



IBS VIGYAN

VISIONING BANKERS



Evangelistically Speaking

Dear Stakeholders,

Gyan becomes Vigyan when wisdom is dished out in a palatable fashion. This has been our passion all along. We did not look at any other name when we launched our API (app) for career aspirants enrolling to our coaching programmes - It is "Vigyan".

The response to the call from me to evaluate our twelve months of engagement through this publication has been overwhelming. Let me take this opportunity to thank each one of the respondents. We are carrying select responses in this issue.

As the system braces up to more physical engagements, we have opened up our hybrid models of pedagogy. For servicing professionals, the online mode appears to be more convenient while beginners have responded well to the hybrid mode.

The financial sector is dynamic and continuously evolving. IBS is also striving continuously to respond to the dynamic forces in the marketplace. The keenness with which you have embraced our efforts spurs us to scale higher realms of perfection and effectiveness with utmost frugality.

Looking forward to a meaningful and sustaining engagement.

Sincerely Yours

Satheesh Kumar. S
Managing Director

Reflectively Speaking

I have been having the proud privilege to read IBS VIGYAN every month. It is indeed brought out very beautifully so as to ensure that the important changes taking place in the banking sector, from time to time, are conveyed to its readers on time in a condensed manner. What is also worth mentioning is that the information is presented in a lucid language which makes this journal all the more unique. Suffice it to add, it acts as a guide for all, who are interested in updating the knowledge in banking. The recent monetary policy covered under the caption CURATED CUBE and other updates under FOURTH PILLAR in the May 2022 publication are very useful to all, especially for those who are presently in the banking sector. It would be really great, if only it is possible, to add one more page under INQUISITIVELY SPEAKING to cover a couple of more similar important matters.

I wish the team behind the publication everything best in the days ahead.

(E. N. Subramanian, State Bank)

Month over month, the expectation to read Vigyan keeps building up. An extremely useful reference material. My wishes as the publication completes one year.

(Parvathy, Canara Bank)



Curated Cube

The principle of insurance works on equitable distribution of losses in exchange for a premium. Similarly, the insurance companies work on the principle of reinsurance. The risk underwritten by one insurance company is reinsured with a reinsurance agency, likely to be another player in the industry, which shares part of the insurance risk for a reinsurance fee. Globally, insurance accounts for 7% of GDP. India's market share is less than 2% of global market. The Life to Non-life share globally hovers around 46:54, in India it is skewed towards life at 75:25.

This perhaps validates the listing of LIC, notwithstanding the expediencies from a fiscal perspective. The industry is growing at CAGR greater than 30%. Another vindication that IRDAI encourages more players to come in and government encourages to raise the FDI limit in this sector.

With aggressive financial literacy, the industry needs to increase the coverage of non-mandatory insurance products. Embracing technology to provide end-to-end seamless digital solution will be another need for the industry to explode exponentially. Vernacular language interface will also be a must.

Let us hope that the stock of LIC too begins to fetch attractive valuations from its current lows, touched immediately post listing.

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

JAIIB/CAIIB Online Coaching - This is the sure short key that opens up the path for an accelerated career progression. A pass in JAIIB/CAIIB with 90+ marks will ensure that you are handpicked for key assignments within the country as well as overseas.

Reflectively.. Continued

If only this publication can carry more pages! So focussed and precise in content, that its utility will enhance if the scope of coverage is increased. Really happy that the publication is one year young.

(Anil Aggarwal, Bank of Baroda)

The last twelve issues are my first stop reference material. Extremely up to date and relevant in content. Dished out in a simple form. Looking forward to this every month. Congratulations to IBS.

(Susan Thomas, Federal Bank)

I used to regret that I do not find enough time to update myself amidst the busy office work. Vigyan has been a great enabler in mitigating this lament. Thanks to Team IBS. Good Wishes.

(Sujatha Patel, IDFC First Bank)

Commendable achievement to establish itself as a reference work. Wish Vigyan to be ever young and fresh.

(Rajesh Choudhary, United India Insurance)

My Gyan increases after reading Vigyan. So happy that it has completed one year. Wish the publication all success.

(Madhumita, Chola Finance)





FOURTH PILLAR

RETAIL INVESTORS CAN SUBSCRIBE THROUGH UPI FOR IPO UPTO ₹5 LAKH:

Now, an individual investor applying in public issues of equity shares can use Unified Payment Interface (UPI) for application amount up to ₹5 lakh. The new guidelines issued by SEBI came into force for public issues opening on or after May 1, 2022.

DIGITAL BANKING UNIT (DBU)

DBU is a specialised fixed point business unit or hub with certain minimum digital infrastructure for delivering digital banking products & services. It can be both through self-service mode or assisted mode, to enable customers to have cost effective and convenient access and smooth digital experience in an efficient, paperless, secured and connected environment. All SCBs (except RRBs, SPBs and LABs) are eligible to establish DBUs w.e.f. 7th April 2022.

PERSONAL LOAN TO PRISONERS

Maharashtra Government has introduced a scheme that allows prisoners to obtain personal loans from banks up to ₹50,000 to help their families to improve their living conditions and meet expenses related to their legal matters

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

CRYPTO-CURRENCY BACKED PAYMENT CARD

London based Cryptocurrency lender, Nexo has joined hands with global payments company Mastercard to launch the world's first 'Crypto-backed' Payment card.

DIGITAL PAYMENTS (DigiSaathi)

To address the queries of digital payment users, the Reserve Bank on March 8, 2022, launched two key initiatives namely

- 1) **UPI123Pay** - Option to make Unified Payments Interface (UPI) payments for feature phone users, and
- 2) **DigiSaathi** - A 24x7 Helpline that provides a channel to obtain help on digital payments. Automated responses on information related to digital payment products and services are available in Hindi and English through multiple options like - toll-free number; a short code; website and chatbots.

Bank Promotion Online Coaching - IBS brings you the perfect blend of Online Coaching and interactive live sessions through its pantheon of highly experienced faculty who fit well into a multi-cultural environment. The collective experience of our faculties exceeds 1000 years.





INQUISITIVELY SPEAKING

1) (RBI, in March 2022, have launched two key initiatives under digital payment system, namely UPI123Pay &to facilitate UPI based payments for feature phones users.

- a) Digisaathi b) e-Rupee
c) Gagan d) Yono

2) If OVD furnished by the customer does not contain updated address, then 'Deemed OVDs' for limited purpose of address can be accepted provided that the customer shall submit updated OVD with current address within a period of:

- a) 3 Months b) 4 Months
c) 6 Months d) 1 month

3) Under Positive Pay system for high value clearing, NPCI shall enable it for all account holders issuing cheques for amounts of ₹_____and above at the discretion of the account holder and banks may consider making it mandatory in case of cheques for amounts of ₹_____ and above.

- a) ₹1,00,000 and ₹5,00,000
b) ₹25,000 and ₹2,00,000
c) ₹50,000 and ₹5,00,000
d) ₹10,000 and ₹1,00,000

4) As per RBI guidelines, what is the penalty amount on banks when their ATMs are out of cash for more than 10 hours in a month:

- a) Rs.5,000/- b) Rs.10,000/-
c) Rs.15000/- d) 25,000

5) Co-Lending of CGTMSE in case of credit facility secured is not exceeding ₹__ lakh and not exceeding ₹__ lakh in case of unsecured credit facility:

- a)100; 50 b)150; 50
c)150; 100 d)200; 100

6) In order to have flexibility and keeping in mind the growth in MSE sector, CGTMSE has decided to relax the timeline for lodging the application. Member Lending Institutions (MLIs) can now apply for guarantee cover anytime during the tenure of Loan provided the credit facility was not restructured / remained in _____ status in last ____ year from the date of submission of application.

- a) SMA-0; 2 b) SMA-1; 1
c) SMA-2; 2 d) SMA-2; 1

ANSWER KEYS

(1) a (2) a (3) c (4) b (5) d (6) b

Stretch n Speak

FALLCR – Facility to avail Liquidity for Liquid Coverage Ratio

RBIH – Reserve Bank Innovation Hub

CIRP – Corporate Insolvency Resolution Process.

CBDC – Central Bank Digital Currency

LEI - Legal Entity Identifier

DBU – Digital Banking Unit

CRILC – Central Repository of Information on Large Credits

IBPS Online Coaching - IBS is well positioned to orient career aspirants to face Bank Selection Examination at all grades – Clerk, Probationary Officer and Specialist Officer in On-Line mode. We have rolled out the sessions in English, Hindi, Malayalam and other vernacular languages.

