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

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Committed to professional excellence

IIBF VISION

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Monetary Policy 2013-14 - 3rd May 2013 - Highlights

- Reduction in the policy repo rate under the Liquidity Adjustment Facility (LAF) by 25 basis points from 7.5 per cent to 7.25 per cent.
- The reverse repo rate under the LAF, determined with a spread of 100 basis points below the repo rate, gets calibrated to 6.25 per cent.
- The Marginal Standing Facility (MSF) rate, determined with a spread of 100 basis points above the repo rate, and also the Bank Rate, stand adjusted to 8.25 per cent

Monetary & Liquidity conditions

- Consistent with the growth projections and Reserve Bank's inflation tolerance threshold, M_3 growth for 2013-14 is projected at 13 per cent for policy purposes. Consequently, aggregate deposits of Scheduled Commercial Banks (SCBs) are projected to grow by 14 per cent. Keeping in view the resource requirements of the private sector, the growth in non-food credit of SCBs is projected at 15 per cent.
- Liquidity remained under pressure throughout last year because of persistently high government cash balances with Reserve Bank, and elevated incremental credit to deposit ratio for much of the year. In order to alleviate liquidity pressures, last year, Reserve Bank lowered the Cash Reserve Ratio (CRR) cumulatively by 75 bps on three occasions and the Statutory Liquidity Ratio (SLR) by 100 bps. In addition, the Reserve Bank injected liquidity to the tune of ₹1.5 trillion through Open Market Operations (OMO). The net injection of liquidity under the LAF peaked at ₹1.8 trillion on March 28, 2013 reflecting the year-end demand. However, it reversed sharply to ₹800 billion by end-April 2013.
- Reserve Bank will endeavour to actively and appropriately manage liquidity to ensure adequate credit flow to the productive sectors of the economy and to reinforce monetary transmission consistent with the growth-inflation balance.

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

Banking Policies

RBI simplifies rules for foreign investment in debt

From April 1 onwards, RBI has merged the debt limit available for overseas investors into two broad categories viz. government debt and corporate debt. Foreign investors can invest up to $25 billion in government bonds, including both long and short-term debt such as treasury bills. Previously, there had been investment restrictions on T-bills of up to $10 billion. The cap on corporate bonds stays put at $51 billion, but separate limits on different types of investors and corporate such as infrastructure have been removed.

RBI defers Basel - III norms for forex derivatives

RBI has postponed the implementation of Basel-III regulations for the currency derivatives segment to next January, pending resolution of norms regarding trade settlement. In view of this postponement, all instructions applicable as on January 1, except those relating to the Credit Valuation Adjustment (CVA) risk capital charge for OTC derivatives, would become effective from April 1, with banks disclosing Basel-III capital ratios from the quarter ending June 30, 2013.

Fine of ₹1 crore for Banks violating every single norm

RBI will now be able to penalise banks to the tune of ₹1 crore (as against the earlier ₹ 5 lakh) if they breach a single norm. If more than one norm is breached, then the fine will be multiples of ₹1 crore. The new norm came into effect after Section 46 of the Banking Regulation Act was amended in the winter session of Parliament. However, the new penalty will only be charged if a norm is found to have been violated after amendment was notified. It will not be applicable in retrospective.

RBI unlikely to relax NBFCs' asset-classification criteria

In its final guidelines for NBFCs that would be released soon, RBI is likely to retain its stand on the asset-classification criteria and capital adequacy requirement for NBFCs. The draft guidelines for NBFCs that were released on January had proposed that loans must be classified as NPAs when a principal or interest instalment is overdue for 90 days (as against the current 180 days).

Banking Developments

₹1,000 crore bad debt to ARCs

Lenders sold less than ₹1,000 crore of bad loans to Asset Reconstruction Companies (ARCs), against a target of ₹4,500 crore, before March 31, 2013. The lack of enthusiasm among ARCs will force banks to carry over ₹3,500 crore worth of NPA on their books as they enter the new financial year.While selling the ₹4,500 crore worth of bad loans was part of an annual exercise by bankers to clean up their balance sheets in the last quarter, the market has seen a higher number of loans up for sale this year. In the previous financial year, banks had put up only about ₹3,500 crore worth of bad loans on sale during the January-March quarter.

Caution on gold loan firms, but no liquidity risks

With more and more loans turning non-productive, banks are becoming cautious on exposure to gold finance companies. They have sought data from these companies on loss absorption capacity in case of a fall in gold prices and higher defaults. Senior bank officials opine that the drop in gold prices and increase in delinquencies would not impact the liquidity; however, some gold loan companies might take a hit on their profits.

Lending likely to outpace deposit growth this fiscal

Even as banks are likely to meet RBI's deposit and credit growth projections for 2012-13 fiscal, bankers and analysts see muted growth in FY14. For FY13, RBI's growth projections for deposits and credit were 15% and 16% respectively. Credit and deposit growth for FY14 is likely to be 16-17% and 14-15% respectively. In FY13, banks shied away from aggressive lending due to concerns over asset quality. A rise in NPAs, delay in NPAs, delay in project implementation and inability to raise equity amid an overall slowdown in the economy impacted credit demand in the banking system. “However, with a pick-up in loans to retail and small & medium sector enterprises, the credit growth is likely to meet RBI's growth expectations. Similarly, a rise in savings deposits by year-end will also help match the growth projections”, says Mr. K. Subrahmanyam, Executive Director, Union Bank of India.

Banks seek first right over defaulting borrowers' assets

Rising bad loans have prompted banks to seek amendments to recovery laws. They want priority over Central and State tax authorities in pressing their claims on defaulting borrowers' collateral. In this regard, banks have moved the Government seeking amendments to the two recovery laws - the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act (SARFAESI Act), 2002, and the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 (RDDB Act). According to Mr. M. R. Umarji, Chief Legal Advisor, Indian Banks' Association (IBA), "promoters' of business create assets-plant and machinery, land and building - from loans given by banks and financial institutions. So, the lenders are justified in getting priority when it comes to recovery of dues from defaulting borrowers. Amendments to the two recovery laws will solve the problem of risk aversion that has set in among lenders due to rising bad loans."

New Financial Code

The new financial code drafted by the B. N. Srikrishna Commission proposes to empower the central government to change the meaning of the terms "financial products" and "financial services". This will help the Centre rein in illegal investment schemes that seek to escape regulation through gaps and loop holes in the legal framework. Many of these are Ponzi schemes that pay off old investors from the money brought in by new ones, without any real economic activity. Several such schemes, including those based on plantations, emus and Nidhi companies have imploded in the past, leading to serious losses to investors. A Ponzi typically unravels when the flow of new money is cut off. The new code proposes to end this menace. Once a product is classified as a "financial product", the instrument or facility would be required to get registered under the relevant laws and follow the prudential and consumer-protection norms prescribed in the code.

Manufacturing companies borrow less; loans to industry grow 14%

Saddled with inventory and hit by higher input costs, manufacturing companies seem to have frozen new investment plans; thus slowing down the loan growth to a decade-low. Loan offtake to industry grew just 14.7% in February, slower than 19.1% in the same period last year, dragging non-food credit growth to 14.4%. Within manufacturing, loans to medium sized firms slowed the most and contracted 10% against a year-ago growth of 17%. In contrast, loans to services sector and retail loans grew at a healthy pace. Banks had disbursed ₹10,95,700 crore loans to the services sectors as on February end - a growth of 12.7% y-o-y. Barring shipping companies, loans to all category companies in services grew at a healthy pace. Loans to shipping companies fell 30%.

Loans to industry, NBFCs slowed down in FY13

Bank loans to all major industry segments continued to post lower growth through most of the previous fiscal as bankers turned cautious about NPAs amid slowdown in the economy. Even NBFCs who have been borrowing heavily from banks, cut down on bank loans. Credit to NBFCs increased by 16.6% y-o-y in February against 30.9% a year ago.

Debt rejig norms could cost banks ₹15,000 crore

For every ₹10 lent by banks in 2012-13, more than a rupee of debt was recast. While loans worth a staggering ₹76,479 crore were recast by the Corporate Debt Restructuring (CDR) cell last year; banks have lent ₹6,35,866 crore to companies and individuals. As on March 31, the CDR cell is estimated to have approved 398 cases, worth ₹ 2.27 lakh crore.

Indian banks' loan growth to hit 15-year low

As per a research note by Bank of America-Merrill Lynch, Indian banks' loan growth is likely to fall to a 15-year low of below 13% in 2013-14; partly due to a fall in corporate loan growth to below 11%. Corporate loan growth would be subdued with withdrawals from the existing loan pipelines going up, fresh approvals going down between 50 & 70% y-o-y, and the investment cycle remaining muted. Loan growth in the small and medium industries segment also is seen at a 15-year low of below 5% in April-March.

Banks want powers to ensure KYC compliance

Banks may temporarily freeze your account or withdraw certain facilities if your Know-Your-Customer (KYC) documents are not updated. This development comes in response to a request by the banks to RBI during a special KYC audit conducted in the November-December 2012 period. The audit had revealed that many long-time customers of the banks are not forthcoming to provide latest KYC documents. The KYC audit that banks conduct will not convey the right picture till such time that RBI does not empower them to either temporarily freeze an account or specifically mention the bank facilities that may be withdrawn if the customer is not updating the KYC documents.

Renew commitment to banking reforms

The Basel Committee on Banking Supervision has urged G20 Finance Ministers to renew their commitment to the completion of the Basel-III regulatory reforms that aim to improve the regulation, supervision and risk management within the banking sector. G20 is a group of 19 major economies and the European Union. Full, timely and consistent implementation of Basel-III remains fundamental to building a resilient financial system, maintaining public confidence in regulatory ratios and providing a level playing field for internationally active banks.

FM to banks : Bring down net NPAs to 1% by March 2014

Setting a stiff target for all PSBs, the Finance Ministry (FM) has directed them to expedite the recovery process and bring down net NPAs to 1% of their total advances by the end of 2013-14 fiscal. They are free to do so through a specialized recovery branch or any other method they deem right. The gross NPAs of PSBs rose to 4.18% of advances by the end of December 2012, compared to 3.22% year ago. Net NPAs increased to 2.12% in December 2012. In absolute terms, gross NPAs of PSU banks jumped to ₹1,84,193 crore in December 2012 compared to ₹1,37,102 crore in March 2012 - an increase of ₹47,091 crore.

Over 1 lakh e-auctions of NPA properties likely this fiscal

Banks are expected to conduct over one lakh e-auction transactions during 2013-14 to sell properties of NPAs. According to NPAsource.com (a portal focusing on resolution of stressed assets) residential, agricultural, commercial and industrial properties could be sold through the e-auction route, with the first two accounting for the largest number of transactions. With the Ministry of Finance making it mandatory for all commercial banks to move from physical auctions to e-auction mode for all NPA cases under the Debt Recovery Tribunal (DRT), there will be a spurt in e-auctions in 2013-14.

Banking connectivity surges with BC mode

Banking connectivity has jumped from about 67,000 villages in March 2010 to 2,11,000 villages in December 2012. The country has about 6,00,000 villages in all. The rise was largely achieved through Business Correspondents (BCs) and other alternative channels; but not so much through the branch model.

Banks seek lower cap on bonds held till maturity

Banks have asked RBI to lower the cap on the proportion of bonds in their investment portfolio that need to be held till they mature. This would help them release more bonds for trading and book profits amid rising bond prices. Banks have sought lowering of maximum limit in the Held-To-Maturity (HTM) category of bonds to 23% from 25%.

Restore priority sector status for bank loans to NBFCs

A stable long-term policy regime and recognizing bank loans to Non-Banking Financial Companies (NBFCs) as priority sector lending are some of the key demands made to RBI by NBFCs. Mr. Mahesh Thakkar, Director General, Financial Inclusion Development Council avers that this would help NBFCs access funds at cheaper rates from banks. Earlier, the banking regulator had stripped the priority sector tag for bank lending to NBFCs. Thus, the NBFCs had no choice but to pass on the high cost of funds to the customers in the form of higher lending rates.Apart from that, NBFCs have also requested RBI to further liberalise the External Commercial Borrowing (ECB) norms to access cheaper funds from overseas markets.

Regulator's Speak...

Inflation–indexed bonds likely to be issued

RBI is likely to launch Inflation-Indexed Bond (IIB) in order to protect the household savings from high inflation. The bond will be accompanied by guidelines, including provisions to ensure high retail investor participation. Mr. H. R. Khan, Deputy Governor, RBI said that these bonds may have a tenure of 7-15 years and will form part of the government's borrowing programme.

RBI plans to broad-base home price database

RBI is working on further broad-basing its home price database to monitor the Loan-To-Value (LTV) ratio and equated monthly instalments-to-income ratio among others. These parameters are crucial to assess an individual's affordability of home loan and ability to repay the loan. Mr. Deepak Mohanty, Executive Director, RBI adds “We are also developing a housing asset price monitoring system covering such details as LTV ratio, EMI-to-income ratio and price-to-income ratio based on housing loan data from select cities collected from select banks and HFCs. There is a need to develop a fixed-rate housing loan product of longer maturity to mitigate risks in housing finance, besides application of macro-prudential regulations.”

Forex Market Intervention

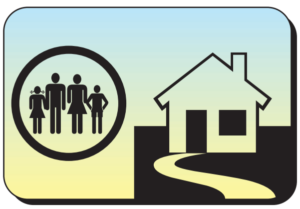
RBI has been intervening in the forex market to manage volatility. However, Dr. D. Subbarao, Governor, RBI cautions “the move is fraught with risks; you could end up losing forex reserves, and not gaining on the currency. The lower your reserves dip, the more vulnerable you become. And the vulnerability can become quite serious if the reserves go below the level considered necessary to regain market access”.

Price stability necessary for long-term growth

Dr. D. Subbarao, Governor, RBI has said that price stability is necessary for ensuring sustainable growth in the long term as it helps investors and consumers to take informed decisions. “There might be some trade-off in the short term but in the medium to long term, you need price stability for investors and consumers to make informed choices - a necessary condition to stimulate growth". Commenting on whether inflation was a bigger problem than growth, he avers "I wouldn't say bigger or smaller. You need rapid growth and you need an environment of price stability, which is a necessary condition for growth. It would be futile to believe that you can have growth in a time of rapid inflation".

Banking code might incorporate Financial Inclusion

According to Dr. K. C. Chakrabarty, Deputy Governor, RBI, the apex bank is exploring the possibility of enshrining financial inclusion in the Code of Bank's Commitments to Customers. Financial Inclusion is the process of ensuring access to appropriate financial products and services - deposit accounts, payment services, micro-credit and micro-level insurance - to vulnerable groups such as weaker sections and low income groups by mainstream institutional players



Insurance

Pay motor insurance as per distance travelled

Car-owners may soon have an option to buy insurance cover in proportion to the distance they travel. Insurance companies are testing the 'pay as you go insurance' model, by running pilots. Data is monitored through GPS device installed in the vehicles. The GPS device gathers data based on the mileage and the roads on which the vehicle has run. "The basic idea is to charge a minimum premium which can cover 30 days of driving. Instead of paying the entire year's premium in advance, the policy holder can pay according to his / her usage. If the usage is less, the remaining amount can be refunded", explains Mr. K. G. Krishnamoorthy Rao, MD-CEO, Future Generali Insurance. The insurance company will price the cover based on each of these parameters. The first company to run a pilot was Future Generali in partnership with Logica, a UK-based IT company.

Reinsurance norms will deter new investors

The Global Federation of Insurance Associations (GFIA) opines that limits set by the Insurance Regulatory and Development Authority (IRDA) to maximize retention of reinsurance business within the country will constrain insurers' freedom. IRDA has prescribed retention limits for risks ceded to reinsurers ranging from ₹1 lakh to ₹30 lakh. IRDA has mandated that insurers will have to report their reinsurance programme if their total reinsurance premium to the total premium received exceeds 2% for all savings products and 30% for all term insurance / health products. Limiting access to reinsurance constrains insurers' ability to reduce their risk exposure whilst simultaneously necessitating an increase in their capital requirements. In a letter to IRDA and the Finance Ministry, the GFIA has stated that "Higher retention limits also result in the aggregation of risks within insurers, compromising their underwriting performance. These factors individually and more so in conjunction, hinder the development of capacity of existing Indian insurers, and deter new investors from entering the insurance sector."

Life insurers face regulatory hurdles this year

The new product guidelines released by IRDA require insurers to withdraw all the existing products and re-file them by October 2013. The guidelines also call for changes in the index-linked products (variable insurance products), which will have to be treated at par with Unit-Linked Products (Ulips) in terms of charges, reduction in yield, discontinuance terms, surrender value and offer a non-zero rate of return.

Rural Banking

RRBs may be allowed to tap private capital

Regional Rural Banks (RRBs) may be allowed to get listed on stock exchanges if Parliament approves the Regional Rural Banks (Amendment) Bill. The Bill, introduced by Finance Minister Mr. P. Chidambaram in the Lok Sabha, aims to amend the Regional Rural Banks Act 1976. One of the proposed amendments seeks to make provisions for raising capital by RRBs from sources other than the Central Government, State Government and the sponsor bank. However, in no event should the combined shareholding of the Central Government and the sponsor bank go below 51 %.

Co-operative Banking

Co-op banks on unsecured lending

RBI has allowed Urban Co-Operative Banks (UCBs) to give unsecured loans up to 25% of their assets in a bid to increase financial inclusion. However, UCBs have to meet certain conditions to avail this facility viz. have the entire loan portfolio to priority sector, keep capital adequacy ratio of 9%, gross bad loans to less than 10%, etc.

Forex

NRI deposits rise 37% on high domestic interest rates

Non-resident Indians (NRIs) are keeping faith in the returns being received from their banks back home. In the first eleven months of FY13, NRI deposits in the banking system rose 37% (by $13.379 billion against $9.733 billion in the year-ago period). The NRI deposit accretion was solely in the non-resident (external) rupee accountor NRE account. In the reporting period, NRE deposits soared by a whopping 161% at $15.271 billion ($5.854 billion in the year-ago period). Another reason why NRIs may be parking money in NRE deposits is in the anticipation of the rupee appreciating down the line, thereby enabling them to make gains at the time when the deposit matures.

Benchmark Rates for FCNR(B) Deposits applicable for the month of April 2013					
LIBOR / SWAP For FCNR(B) Deposits					
	LIBOR	SWAPS			
Currency	1 Year	2 Years	3 Years	4 Years	5 Years
USD	0.70450	0.359	0.452	0.603	0.815
GBP	0.88688	0.5928	0.6496	0.7520	0.8990
EUR	0.39857	0.392	0.477	0.596	0.752
JPY	0.44286	0.265	0.303	0.348	0.403
CAD	1.76250	1.287	1.364	1.471	1.585
AUD	3.51000	2.778	2.920	3.120	3.255
CHF	0.24940	0.105	0.170	0.278	0.391
DKK	0.49700	0.5620	0.6460	0.7680	0.920
NZD	2.69000	2.810	3.018	3.155	3.300
SEK	1.19900	1.249	1.358	1.466	1.583
SGD	0.45300	0.415	0.550	0.628	0.790
HKD	0.44000	0.460	0.530	0.650	0.820
MYR	3.22000	3.220	3.260	3.300	3.360

Source : FEDAI

Foreign Exchange Reserves		
Item	As on March 22, 2013	
	₹Bn.	US$ Mn.
	1	2
Total Reserves	16,093.5	296,370.6
(a) Foreign Currency Assets	14,335.0	264,027.8
(b) Gold	1,397.4	25,692.0
(c) SDRs	235.8	4,342.2
(d) Reserve Position in the IMF	125.3	2,308.6

Source : Reserve Bank of India (RBI)

Bank for International Settlements (Continued...)

Continuing the discussion on 'Stress Testing', we will understand the fourth and fifth principles

4. A bank should have written policies and procedures governing the stress testing programme. The operation of the programme should be appropriately documented.

The stress testing programme should be governed by internal policies and procedures which should be appropriately documented.

The programme should be documented particularly in relation to firm-wide stress tests. The following aspects should be detailed: (i) the type of stress testing and the main purpose of each component of the programme. (ii) frequency of stress testing exercises which is likely to vary depending on type and purpose. (iii) the methodological details of each component, including the methodologies for the definition of relevant scenarios and the role of expert judgment. and (iv) the range of remedial actions envisaged, based on the purpose, type and result of the stress testing, including an assessment of the feasibility of corrective actions in stress situations. Documentation requirements should not, however, impede the bank from being able to perform flexible ad-hoc stress testing, which by their nature need to be completed quickly and often to respond to emerging risk issues.

A bank should document the assumptions and fundamental elements for each stress testing exercise. These include the reasoning and judgments underlying the chosen scenarios and the sensitivity of stress testing results to the range and severity of the scenarios. An evaluation of such fundamental assumptions should be performed regularly or in light of changing external conditions. Furthermore, a bank should document the outcome of such assessments.

5. A bank should have a suitably robust infrastructure in place, which is sufficiently flexible to accommodate different and possibly changing stress tests at an appropriate level of granularity.

Commensurate with the principle of proportionality, a bank should have suitably flexible infrastructure as well as data of appropriate quality and granularity. The infrastructure should enable the bank on a timely basis to aggregate its exposures to a given risk factor, product or counterparty, and modify methodologies to apply new scenarios as needed.

The infrastructure should also be sufficiently flexible to allow for targeted or ad-hoc stress tests at the business line or firm-wide level to assess specific risks in times of stress. System flexibility is crucial to handle customized and changing stress tests and to aggregate comparable risks and exposures across a bank.

(Source : BIS)

Products & Alliances

Organisation	Organisation tied up with	Purpose
SIDBI	SFD Egypt, World Bank	MOU enables SIDBI & its associates to provide consultancy for 3 years period to SFD & establish a credit guarantee system for Micro, small & medium enterprises in Egypt
Mahindra Financial	Toyota Kirloskar Motor	To extend auto retail finance to their prospective customers

New Appointments

Name	Designation / Organisation
Ms Archana Bhargava	Chairperson & Managing Director, United Bank of India
Mr Rakesh Bhatia	MD & CEO, Catholic Syrian Bank
Mr V S Krishna Kumar	Executive Director , Canara Bank
Mr Krishna Kumar Goyal	Chairman, Cosmos Bank

Financial Basics

Hedging Transaction

A type of transaction that limits investment risk with the use of derivatives, such as options and futures contracts. Hedging transactions purchase opposite positions in the market in order to ensure a certain amount of gain or loss on a trade. They are employed by portfolio managers to reduce portfolio risk and volatility or lock in profits.

Glossary

Credit Valuation Adjustment (CVA)

CVA is the difference between the risk-free portfolio value and the true portfolio value that takes into account the possibility of a counter-party's default. Thus, CVA is the market value of the counter-party's credit risk. Unilateral CVA is given by the risk-neutral expectation of the discounted loss. The risk-neutral expectation can be written as

$$CVA = E^{Q}[L^{*}] = (1 - R) \int_{0}^{T} E^{Q}\left[\frac{B_{0}}{B_{t}} E(t) \middle| T = t \right] dPD(0.t)$$

where T is the maturity of the longest transaction in the portfolio, B(t) is the future value of one unit of the base currency invested today at the prevailing interest rate for maturity t, R is the fraction of the portfolio value that can be recovered in case of a default, τ is the time of default, and PD(s,t) is the risk neutral probability of counterparty default between times s and t. These probabilities can be obtained from the term structure of (CDS) spreads.

Institute's Activities

Training activities completed during the month of May 2013

Sr. No.	Programme	Date
1.	5th Credit Appraisal (Industrial and Commercial Advances)	6th to 10th May 2013
2.	2nd Programme on Housing Finance	13th to 15th May 2013
3.	4th Programme SME Financing	27th to 31st May 2013

Training activities completed during the month of April 2013

Sr. No.	Programme	Date
1.	2nd Programme on KYC / AML / CFT	15th to 17th April 2013
2.	1st Bank Executive Programme (BEP) for senior executives jointly by IDRBT, IIBF and NIBM at IDRBT, Hyderabad	22nd to 27th April 2013
3.	2nd One day workshop on IT security and Cyber crimes	22nd April 2013

News From the Institute

Seminar on Customer Service

- The Institute had organized the 6th seminar on 'Customer Service' at Lucknow on 22nd April 2013. The key note address was delivered by Mr. A. C. Mahajan, Chairman, BCSBI. This was followed by a panel discussion by Deputy General Managers of 3 banks. The valedictory address was given by Ms. Shikhi Sharma, General Manager, RBI Lucknow. The seminar was attended by 110 participants.
- The Institute had organized the 7th seminar on 'Customer Service' at New Delhi on 23rd April 2013. The key note address was delivered by Mr. A. C Mahajan, Chairman, BCSBI. This was followed by panel discussion by General Managers of 3 banks. The valedictory address was given by Mr. Deepak Singhal, Regional Director, RBI, New Delhi. The seminar was attended by 129 participants.

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Additional Reading Material for Institute's examination

The Institute has put on its portal additional reading material for the candidates taking various examinations culled out from the Master Circulars of RBI. These are important from examination view point. For more details, visit www.iibf.org.in.

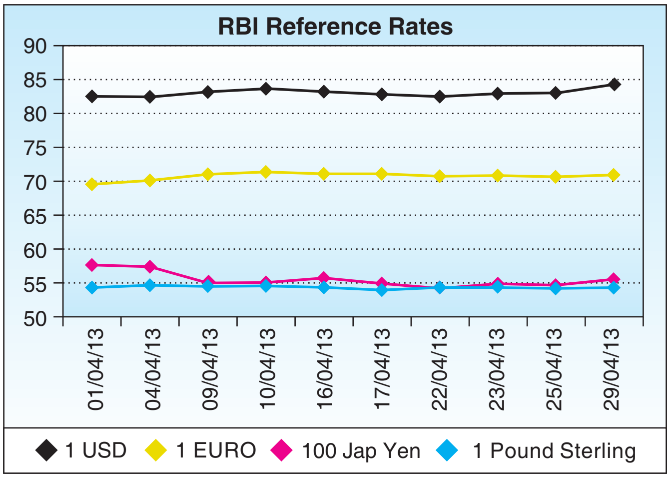
IIBF Vision via mail

The Institute has started sending IIBF Vision via e-mail to all the e-mail addresses registered with the Institute. Members who have not registered their e-mail ids are requested to register the same with the Institute at the earliest. IIBF Vision is also available for download in the portal.

CEOs Speak issue of Bank Quest

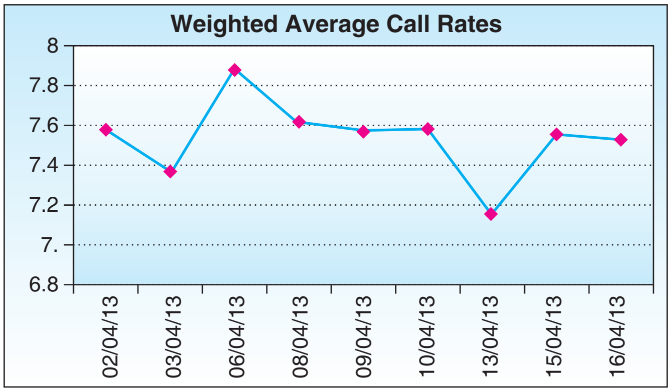
April - March issue of Bank Quest contains views of 20 Chairman and Managing Directors / CEOs on various banking related issues. To download visit www.iibf.org.in

Market Roundup



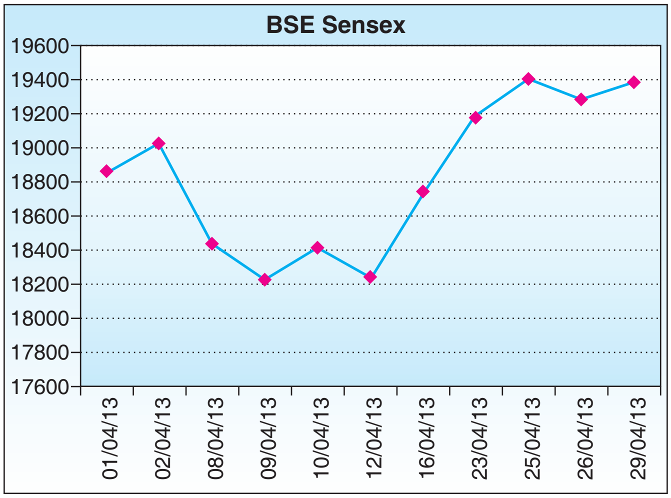
Source : Reserve Bank of India (RBI)

- On 2nd April, Rupee closes at 54.27 to a dollar.
- The Rupee fell to a one-week low on 15th as tumbling commodity prices hit global risk currencies, but pared losses after lower-than expected inflation data raised hopes that Reserve Bank of India would cut interest rates next month. Rupee down 10 paise to close at 54.63 to a dollar.
- US dollar ended cheaper against the rupee at 54.22/23 per dollar but the Pound Sterling turned higher at 83.73/75 per pound at the close of the interbank forex market on 25th.
- During the month Rupee depreciated slightly against £ and Euro while appreciating against JPY. Remained range bound against $.



Source : CCIL Newsletter for March 2013

- Call rates remained range bound with bouts of surplus liquidity on April 3 and 13.



Source : Reserve Bank of India (RBI)

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