20 One-Liners to Remember

Quick-fire facts for last-minute revision.

1. **JAIIB PPB is organised into four modules: Indian Financial System, Functions of Banks, Banking Technology, and Support Services & Marketing.**
   Knowing which topic sits in which module speeds up revision and question mapping.

2. **RBI regulates banks, SEBI regulates the capital market, and IRDAI regulates insurance.**
   This regulator trio is one of the most repeated facts tested in the PPB paper.

3. **PFRDA is the regulator for the pension sector in India.**
   PFRDA oversees pension fund regulation alongside RBI, SEBI and IRDAI as sector regulators.

4. **CRR and SLR are both calculated on a bank's Net Demand and Time Liabilities (NDTL).**
   NDTL is the base figure banks use to compute their statutory cash and liquidity reserve requirements.

5. **CRR is the percentage of NDTL a bank holds as cash reserves with the RBI.**
   Reducing CRR increases loanable funds with banks, while raising it reduces them.

6 **SLR is the percentage of NDTL a bank holds in prescribed government securities.**
Increasing SLR reduces the funds banks have available to lend.

7 **The RBI was constituted under the RBI Act, 1934, and began functioning from 1 April 1935.**
These founding dates are a classic direct-recall PPB question.

8 **The RBI became a state-owned institution under the RBI (Transfer to Public Ownership) Act, 1948.**
This Act transferred RBI ownership from private shareholders to the Government of India.

9 **Monetary and credit policy is issued by the RBI, fiscal policy by the Ministry of Finance, and EXIM policy by the Ministry of Commerce.**
Matching each policy to its issuing authority is a frequently tested PPB fact.

10 **Bank Rate is the rate at which the RBI rediscounts eligible bills of exchange or commercial paper from banks.**
It is one of RBI's traditional tools for controlling money and credit.

11 **Open Market Operations are the sale or purchase of government securities by the RBI in the open market.**
OMOs help RBI manage liquidity in the banking system.

12 **Retail banking deals with individual customers, offering products like savings accounts, loans and cards.**

Retail banking covers both asset and liability side products for individual customers.

13 **Wholesale or corporate banking serves industrial and business entities with products like LC, BG and term lending.**

It caters to corporates, trading houses, multinationals and large PSUs rather than individuals.

14 **An ADR (American Depository Receipt) is issued and traded in the United States.**

ADRs let a foreign company's equity trade on US exchanges as depository receipts.

15 **A GDR (Global Depository Receipt) is issued and traded in markets outside the issuer's home country, often in Europe.**

GDRs give foreign investors access to a company's equity without a direct home-market listing.

16 **Participatory Notes are issued by FIIs to entities that want to invest in Indian markets without registering with SEBI.**

PNs function like contract notes and cannot be issued to Indian nationals.

17 **The money market deals in short-term funds with a maturity of less than one year.**

Instruments like CDs, CPs and Treasury Bills fall under this short-term maturity bracket.

18 **Government securities carry no default risk because they have a sovereign guarantee.**

G-Secs are also liquid, issued at face value, and pay interest half-yearly.

19 **MIBOR, launched on 15 June 1998, is an overnight benchmark rate calculated via the NSE.**

MIBOR is widely used as the reference rate for Indian money-market deals.

20 **FEMA, 1999 applies to the whole of India and also to overseas branches or offices controlled by persons resident in India.**

This extraterritorial reach distinguishes FEMA's scope from purely domestic legislation.