sale' was introduced in February 2006 to provide participants with a tool to express two-way view on interest rates and thereby enhance price discovery.

As per the revised norms, any other regulated entity which has the approval of regulators, including SEBI and IRDAI, will be considered an eligible entity to undertake short sales. The maximum amount of a security that can be short sold are: Liquid securities - 2% of the total outstanding stock of each security, or ₹500 crores (whichever is higher), and, other securities - 1% of the total outstanding stock of each security, or, ₹250 crores (whichever is higher).

Banking Developments

RBI asks banks to upgrade their ATMs

Reserve Bank of India (RBI) has asked banks to upgrade old operating systems (Windows XP and prior) of their ATMs by June 2019 and implement anti-skimming solutions by March 2019.

RBI to banks: Ensure equitable credit to minorities

RBI has directed banks to ensure that minorities in 121 identified districts receive a fair and equitable portion of credit within the overall target of the priority sector lending (PSL). Government has listed 121 minority concentration districts having at least 25% minority population, excluding those States/UTs where minorities are in majority (Jammu and Kashmir, Punjab, Meghalaya, Mizoram, Nagaland and Lakshadweep). Sikhs, Muslims, Christians, Zoroastrians, Buddhists and Jains have been notified as minority communities.



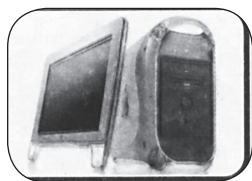
Insurance

No vehicle insurance without PUC certificate: IRDAI

Acting tough on those violating emission norms, IRDAI has directed all general insurance companies to not insure any vehicle without a valid Pollution Under Control (PUC) certificate. The IRDAI's move follows the Supreme Court's verdict given in the MC Mehta Vs Union of India and Others case in August 2017, which had directed insurers to not insure a vehicle unless it has a valid PUC certificate on the policy renewal date. The policy renewal is done on a yearly basis.

New Appointments

Name	Designation/Organization
Mr. Arijit Basu	Managing Director of State Bank of India (SBI)
Ms. T. Latha	Managing Director & CEO of Dhanlaxmi Bank
Mr. Vinod Yennemadi	New Board of Director of SVC Co-operative Bank



Products & Alliances

Organization	Organization tied up with	Purpose
ICICI Bank	Australia's Westpac Banking (Westpac)	To facilitate online fee payments by Indian students-
Bank of Baroda	South Korea's KB Financial Group	To develop an innovative payments business, which may include insurance of new branded cards-
Export-Import Bank of Korea (K-EXIM)	SBI Capital Markets (SBICAP)	To establish a line of credit of up to \$1.5 billion from K-EXIM to Indian lenders-

Forex

Foreign Exchange Reserves		
Item	As on July 27, 2018	
	₹ Bn.	US\$ Mn.
	1	2
1 Total Reserves	27,753.5	4,04,192.5
1.1 Foreign Currency Assets	26,027.9	3,79,037.1
1.2 Gold	1,453.9	21,201.0
1.3 SDRs	101.7	1,479.9
1.4 Reserve Position in the IMF	170.0	2,474.5

Source: Reserve Bank of India

Benchmark Rates for FCNR(B) Deposits applicable for August 2018					
Base Rates for FCNR(B) Deposits					
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	2.67500	2.87600	2.91980	2.94340	2.95420
GBP	0.93450	1.1339	1.2420	1.3302	1.3999
EUR	-0.23380	-0.140	0.038	0.193	0.338
JPY	0.04130	0.063	0.074	0.095	0.121
CAD	2.27000	2.387	2.478	2.536	2.575
AUD	2.03750	2.126	2.209	2.449	2.540
CHF	-0.61000	-0.503	-0.338	-0.187	-0.049
DKK	-0.11520	-0.0101	0.1509	0.3227	0.4795
NZD	2.03300	2.153	2.294	2.433	2.566
SEK	-0.28000	-0.078	0.135	0.345	0.543
SGD	1.76400	1.961	2.074	2.160	2.235
HKD	2.24000	2.470	2.590	2.670	2.720
MYR	3.72000	3.720	3.760	3.810	3.850

Source: www.fedai.org.in

Glossary

Alternative Investment Fund (AIF)

Alternative investment funds (AIFs) are defined in Regulation 2(1) (b) of Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. It refers to any privately pooled investment fund, (whether from Indian or foreign sources), in the form of a trust or a company or a body corporate or a Limited Liability Partnership (LLP). Hence, in India, AIFs are private funds which are otherwise not coming under the jurisdiction of any regulatory agency in India

Financial Basics

Swap Ratio

Swap ratio is the ratio at which an acquiring company will offer its own shares in exchange for the target company's shares during a merger or acquisition.

This is calculated by the valuation of various assets and liabilities of the merging companies. The ratio, when calculated, states the rate at which the target company's shareholders will receive acquiring company shares of stock for every one share of target company stock they currently hold.

Institute's Training Activities

Training Programme for the month of August/September 2018

Programme	Dates	Location
Post Examination Training For Certified Treasury Professionals	24 th to 26 th August, 2018	Mumbai
Post Examination Class room Training Certified Credit Professionals	23 rd to 25 th August 2018	
Post Examination Training For Certified Bank Trainer Course	3 rd to 7 th September, 2018	
Training Programme For Law Officers	27 th to 29 th August, 2018	
Post Examination Class room Training Certified Credit Professionals	16 th to 18 th August 2018	New Delhi
Post Examination Class room Training Certified Credit Professionals	30 th August to 1 st September 2018	Hyderabad

News from the Institute

Annual General Meeting, 2018

The 91st Annual General Meeting of the Institute was held on Saturday, 21st July 2018 at 4.00 P.M. at the Institute's Corporate Office, Mumbai.

R. K. Talwar Memorial Lecture

The 9th R. K. Talwar Memorial Lecture was held on 8th August 2018 at SBI Auditorium, Mumbai. The Lecture was delivered by Dr. Bibek Debroy, Chairman, Economic Advisory Council to the Prime Minister and Member NITI Aayog, Government of India. The topic of the Lecture was "The Reform Agenda".

Change in Rule for Collecting Examination Fees

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

International Conference on ‘Banking: Stepping into the next decade’

The Institute has completed 90 years of dedicated service to the banking industry in 2018 and to commemorate this occasion, the Institute is organizing an *International Conference on ‘Banking: Stepping into the next decade’* on 25th September 2018 at Hotel Trident, Bandra-Kurla Complex, Mumbai.

Capacity Building in banks

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

- Treasury Management: Dealers, Mid-office Operations.
- Risk Management: Credit Risk, Market Risk, Operational Risk, Enterprise-Wide Risk, Information Security, Liquidity Risk.
- Accounting – Preparation of financial results, Audit function
- Credit Management: Credit appraisal, Rating, Monitoring, Credit Administration.

Subsequently on the direction of RBI, IBA had constituted an Expert Group for identifying suitable institutions and courses that can provide the necessary certifications. IIBF has introduced a course on Accounting and Audit. The first exam on the subject was held on 15th July 2018. With this the Institute has courses on all the above four areas.

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

The courses offered by the Institute in the areas of Treasury Operations, Risk Management, Credit Management and Accounting and Audit are blended in nature with an online examination followed by training for such of those candidates who have successfully cleared the online examination. Please visit the website www.iibf.org.in for examination registration and more details.

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

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

Virtual Classroom Solution

The Institute has acquired a software for conducting training through the Virtual Classroom mode. This will enable the Institute to disseminate the training inputs to a larger audience without diluting quality. Virtual training for Certificate in Risk in Financial Services, Certified Treasury Professional and Accounting & Audit have also been

introduced. For more details, please visit our website www.iibf.org.in.

Mock Test facility for Examinations

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

Video Lectures now available on YouTube

The facility of video lectures, offered by the Institute for 3 compulsory papers of JAIIB and 2 compulsory papers of CAIIB, will be available on the Institute's official YouTube Channel. The link to the same is <https://www.youtube.com/channel/UCjfflKtvEh8yLb3vwxosGow/playlists>

Examination at Institute's own Test centres at Mumbai & Kolkata

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

Bank Quest Theme for upcoming issue

The themes for next issues of "Bank Quest" are identified as:

- Banking: Stepping into the next decade – July – September 2018
- Micro Research Papers 2018: October – December, 2018
- Mutual Funds: January – March, 2019
- Ethics & Corporate Governance in Banks: April – June, 2019
- Emerging technological changes in Banking: July – September, 2019

Cut-off date of guidelines /important developments for examinations

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

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

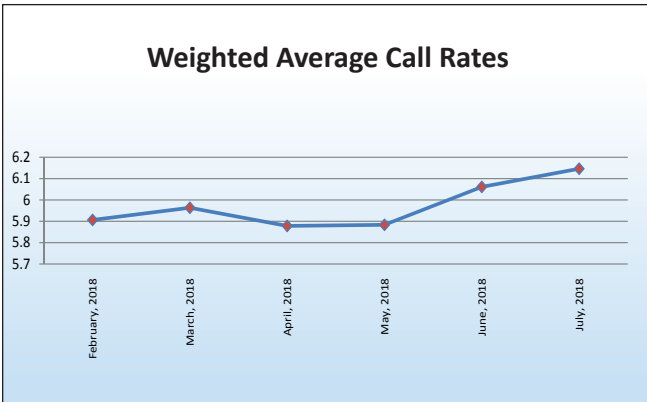
(ii) In respect of the exams to be conducted by the Institute for the period from August 2018 to January 2019, instructions/guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June, 2018 will only be considered for the purpose of inclusion in the question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

Green Initiative

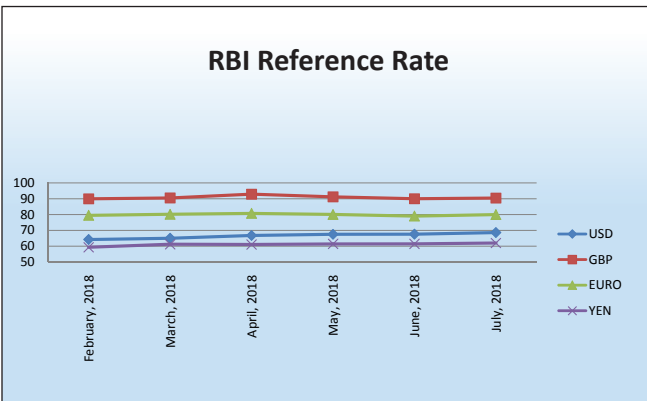
Members are requested to update their e-mail address with the Institute and send their consent to receive the Annual Report via e-mail.

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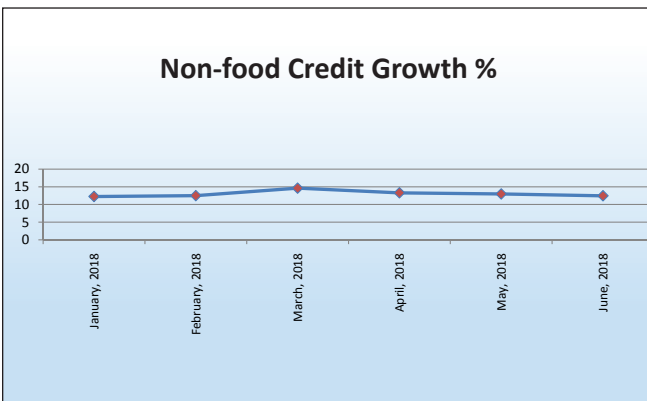
Market Roundup



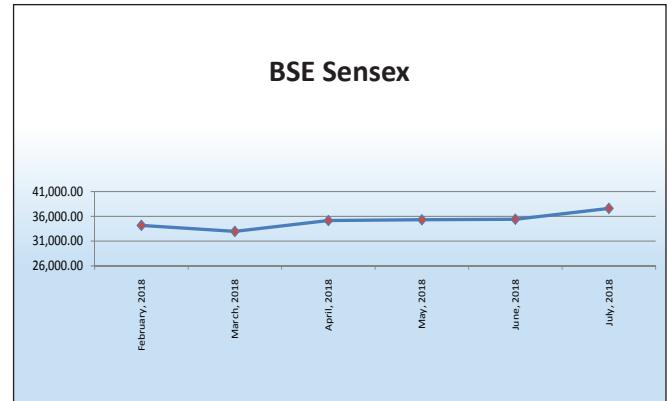
Source: CCIL Newsletter July 2018



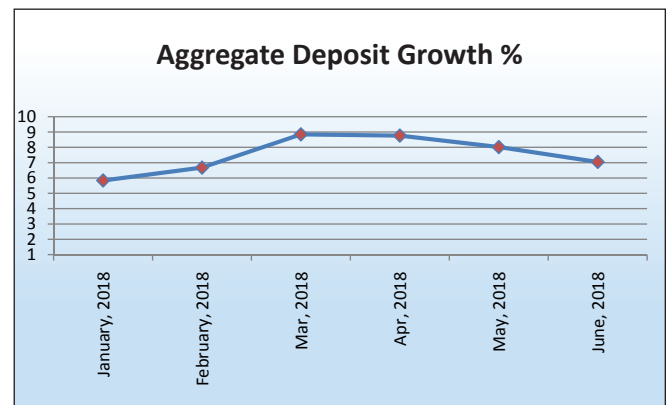
Source: Reserve Bank of India (RBI)



Source: Monthly Review of Economy, CCIL, July 2018



Source: Bombay Stock Exchange (BSE)



Source: Monthly Review of Economy, CCIL, July 2018

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