



# IBS VIGYAN

## VISIONING BANKERS



### Evangelistically Speaking

#### Dear Stakeholders,

As we step into November, we approach the close of yet another dynamic and fulfilling year – a moment to pause, reflect, and realign our goals. Each passing month has been a meaningful chapter in our shared journey, marked by learning, perseverance, and purpose.

The true strength of an institution lies not in its infrastructure or milestones but in the passion of its people – the students, faculty, and staff who bring its mission to life every day. At our institute, we take pride in nurturing an environment where knowledge gains direction and learning evolve into leadership.

This month also marks the beginning of the JAIIB examinations, a crucial milestone for thousands of bankers. Looking at the recent trends, the IIBF is clearly focusing on conceptual understanding and application-oriented learning rather than mere memorization. I urge every aspirant to strengthen their fundamentals, revise diligently, and approach each paper with confidence and clarity. Remember, excellence lies in mastering the “why” behind every concept, not just the “what.”

Simultaneously, the promotion processes have begun across several banks, including SBI and others, creating opportunities for advancement and growth. These are

not merely exams or assessments; they are platforms to test your commitment, competence, and consistency. Let every effort reflect your dedication to both professional and personal progress.

This season reminds us of gratitude and growth. The celebrations around us symbolize the joy of progress – inspiring us to appreciate every achievement, however small, and to stay committed to continuous improvement. Each class conducted, each session delivered, and each success story written contributes to a legacy that shapes both competence and character.

As we enter the year’s final stretch, let us stay focused on finishing strong – consistent in effort, compassionate in spirit, and creative in approach. May this November renew our sense of purpose and remind us that excellence is not an act but a habit.

Looking forward to a sustaining engagement with all.

**Sincerely yours**

**Satheesh Kumar. S**  
**Managing Director**

## Curated Cube

### The Shifting Balance of Global Growth

As the world moves deeper into 2025, a quiet transformation is reshaping the global economy. The momentum that once firmly belonged to advanced economies is gradually tilting toward emerging markets, driven by demographic strength, digital adoption, and the diversification of global supply chains.

While mature economies continue to struggle with ageing populations, high debt, and productivity stagnation, emerging nations are embracing a more technology-driven, entrepreneurial future. From financial inclusion and fintech innovation to renewable energy and infrastructure investment, these economies are no longer content with being the world's factories—they are becoming laboratories of growth and innovation.

However, this shift is not without challenges. Global trade remains fragile, protectionism still lingers, and climate-related disruptions are testing the resilience of both production and finance. Inflation may have moderated in most regions, but the scars of the last few years remain visible in household budgets and fiscal positions. The new question confronting policymakers is not merely how to sustain growth, but how to make it inclusive and sustainable in the face of environmental and technological upheaval.

For the financial sector, this means adapting faster than ever. Banks and NBFCs must learn to balance credit expansion with prudence, support green financing, and integrate technology without compromising trust or ethics. Digital currencies, artificial intelligence, and risk analytics are no longer futuristic ideas—they are part of daily decision-making.

As we close another eventful year, the message is clear: agility and adaptability will define success in the decade ahead. The world economy is not slowing down—it is evolving, fragmenting, and finding new centres of gravity. Those who read these shifts early and align their strategy with sustainability, innovation, and integrity will not just survive the change—they will lead it.

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

### JAIIB/CAIIB - MAY/JUNE 2026 BATCH - ADMISSION STARTED

**START YOUR JAIIB/CAIIB PREPARATION AT THE EARLIEST WITH IBS**

Zoom platform live classes, Recorded sessions, Online Mock Tests, Whatsapp interaction, & Study materials

## FOURTH PILLAR

**REGULATORY SANDBOX:** A regulatory sandbox is a controlled environment for live testing of new products and services where the regulator may grant temporary exemptions from certain rules. It allows innovators, like fintech companies, to test new ideas with a limited number of customers to gather evidence on their benefits and risks in a real-world setting. The goal is to foster responsible innovation by enabling regulators to adapt rules and avoid stifling progress with outdated regulations, while also ensuring consumer protection and market integrity. The objective of the sandbox is to foster responsible innovation in financial services, promote efficiency and bring benefits to consumers. The companies work with regulators at every step, so that regulator can also understand the challenges faced by the company as the product might be new/ innovative and formulate the regulatory policies accordingly. It will have a twin objective of having good regulation as well as it should not become a hindrance for the Company.

### **MERCHANTING TRADE TRANSACTION:**

A merchanting trade transaction is an international trade where an intermediary (the merchant) buys goods from a supplier in one foreign country and sells them to a buyer in another foreign country, without the goods ever entering the intermediary's home country. For instance, an Indian merchant (intermediary) buys goods from a supplier located in Germany, and sells the same goods to a buyer located in USA, without the goods physically entering Indian territory. In simple terms, goods move from one foreign country to another, but the payment and trade are routed through an Indian intermediary, and the entire transaction is settled in foreign exchange through an Authorized Dealer (AD) bank in India. These transactions are often used to profit from price differences, and in countries like India, they must be conducted in foreign currency and routed through authorized banks (ADs).

### **GOODS & SERVICES TAX APPELATE TRIBUNAL (GSTAT):**

The Ministry of Finance has recently announced the launch of the Goods and Services Tax Appellate Tribunal (GSTAT) in New Delhi, with the aim to provide a uniform, efficient, and independent appellate mechanism for resolving disputes arising under the GST law. It serves as the final appellate authority at the national level, below the jurisdiction of the High Courts, for taxpayers and revenue authorities aggrieved by the decisions of the Appellate Authorities. The Tribunal will be headed by a President, supported by Judicial Members and Technical Members (representing both the Centre and the States), ensuring a balanced and expert decision-making structure.

### **EXPECTED CREDIT LOSS FRAMEWORK:**

The Expected Credit Loss (ECL) framework is a method for financial institutions to estimate and make provision for potential future credit losses on their loans and other financial instruments. This forward-looking approach requires banks to assess not just current defaults but also the likelihood of future defaults and losses, often using a three-stage model. Reserve Bank of India (RBI) is implementing this framework, replacing the old incurred loss model (where provisions were made only after a borrower actually defaulted or showed signs of distress) with the goal of strengthening credit risk management and aligning with international standards like IFRS 9.

**MICROSITE FOR BANKNOTES:** The "microsite for banknotes" refers to the new, interactive website launched by the Reserve Bank of India (RBI) at [indiancurrency.rbi.org.in](http://indiancurrency.rbi.org.in). It educates the public on the design and security features of Indian currency through features with a 360-degree view of banknotes, multimedia content, and interactive games, and replaces the old site, [paisaboltahai.rbi.org.in](http://paisaboltahai.rbi.org.in). The microsite also provides information on exchanging banknotes. This initiative aims to enhance public awareness & understanding of Indian banknotes through an engaging and user-friendly digital platform.

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

# INQUISITIVELY SPEAKING

1. The RBI requires all large corporate borrowers to obtain a Legal Entity Identifier (LEI) for their aggregate fund-based and non-fund-based exposure of ₹..... crore and above?

- a) ₹1      b) ₹2      c) ₹3      d) ₹5

2. As per the revised framework of National Pension System (NPS), Non-government sector subscribers will be allowed to invest up to \_\_\_\_\_% of their contributions in equity instruments:

- a) 50%      b) 75%      c) 100%      d) 125%

3. Govt. has introduced significant changes to TDS rules effective from Sept. 25, 2025. The annual interest exemption limit for TDS for Senior Citizen has been increased from ₹..... to ₹.....

- a) 10,000, 25000      b) 10,000, 50,000  
c) 25,000, 50,000      d) 50,000, 1,00,000

4. .... Is the benchmark interest rate at which banks borrow and lend funds to each other for one day (overnight) in the call money market.

- a) Overnight Call Rate  
b) Call Money Rate  
c) Weighted Average Call Rate  
d) Weighted Overnight Call Rate

5. In a \_\_\_\_\_ auction, the interest rate (repo rate) is decided through bidding, but not fixed in advance. Banks bid the rate at which they are willing to borrow, and RBI accepts bids starting from its policy repo rate upwards.

- a) Reverse Repo Rate  
b) Fixed Repo Rate  
c) Long Term Repo Rate  
d) Variable Repo Rate

6. .... are specialized financial institutions authorized by the RBI to deal exclusively in Government securities (G-Secs) - both in the primary (auction) and secondary (trading) markets.

- a) Primary Dealers  
b) Standalone Primary Dealers  
c) Specialised Primary Dealers  
d) Specified Primary Dealers

7. The TDS exemption limit on Dividend Income has been increased under the new TDS rule, from ₹ ..... To ₹.....

- a) 5000, 10000      b) 5000, 15,000  
c) 10,000, 15,000      d) 10,000, 20,000

## ANSWER KEY

1.d    2.c    3.d    4.c    5.d    6.b    7.a

## Stretch n Speak

**RoDTEP:** Remission of Duties and Taxes on Exported Products

**SRVA:** Special Rupee Vostro Account

**MBA:** Multiple Banking Arrangement

**MBN:** Mutilated Bank Notes

**RPT:** Related Party Transaction

**2FA:** Two Factor Authentication