



IBS VIGYAN

VISIONING BANKERS



Evangelistically Speaking

Dear Stakeholders,

Let me dwell on how we have embraced innovation and inclusion in our pedagogy. Global pedagogy is evolving to incorporate innovative approaches, technologies, and philosophies that prioritize student-centered learning, inclusivity, and sustainability. This shift is driven by the need to prepare students for a rapidly changing world, where adaptability, creativity, and critical thinking are essential skills. One notable transformation in global pedagogy is the integration of technology. Online and blended learning models have allowed students to access high-quality education remotely. This has expanded educational opportunities for marginalized communities, rural populations, and individuals with disabilities. Technology has also enabled personalized learning, adaptive assessments, and real-time feedback, making education more effective and engaging. At IBS, we have enrolments from all across the country, including from far flung locations in Northeastern states.

Another significant transformation is the shift towards student-centered learning. This approach prioritizes students' interests, needs, and agency, allowing them to take ownership of their learning. Project-based learning, inquiry-based learning, and competency-based progression are some of the methodologies that promote student-centered learning. These approaches foster critical thinking, problem-solving, and collaboration, preparing students for the complexities of the 21st century. At IBS, our faculties have built in case studies and live examples in their content.

Global pedagogy is also placing greater emphasis on sustainability and global citizenship. Education for Sustainable Development (ESD) and Global Citizenship Education (GCED) are becoming integral parts of curricula worldwide.

These approaches aim to equip students with the knowledge, skills, and values necessary to address global challenges like climate change, poverty, and inequality. By promoting intercultural understanding, empathy, and social responsibility, ESD and GCED are essential for creating a more just and sustainable world. Though the career aspirants who engage with us with the soul objective of clearing the certification examinations, at IBS, we endeavour to give inputs on latest developments, more specifically that of Basel Committee on Banking Supervision.

Inclusive education is another critical aspect of the transformation in global pedagogy. Efforts to promote diversity, equity, and inclusion are underway, recognizing the importance of catering to diverse learning needs, abilities, and backgrounds. This includes addressing issues like ableism and racism, and creating safe, welcoming learning environments that value diversity and promote social cohesion. At IBS, we are seized of this need and continuously endeavour to roll out our engagements in most equitable manner.

By embracing innovation, technology, and student-centered learning, it is essential that educators, policymakers, and stakeholders continue to collaborate, share best practices, and prioritize the needs of all learners, ensuring that education remains a powerful tool for personal and societal transformation.

Looking forward to a sustaining engagement with all.

Sincerely yours

Sathesh Kumar. S
Managing Director

Curated Cube

Sanjaya was gifted with “divya drishti” (divine vision) by Vyasa. This enabled him to narrate the entire war proceedings to the blind King Dhritharashtra, without physically being at the battlefield. The incoming RBI Governor categorically stated to the press after the Monetary Policy review on 9th April that though he shares his first name with this gifted soul, he does not have the divine vision to exactly foresee interest rate movements. The review by the MPC was mostly on expected lines, reducing in policy rates by 25 bps and changing policy stance from neutral to accommodative. But the Governor candidly clarified that “accommodative” would mean either a status quo or reduction in rates, going forward, under normal circumstances. RBI has projected inflation to be benign. The yield on US treasuries have spiked post the tariff turmoil. Though RBI maintains that domestic markets are decoupled, the spike has held back steeper drop in yield of domestic bonds.

Draft guidelines on collateralized gold loans, Non-Fund based facilities, Co-Lending Arrangements and securitization of stressed assets form the additional measures announced by the Governor. RBI has proposed a Loan To Value ratio of 75% on gold to all regulated entities, including NBFCs. The maximum quantity of gold jewellery that can be pledged by a single borrower is proposed to be capped at 1 Kg. Primary gold (bullion, gold biscuits, bar etc.) remain non-eligible to be accepted as collateral. Gold coins

sold by banks up to 50 grams can be accepted as collateral. The coins of Balaji and Ayyappa would continue to be ineligible for pledging as collateral.

The co-lending norms are set to be extended to non-priority sector loans too. The per borrower loan eligible to be covered under co-lending is capped at ₹ 100 crs. The co-lending partners need to have a pre set agreement delineating the share of funding, roles in sourcing and servicing. Customer interface and customer protection issues also need to be spelt out in advance and communicated transparently to the borrower. Default loss guarantees can be provided up to 5% of the exposure.

The draft guidelines on securitisation of stressed assets pegs the exposure to be retained by the originator at 20%. However, the retained exposure exceeding 10% shall be treated as first loss facility for prudential purposes. The maximum risk weightage on securitized exposures will be 1250%. RBI has reviewed the Credit - to - GDP Gap, which is the main indicator for triggering Counter Cyclical Capital Buffer (CCCB) and decided that it is not necessary to activate CCCB.

(Cube gives a third dimension in geometry. Curated Cube endeavors to conflate events in the market over the past month.)

SBI PROMOTION - INTERVIEW GUIDANCE & MOCK INTERVIEW PROGRAM

DATE - 20th April 2025, TIME - 10.00 am onwards

Interview Guidance Session, One to one mock interview, General Guidance based on Interview

INSTITUTE OF BANKING STUDIES(IBS)

CORPORATE OFFICE, 3C, SI CAPITOL CENTER STATUE
JUNCTION, THIRUVANANTHAPURAM - 6905001

HO - CENTER POINT, KP ROAD KAYAMKULAM, KERALA- 690502

NOW AT : CHENNAI, BANGALORE, HYDERABAD, PUNE, VIJAYAWADA, JAIPUR

FOURTH PILLAR

GDP OUTLOOK & INFLATION: As per the latest Monetary Policy Committee target, the Real GDP growth for 2025-26 is projected at 6.7% with Quarterly projections of Q1 – 6.7%, Q2 – 7%, Q3 & Q4 – 6.5% each. With the assumption of a normal monsoon ahead, the Headline CPI for 2025-26 is projected at 4.2%.

INTRODUCTION OF FORWARD CONTRACTS IN GOVERNMENT SECURITIES: To manage the interest risks by the market participants, the RBI has been expanding the suite of interest rate derivative products over the past few years. These initiatives are undertaken to align with the global practices ensuring that entities exposed to interest rate fluctuations have adequate risk management tools to protect themselves. Hence, RBI is coming out with the introduction of forward contracts in Govt. Securities transactions, which will enable long-term investors to manage their interest rate risk across interest rate cycles.

RBIDATA APP : The RBI has recently launched a mobile phone app named RBIDATA which is designed to provide users with convenient access to various macroeconomic and financial statistics related to Indian Economy. The key features of this app are – extensive data access, interactive data visualisation through graphs, charts with data interpretations and analysis, data download capability, search section as well as a popular report section enabling quick access to commonly sought information.

MUTUAL CREDIT GUARANTEE SCHEME FOR MSME: To further support the growth in the manufacturing sector and enhancing credit availability for purchasing plant & machineries as well as equipment by MSME units, Mutual Credit Guarantee scheme for MSME (MCGS-MSME) is being introduced. This scheme will facilitate banks and financial institutions to offer collateral-free credit to MSMEs by providing them adequate debt capital for their expansion and development. GOI has approved this scheme where 60% of Guarantee cover will be provided by NCGTC to Member Lending Institutions for credit facility up to ₹100 Crore sanctioned to eligible MSMEs (Eligibility – MSME with valid Udyam Registration) for the purchase of P&M and Equipment

REVISION OF ATM FEES: The NPCI has recommended hike in the ATM fees for cash transactions beyond the free transactions from ₹21 to ₹22 per transaction. In addition to this the NPCI has also proposed an increase in the ATM Interchange fees from ₹17 to ₹19 per cash transaction, and from ₹6 to ₹7 per non-cash transaction.

UPI-BASED BLOCKED ACCOUNT FACILITY FOR INSURANCE PAYMENTS: The IRDAI has introduced BIMA-ASBA facility, where the insurance policy holders can block funds in their bank accounts for payment of insurance premiums. The bank account will be debited only upon issuance of the policy by its issuer.

STRICTER PENALTY RULES UNDER PAYMENT SYSTEMS LAW: RBI has introduced stricter guidelines for imposing monetary penalties and compounding offences under the Payment and Settlement Systems Act (PSS Act). Violations, such as operating without authorization, disclosing prohibited information, or failing to pay penalties on time, will attract penalties. The RBI has the authority to impose fines up to ₹10 lakh or twice the amount involved in the violation, whichever is higher.

MITRA PLATFORM: The Securities and Exchange Board of India (SEBI) is on the verge of coming out with a platform named MITRA – Mutual Fund Investment Tracing and Retrieval Assistant, to help investors locate and recover inactive and unclaimed mutual fund they have invested in earlier. Investors will be able to search for and track forgotten or inactive mutual fund investments, allowing them to reclaim unclaimed assets. It will help legal heirs and nominees identify and claim mutual fund investments of deceased investors. The platform will act as a centralized, searchable database of all inactive and unclaimed mutual fund folios, enhancing transparency and accessibility.

(Fourth Pillar strives to position beyond the three pillars of Basel and is culled from the Four Estates)

INQUISITIVELY SPEAKING

1. The RBI has revised the risk weight for microfinance loans classified as consumer credit from 125% to ____ %.

- a) 150 b) 110 c) 100 d) 75

2. The RBI has proposed that banks set aside ____% of the loan amount as provisions for Infrastructure and Real Estate projects during the construction phase. This is a significant increase from the current standard provisioning of 0.4%. The provisioning can be reduced to 2.5% once the project becomes operational and demonstrates positive cash flows.

- a) 12.5 b) 10 c) 7.5 d) 5

3. The _____ framework mandates that banks estimate and provision for potential credit losses based on forward-looking assessments, rather than waiting until a default occurs. This approach aligns with global accounting standards and aims to enhance the early recognition of credit risks.

- a) High Quality Liquid Asset (HQLA)
b) Expected Credit Loss (ECL)
c) Leverage Ratio
d) Accelerated Provisioning Norm

4. Microfinance loans that do not fall under the Consumer credit category but meet specific criteria may now be included under the Regulatory Retail Portfolio, attracting a lower risk weight of ____%. This inclusion requires banks to implement appropriate policies and standard operating procedures to ensure compliance with the qualifying criteria.

- a) 20 b) 50 c) 75 d) 100

5. SEBI has launched _____ a centralized database portal aimed at enhancing transparency, accessibility, and efficiency in the corporate bond market. The platform will serve as a single, authentic source of information on corporate bonds which will benefit issuers, investors, and regulators.

- a) White Bond Hub b) Masala Bond Hub
c) Central Bond d) Bond Central

6. During the last annual budget presentation, new Income Tax Bill was introduced which will be effective from 1st April 2026. One of the major changes in the new income tax framework is restructuring of Sec 80c tax-saving deductions under a new provision called:

- a) Clause 123 b) Clause 132
c) Clause 124 d) Clause 234

ANSWER KEY

1.c 2.d 3.b 4.c 5.d 6.a

Stretch n Speak

SPARC: Supervisory Programme for Assessment of Risk & Capital

NDS-OM: Negotiated Dealing System – Order Matching

PAR: Portfolio at Risk

RORAW: Return on Risk Weighted Assets

DIPAM: Department of Investment and Public Asset Management

BSA: Bilateral Swap Arrangement