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24 OCTOBER 2026

TODAY'S TOP HIGHLIGHTS

Rs 1,50,000 CR

Notified Rs 1,50,000 crore for a 4-day VRR on 26 October, triple the recent size; window 9:30-10:00 AM, reversal 30 October.

4-DAY VRR NOTIFIED FOR 26 OCTOBER

5.58%

The 23 October 3-day VRR drew bids of Rs 1,06,949 crore; Rs 50,003 crore was allotted as system liquidity slipped into deficit.

CUT-OFF IN 23 OCT 3-DAY VRR

Rs 1,242 CR

IndusInd Bank returned to profit in Q2, and the RBI issued final leverage ratio rules effective 1 April 2027.

INDUSIND BANK Q2 NET PROFIT

RBI lines up Rs 1.5 lakh crore of cash for banks as liquidity slips into deficit

Price of the Edition: Complimentary Copy

Designed and prepared by CrackExam.co.in Team

<https://crackexam.co.in/> | Research cutoff: 24 October 2026, 04:12 AM IST

Monetary Policy Rates

As on 24 October 2026

RATE	CURRENT	EFFECTIVE FROM
Policy Repo Rate	5.50%	w.e.f. 7 October 2026
Standing Deposit Facility (SDF)	5.25%	w.e.f. 7 October 2026
Marginal Standing Facility (MSF)	5.75%	w.e.f. 7 October 2026
Bank Rate	5.75%	w.e.f. 7 October 2026
Cash Reserve Ratio (CRR)	3.00%	fortnight from 29 Nov 2025
Statutory Liquidity Ratio (SLR)	18.00%	RBI CRR & SLR Directions, 2025

Repo, SDF, MSF and Bank Rate unchanged since the 7 October MPC resolution.
Money market as on 22 Oct (RBI MMO of 23 Oct): overnight WAR 5.66%.
SDF Rs 1,61,742 crore and MSF Rs 3,746 crore on 22 Oct.

Sources: [RBI current rates](#) | [RBI MPC resolution](#) | [RBI CRR change](#) | [RBI reserve ratios](#)

News Headlines

- 1. RBI lines up Rs 1.5 lakh crore of cash for banks as liquidity slips into deficit** (Cover Story)
- 2. RBI scales up liquidity support: Rs 1,50,000 crore 4-day VRR on 26 October after 3-day auction draws Rs 1.07 lakh crore** (RBI & Regulatory Updates)
- 3. Leverage ratio: RBI issues final Basel III 2017 Standard directions, effective 1 April 2027** (RBI & Regulatory Updates)
- 4. Operational risk capital: RBI issues Second Amendment Directions on the Basel III standardised approach** (RBI & Regulatory Updates)
- 5. SEBI eases call-recording mandate for research analysts dealing with institutional clients** (RBI & Regulatory Updates)
- 6. Upper-layer NBFCs must list; CICs accessing public funds must register: RBI Governor** (RBI & Regulatory Updates)
- 7. IndusInd Bank Q2 FY27: net profit of Rs 1,242 crore against a year-ago loss; GNPA improves to 2.73%** (Banking & Financial Industry News)
- 8. SBI Funds Management Q2: net profit down 6% to Rs 701 crore; average AUM up 10%** (Banking & Financial Industry News)
- 9. C-DAC and Bank of India sign MoU to build a quantum ecosystem for financial innovation** (Banking & Financial Industry News)
- 10. FSDC 30th meeting: vigil on global risks; push on unclaimed assets and cyber security strategy** (Economy & Financial Awareness)
- 11. RBI Bulletin October 2026: fresh lending rates down 93 bps against a 125 bps repo cut** (Economy &

Financial Awareness)

- 12. Delhi Police busts mule-account network with bank insiders: Rs 7.36 crore across 99 complaints** (Credit/NPA & Risk Management)

- 13. IndusInd Bank appoints Priyanka Sinha as Additional Director (Independent)** (National, International & Appointments)

- 14. Fed and ECB expected to hold rates at next week's meetings: reports** (National, International & Appointments)

Liquidity moved into deficit, and the RBI announced a Rs 1,50,000 crore 4-day VRR for 26 October after the 3-day auction drew Rs 1,06,949 crore of bids. Final Basel III leverage ratio and operational-risk rules were issued, effective 1 April 2027. SEBI eased call-recording for research analysts, IndusInd Bank returned to profit, SBI Funds profit dipped 6%, C-DAC and Bank of India signed a quantum MoU, and the FSDC held its 30th meeting. Government Schemes carries no verified update today.

Cover Story

RBI lines up Rs 1.5 lakh crore of cash for banks as liquidity slips into deficit

23 October 2026 | RBI press releases of 23 October 2026 (3-day VRR result, 4-day VRR notice, Money Market Operations)

The RBI's 3-day Variable Rate Repo (VRR) auction on 23 October 2026, with a notified amount of Rs

50,000 crore, drew bids of Rs 1,06,949 crore. The RBI allotted Rs 50,003 crore at a cut-off rate of 5.58% and a weighted average rate of 5.60%, with 30.99% partial allotment to bidders at the cut-off rate. The auction reverses on 26 October 2026.

For Monday, 26 October 2026, the RBI announced a 4-day VRR auction of Rs 1,50,000 crore, three times the notified amount of recent auctions, with the bidding window from 9:30 AM to 10:00 AM and reversal on 30 October 2026.

The RBI's Money Market Operations release (position as on 22 October) shows net liquidity of minus Rs 31,254.95 crore when outstanding operations are included: the day's operations drained Rs 1,07,990 crore, partly offset by outstanding injections. The overnight money market weighted average rate was 5.66%; banks parked Rs 1,61,742 crore in the Standing Deposit Facility at 5.25% and borrowed Rs 3,746 crore under the Marginal Standing Facility at 5.75%.

Key facts

3-day VRR 23 Oct: bids Rs 1,06,949 crore; allotted Rs 50,003 crore at 5.58% cut-off (WAR 5.60%; partial allotment 30.99%)

4-day VRR on 26 Oct: notified Rs 1,50,000 crore; window 9:30-10:00 AM; reversal 30 Oct

Net liquidity incl. outstanding: minus Rs 31,254.95 crore (as on 22 Oct)

Overnight WAR 5.66%; SDF Rs 1,61,742 crore; MSF Rs 3,746 crore

Exam takeaway: The tripling of the notified amount to Rs 1.5 lakh crore, with system liquidity in deficit, signals the RBI is willing to supply large durable support so that overnight rates stay close to the 5.50% repo rate.

One-minute recall: 26 Oct: 4-day VRR of Rs 1.5 lakh crore; 23 Oct 3-day VRR drew Rs 1,06,949 crore of bids at 5.58% cut-off; system in deficit.

RBI press releases of 23 October 2026 (3-day VRR result, 4-day VRR notice, Money Market Operations)

RBI & Regulatory Updates

RBI scales up liquidity support: Rs 1,50,000 crore 4-day VRR on 26 October after 3-day auction draws Rs 1.07 lakh crore

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RBI press releases of 23 October 2026 (3-day VRR result, 4-day VRR notice, Money Market Operations)

Leverage ratio: RBI issues final Basel III 2017 Standard directions, effective 1 April 2027

23 October 2026 | RBI press release of 23 October 2026; Economic Times and Mint reports

The RBI issued the final Leverage Ratio framework, 2017 Standard (Eleventh Amendment Directions, 2026), which comes into effect from 1 April 2027. The draft had been issued on 7 August 2026 for public comments; the RBI turned down banks' request for more time.

The minimum leverage ratio stays at 4% for Domestic Systemically Important Banks (D-SIBs) and 3.5% for other banks. For Indian branches of Global Systemically Important Banks (G-SIBs), the minimum is 3.5% plus the applicable G-SIB buffer.

Banks with an international presence, or with gross notional derivatives outstanding of Rs 25,000 crore and above (assessed group-wide), must use the Standardised Approach for measuring Counterparty Credit Risk exposures (SA-CCR) in the exposure measure; smaller banks may use either SA-CCR or the existing method. Banks cannot reduce exposures for collateral, guarantees or netting unless the framework allows it.

The leverage ratio is Tier 1 capital divided by the total exposure measure, computed at the end of every quarter (daily or monthly averages are allowed with RBI approval). The RBI may, at its discretion, temporarily exempt central bank reserves from the exposure measure.

Key facts

Final Leverage Ratio 2017 Standard: effective 1 April 2027

Minimum: 4% for D-SIBs, 3.5% for others; G-SIB branches: 3.5% + G-SIB buffer

SA-CCR mandatory for banks with international presence or derivatives of Rs 25,000 crore and above (group-wide)

No reduction of exposures for collateral, guarantees or netting unless permitted

Exam takeaway: A leverage ratio is a non-risk-based backstop: it caps total balance-sheet and off-balance-sheet build-up regardless of how safe the assets look on a risk-weighted basis.

One-minute recall: Leverage ratio final rules from 1 Apr 2027: 4% D-SIBs, 3.5% others; SA-CCR for large derivatives books.

RBI press release of 23 October 2026; Economic Times and Mint reports

Operational risk capital: RBI issues Second Amendment Directions on the Basel III standardised approach

23 October 2026 | RBI press release of 23 October 2026

The RBI issued the Second Amendment Directions on Minimum Capital Requirements for Operational Risk under the Basel III framework. The amendment updates the operational-risk capital directions in line with the standardised approach announced earlier.

The revised Basel III capital adequacy framework for banks, including the new Standardised Approach for operational risk, comes into effect from 1 April 2027, as announced in the Governor's Statement of 1 October 2025. The framework does not apply to Small Finance Banks, Payments Banks and Regional Rural Banks.

Under the standardised approach, operational-risk capital is based on the Business Indicator, a financial-statement-based proxy, replacing the older income-based approaches.

Key facts

Second Amendment Directions on Minimum Capital Requirements for Operational Risk

New Standardised Approach effective 1 April 2027

Not applicable to SFBs, Payments Banks and RRBs

Capital based on the Business Indicator

Exam takeaway: The Business Indicator approach links operational-risk capital to the size of a bank's income, expense and interest items, so capital rises with the scale of operations.

One-minute recall: Op-risk: Basel III standardised approach from 1 Apr 2027; SFBs/PBs/RRBs excluded.

RBI press release of 23 October 2026

SEBI eases call-recording mandate for research analysts dealing with institutional clients

23 October 2026 | SEBI circular of 23 October 2026; Business Standard report

SEBI reviewed the requirement for research analysts and research entities to maintain call records of institutional clients, and decided that call recordings will not be mandatory for interactions with institutional investors.

The circular is effective from 8 November 2026. Other modes of keeping records of such interactions, in place of recordings, must be maintained for five years.

Key facts

Call recordings not mandatory for institutional-investor interactions

Effective 8 November 2026

Alternative records to be kept for five years

Applies to research analysts and research entities

Exam takeaway: The change cuts compliance cost where clients are regulated institutions, while keeping a record trail for five years.

One-minute recall: SEBI: no mandatory call records for institutional clients of research analysts from 8 Nov; 5-year alternative records.

SEBI circular of 23 October 2026; Business Standard report

Upper-layer NBFCs must list; CICs accessing public funds must register: RBI Governor

23 October 2026 | Business Standard report of the RBI Governor's address at the NDTV World Summit 2026, 23 October 2026

Speaking at the NDTV World Summit 2026, RBI Governor Sanjay Malhotra said NBFCs classified in the Upper Layer under scale-based regulation are required to list on stock exchanges, and that the RBI expects compliance.

He said Core Investment Companies (CICs) that access public funds, directly or indirectly, must register with the RBI. The remarks come in the context of the Tata Sons listing question (reported context).

Key facts

Upper-layer NBFCs must list on exchanges

CICs accessing public funds, directly or indirectly, must register with the RBI

Remarks at the NDTV World Summit 2026

Reported in the context of the Tata Sons listing matter

Exam takeaway: Scale-based regulation puts bigger NBFCs in the Upper Layer with tighter rules; mandatory listing adds market discipline and disclosure.

One-minute recall: Governor: upper-layer NBFCs must list; public-fund CICs must register.

Business Standard report of the RBI Governor's address at the NDTV World Summit 2026, 23 October 2026

Banking & Financial Industry News

IndusInd Bank Q2 FY27: net profit of Rs 1,242 crore against a year-ago loss; GNPA improves to 2.73%

23 October 2026 | The Hindu report on IndusInd Bank's September-quarter results, 23 October 2026

IndusInd Bank reported a net profit of Rs 1,242 crore for the September 2026 quarter, against a net loss of Rs 437 crore a year earlier; profit rose about 20% over the June quarter. Net interest income was Rs 4,569 crore and the net interest margin was 3.23%.

Asset quality improved: gross NPA ratio eased to 2.73% from 3.60% a year ago, and net NPA to 0.83% from 1.04%. The provision coverage ratio stood at 70%, and deposits grew 10% year on year.

The board appointed Priyanka Sinha as Additional Director (Non-Executive Independent) for four years, per the bank's filing reported by The Hindu.

Key facts

Net profit Rs 1,242 crore vs loss of Rs 437 crore a year ago; +20% quarter on quarter

NII Rs 4,569 crore; NIM 3.23%

GNPA 2.73% (3.60% a year ago); NNPA 0.83%; PCR 70%

Deposits up 10% YoY; Priyanka Sinha appointed Additional Director (Independent)

Exam takeaway: A swing from loss to profit with falling NPA ratios shows the bank's clean-up and recovery progress after its derivatives-related setbacks.

One-minute recall: IndusInd Q2: profit Rs 1,242 crore vs year-ago loss; GNPA 2.73%.

The Hindu report on IndusInd Bank's September-quarter results, 23 October 2026

SBI Funds Management Q2: net profit down 6% to Rs 701 crore; average AUM up 10%

23 October 2026 | The Hindu BusinessLine report, 23 October 2026

SBI Funds Management reported a 6% year-on-year fall in September-quarter net profit to Rs 701 crore from Rs 746 crore, as expenses rose 28%. Revenue grew 9% to Rs 1,193 crore.

Average assets under management rose 10% to Rs 13.14 lakh crore, with equity AUM at Rs 6.22 lakh crore and SIP inflows of Rs 3,900 crore in the quarter.

Key facts

Net profit Rs 701 crore, down 6% YoY (Rs 746 crore)

Revenue up 9% to Rs 1,193 crore; expenses up 28%

Average AUM Rs 13.14 lakh crore, up 10%; equity AUM Rs 6.22 lakh crore

SIP inflows Rs 3,900 crore in the quarter

Exam takeaway: India's largest fund house shows the industry's AUM momentum continues even when quarterly profit dips on higher costs.

One-minute recall: SBI Funds Q2: profit Rs 701 crore (-6%); AAUM Rs 13.14 lakh crore (+10%).

The Hindu BusinessLine report, 23 October 2026

C-DAC and Bank of India sign MoU to build a quantum ecosystem for financial innovation

23 October 2026 | PIB press release, 23 October 2026

The Centre for Development of Advanced Computing (C-DAC) and Bank of India signed a Memorandum of Understanding to build a quantum ecosystem for financial innovation.

The collaboration covers quantum computing applications in banking along with work on artificial intelligence, blockchain and cybersecurity.

Key facts

C-DAC and Bank of India signed the MoU on 23 October 2026

Focus: quantum ecosystem for financial innovation

Also covers AI, blockchain and cybersecurity

Announced by the Press Information Bureau

Exam takeaway: C-DAC runs India's National Supercomputing Mission; a bank tie-up takes quantum research toward real financial use cases such as optimisation and security.

One-minute recall: C-DAC + Bank of India: MoU for a quantum ecosystem in banking.

PIB press release, 23 October 2026

Economy & Financial Awareness

FSDC 30th meeting: vigil on global risks; push on unclaimed assets and cyber security strategy

23 October 2026 | PIB press release, 23 October 2026

The Financial Stability and Development Council (FSDC), chaired by the Union Finance Minister, held its 30th meeting on 23 October 2026 and reviewed macro-financial stability amid geopolitical uncertainties, the AI boom and rising global bond yields.

The Council noted the Financial Sector Cyber Security Strategy, discussed digital onboarding for KYC, NRIs and FPIs, and the use of DPI, the Account Aggregator framework and the Unified Lending Interface for MSME credit.

Members pressed for faster refunds of unclaimed assets under the 'Your Money, Your Right' campaign, and the Council decided to meet more frequently.

Key facts

30th FSDC meeting chaired by the Union Finance Minister

Financial Sector Cyber Security Strategy noted

Digital onboarding for KYC, NRIs and FPIs; DPI, Account Aggregator and ULI for MSME credit

'Your Money, Your Right' unclaimed-assets refund push; FSDC to meet more often

Exam takeaway: FSDC, set up in 2010, is the apex coordination body of financial sector regulators chaired by the Finance Minister.

One-minute recall: FSDC 30th meeting: cyber strategy, unclaimed-asset refunds, more frequent meetings.

PIB press release, 23 October 2026

RBI Bulletin October 2026: fresh lending rates down 93 bps against a 125 bps repo cut

23 October 2026 | RBI Bulletin, October 2026 (press release of 23 October 2026)

The October 2026 RBI Bulletin carries an article showing that, against a cumulative 125 basis points reduction in the policy repo rate, the weighted average lending rate (WALR) on fresh rupee loans fell 93 basis points between February 2025 and March 2026; of this, the interest-rate effect contributed 80 basis points and the composition effect 13 basis points.

The Bulletin's State of the Economy article notes that CPI inflation edged up in September 2026, and that exports grew in double digits in the first half of the year.

Key facts

Repo rate down 125 bps; WALR on fresh loans down 93 bps (Feb 2025 - Mar 2026)

Interest effect 80 bps; composition effect 13 bps

September 2026 CPI edged up

H1 exports grew in double digits

Exam takeaway: Monetary transmission means policy rate changes reaching bank lending rates; the 93/125 bps split shows partial but substantial pass-through to fresh loans.

One-minute recall: RBI Bulletin: WALR on fresh loans -93 bps vs repo -125 bps (Feb 2025-Mar 2026).

RBI Bulletin, October 2026 (press release of 23 October 2026)

Government Schemes

No verified update for this section today.

Credit/NPA & Risk Management

Delhi Police busts mule-account network with bank insiders: Rs 7.36 crore across 99 complaints

23 October 2026 | PTI report, 23 October 2026

Delhi Police uncovered 37 suspected mule bank accounts - 17 at the Saraswati Vihar branch and 20 at the Tri Nagar branch of a private bank - that received Rs 7.36 crore linked to 99 cyber fraud complaints across India. Six people were arrested, including a branch manager.

Accounts were opened with forged signatures and KYC documents collected from daily-wage labourers on the pretext of loan approvals, without the holders being present. Part of the proceeds was converted into cryptocurrency. The FIR was registered on 17 June and the arrests followed investigation; police recovered laptops, phones, SIM cards, cheque books and debit cards.

Key facts

37 mule accounts; Rs 7.36 crore; 99 cyber fraud complaints

Six arrested, including a bank branch manager

Forged KYC from daily-wage labourers; holders never visited branches

Part of proceeds converted to cryptocurrency

Exam takeaway: Mule accounts are the cash-out layer of cyber fraud; the case shows why in-person KYC verification and branch-level controls matter.

One-minute recall: Delhi Police: 37 mule accounts, Rs 7.36 crore, 99 complaints; branch manager among six arrested.

PTI report, 23 October 2026

National, International & Appointments

IndusInd Bank appoints Priyanka Sinha as Additional Director (Independent)

23 October 2026 | IndusInd Bank board decision reported by The Hindu, 23 October 2026

The board of IndusInd Bank appointed Priyanka Sinha as an Additional Director in the Non-Executive Independent category for a term of four years, the bank informed exchanges alongside its quarterly results.

Key facts

Priyanka Sinha appointed Additional Director (Non-Executive Independent)

Term of four years

Announced with the September-quarter results

Appointment reported 23 October 2026

Exam takeaway: Independent directors strengthen board oversight, a focus area for the bank after its governance lapses.

One-minute recall: IndusInd board: Priyanka Sinha joins as independent director for four years.

IndusInd Bank board decision reported by The Hindu, 23 October 2026

Fed and ECB expected to hold rates at next week's meetings: reports

23 October 2026 | Market reports of 23 October 2026 (WSJ, OANDA, CNBC)

Market reports expect both the US Federal Reserve and the European Central Bank to hold policy rates at their meetings in the coming week.

For the Fed, the US government shutdown has limited official data, and for the ECB, inflation near target supports a pause, the reports say. These are market expectations, not central-bank statements.

Key facts

Fed and ECB meet in the coming week

Both widely expected to hold rates, per market reports

Fed decision clouded by the US data shutdown

ECB pause supported by inflation near target

Exam takeaway: Global rate expectations feed into FPI flows, the rupee and G-sec yields, so exam questions often test which central banks are pausing.

One-minute recall: Fed and ECB meetings next week: both expected to hold (market reports).

Market reports of 23 October 2026 (WSJ, OANDA, CNBC)

Knowledge Article

What is SA-CCR, and why did the RBI set a Rs 25,000 crore trigger?

RBI press release of 23 October 2026 (final Leverage Ratio 2017 Standard) and the Economic Times report

SA-CCR, the Standardised Approach for measuring Counterparty Credit Risk exposures, sizes a derivatives exposure as replacement cost plus potential future exposure, scaled by a supervisory factor of 1.4. It replaced the older Current Exposure Method in the Basel framework.

In the final leverage ratio rules, banks with an international presence, or with gross notional derivatives outstanding of Rs 25,000 crore and above (assessed group-wide), must use SA-CCR in the leverage exposure measure; smaller banks may use either method.

Why it matters: the leverage ratio counts exposures gross, with no benefit for collateral, guarantees or netting, so the measurement method decides how much Tier 1 capital a derivatives book consumes.

RBI press release of 23 October 2026 (final Leverage Ratio 2017 Standard) and the Economic Times report

Practical Banking Case Study

Reading an auction result: the 23 October 3-day VRR

Worked example from the RBI press release of 23 October 2026 (VRR result); ratios computed here.

Notified amount Rs 50,000 crore; bids received Rs 1,06,949 crore; amount allotted Rs 50,003 crore; cut-off rate 5.58%; weighted average rate 5.60%; partial allotment of 30.99% of bids at the cut-off rate.

Working

Bid-cover ratio = $1,06,949 / 50,000 = 2.14$ times - banks wanted over twice the cash on offer.

Cut-off vs corridor: 5.58% sits 8 bps above the 5.50% repo rate and 17 bps below the 5.75% MSF rate, inside the corridor.

Partial allotment: a bank bidding at the 5.58% cut-off got only 30.99% of its bid filled; bids below the cut-off were filled in full (uniform-price auction).

Allotment over the notified amount = $50,003 - 50,000 = \text{Rs } 3 \text{ crore}$.

Exam takeaway: When the bid-cover ratio stays above 2 and the cut-off rises toward the MSF rate, liquidity demand is strong - which is what the Rs 1,50,000 crore 4-day VRR on 26 October responds to.

Today's Scheme

Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY): features and current terms

Department of Financial Services, Ministry of Finance

PMJJBY is a one-year life insurance scheme, renewable from year to year, offering life cover of Rs 2 lakh for death due to any reason.

Premium: Rs 436 per year, auto-debited from the subscriber's bank account. Risk cover period: 1 June to 31 May.

The scheme is offered by LIC and other life insurers willing to offer the product on similar terms, with tie-ups with banks. Cumulative enrolment was 23.12 crore as on 28 February 2025 (DFS figures).

Key facts

Life cover Rs 2 lakh for death due to any reason

Annual premium Rs 436, auto-debit from the bank account

Risk cover period 1 June to 31 May, renewable yearly

Cumulative enrolment 23.12 crore (as on 28.02.2025)

Eligibility: age 18 to 50 years with a bank account

Exam takeaway: Keep PMJJBY apart from PMSBY: PMJJBY is life insurance (Rs 2 lakh cover, Rs 436 premium), while PMSBY is accident insurance (Rs 2 lakh cover, Rs 20 premium).

Department of Financial Services, Ministry of Finance

Bank Promotion Exam Corner

4-day VRR 26 October: notified Rs 1,50,000 crore (window 9:30-10:00 AM, reversal 30 October); 3-day VRR 23 October: bids Rs 1,06,949 crore, allotted Rs 50,003 crore at 5.58%.

Money market, 22 October: overnight weighted average rate 5.66%; SDF Rs 1,61,742 crore at 5.25%; MSF Rs 3,746 crore at 5.75%; net liquidity incl. outstanding minus Rs 31,254.95 crore.

Final leverage ratio rules from 1 April 2027: 4% minimum for D-SIBs, 3.5% for others; SA-CCR mandatory for large derivatives books.

IndusInd Bank Q2: net profit Rs 1,242 crore vs a year-ago loss; GNPA 2.73%.

Ethics Quote of the Day

"The first thing is character... before money or anything else. Money cannot buy it... A man I do not trust could not get money from me on all the bonds in Christendom."

J.P. Morgan, testimony before the Pujo Committee, US Congress, 1912 (Wikiquote, J.P. Morgan page)

Banking lesson: credit runs on character before collateral, which is why KYC, references and conduct checks sit at the heart of lending and account opening.

J.P. Morgan, testimony before the Pujo Committee, US Congress, 1912 (Wikiquote, J.P. Morgan page)

Technology in Banking

C-DAC and Bank of India to build a quantum ecosystem for financial innovation

PIB press release, 23 October 2026

C-DAC, the society behind India's National Supercomputing Mission, signed an MoU with Bank of India on 23 October 2026 to develop quantum computing applications for banking, along with artificial intelligence, blockchain and cybersecurity work.

Quantum techniques are being explored worldwide for portfolio optimisation, risk simulation and cryptography; the tie-up gives a public sector bank a research path into these use cases.

PIB press release, 23 October 2026

Peer News

DCB Bank Q2 FY27: net profit up 28% to Rs 236 crore; NPAs at multi-year lows

CNBC-TV18 (Jomy Jos Pullokanan), 23 October 2026

CNBC-TV18 reports that DCB Bank posted a 28.3% rise in September-quarter net profit to Rs 236 crore from Rs 184 crore. Net interest income rose 17.3% to Rs 699 crore, and operating profit rose 26% to Rs 383 crore.

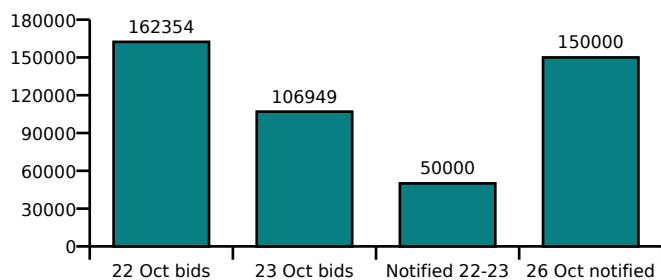
Gross NPA improved to 2.29% from 2.43% quarter on quarter, and net NPA to 0.73% from 0.84%. Provision coverage stood at 81.38% and the capital adequacy ratio at 16.63% as on 30 September 2026.

CNBC-TV18 (Jomy Jos Pullokanan), 23 October 2026

Digital Clip: VRR demand this week (Rs crore)

Bids stayed above Rs 1 lakh crore; the 26 October notified amount triples to Rs 1.5 lakh crore

RBI press releases on the VRR results of 22 and 23 October and the VRR notice of 23 October 2026



The RBI notified Rs 50,000 crore for the overnight VRR on 22 October (bids Rs 1,62,354 crore) and for the 3-day VRR on 23 October (bids Rs 1,06,949 crore).

For 26 October the notified amount rises to Rs 1,50,000 crore for four days, as system liquidity including outstanding operations stands in deficit at Rs 31,254.95 crore.

RBI press releases on the VRR results of 22 and 23 October and the VRR notice of 23 October 2026

Article of the Day

RBI rolls out tighter capital adequacy norms for banks from April 2027 to align with global standards

Mint (Anshika Kayastha), 23 October 2026

Mint explains that the RBI revised its capital adequacy framework to align with Basel Committee standards, mandating strict leverage ratios from 1 April 2027 and rejecting banks' request for more preparation time.

The piece details how the exposure measure uses gross accounting values with no benefit for collateral, guarantees or netting, quarterly computation with an option of daily or monthly averages with approval, and the RBI's discretion to temporarily exempt central bank reserves.

Mint (Anshika Kayastha), 23 October 2026

Podcast of the Day

Fintech Deep Dive - Friday, 23 October 2026

Cashless Consumer, weekly fintech policy brief (watch.cashlessconsumer.in)

The 23 October brief covers the week of 16-23 October: NPCI's deferral of the planned UPI merchant discount rate framework (0.4% on eligible merchant payments) until after Diwali, the RBI's restrictions on Puducherry Co-operative Urban Bank, the MPC minutes on the repo rise to 5.50%, and an Enforcement Directorate arrest in a digital-arrest fraud case.

It frames the week as a set of accountability tests rather than a new rulebook, with consumer questions on who bears payment costs.

Cashless Consumer, weekly fintech policy brief (watch.cashlessconsumer.in)

Audiobook / Book of the Day

The Intelligent Investor by Benjamin Graham

Wikipedia, The Intelligent Investor (first published 1949)

First published in 1949, Benjamin Graham's classic teaches value investing: buy with a margin of safety, treat market swings as Mr Market's moods, and separate investment from speculation.

Warren Buffett has called it the best book on investing ever written; its chapters on margin of safety remain standard reading for banking and markets exams that test financial literacy.

Wikipedia, The Intelligent Investor (first published 1949)

Knowledge Byte

Partial allotment at the cut-off in a VRR auction

RBI press releases on the VRR results of 22 and 23 October 2026

A VRR auction is uniform-price: every accepted bidder pays the single cut-off rate, not the rate it quoted. Bids below the cut-off are filled in full; bids at the cut-off are filled pro-rata, which the RBI reports as partial allotment.

On 23 October the partial allotment was 30.99% (3.2% on 22 October), meaning bidders exactly at the 5.58% cut-off received only that share of their bid.

RBI press releases on the VRR results of 22 and 23 October 2026

Aaj ka Shabd

Asset, Liability and Capital

Standard Hindi banking usage (parisampatti, deyata, poonji)

परिसंपत्ति | देयता | पूँजी

Hindi terms above, in order: parisampatti (asset), deyata (liability) and poonji (capital).

A bank's loans are its assets, deposits are its liabilities, and the gap funded by shareholders is capital - the base on which ratios like CRAR and the leverage ratio are computed.

Standard Hindi banking usage (parisampatti, deyata, poonji)

Data Analysis

Money market snapshot, 22 October 2026

RBI Money Market Operations press release, 23 October 2026 (figures in Rs crore, rates in per cent)

Segment (22 Oct)	Volume Weighted average rate
Overnight segment (total)	6,79,012.55 5.66%
Call money	14,166.07 5.69%
Triparty repo	4,99,842.40 5.65%

Market repo	1,65,004.08 5.67%
SDF (absorption)	1,61,742.00 5.25%
MSF (injection)	3,746.00 5.75%
Net liquidity, day operations	-1,07,990.00 -
Net liquidity incl. outstanding	-31,254.95 -

Overnight rates held near the top half of the corridor as liquidity moved into deficit.

The SDF absorbed Rs 1.62 lakh crore even on a deficit day, showing the split between surplus and deficit banks.

RBI Money Market Operations press release, 23 October 2026 (figures in Rs crore, rates in per cent)

Daily MCQ Challenge

1. What is the notified amount of the RBI's 4-day VRR auction scheduled for 26 October 2026?

- A. Rs 1,50,000 crore
- B. Rs 50,000 crore
- C. Rs 75,000 crore
- D. Rs 1,00,000 crore

Answer: A. The RBI announced a 4-day VRR of Rs 1,50,000 crore for 26 October 2026, with reversal on 30 October.

2. From which date do the RBI's final Leverage Ratio 2017 Standard directions take effect?

- A. 1 January 2027
- B. 1 October 2026
- C. 1 April 2026
- D. 1 April 2027

Answer: D. The final Leverage Ratio framework (Eleventh Amendment Directions) is effective 1 April 2027.

3. Under the amended directions, from when does the new Standardised Approach for operational-risk capital apply?

- A. 1 April 2027
- B. 1 October 2026
- C. 1 January 2026
- D. 1 April 2026

Answer: A. The revised Basel III operational-risk framework is effective 1 April 2027.

4. SEBI's relaxation on call records for research analysts dealing with institutional clients takes effect from:

- A. 23 October 2026
- B. 1 January 2027
- C. 8 November 2026
- D. 1 April 2027

Answer: C. The circular is effective from 8 November 2026.

5. According to the RBI Governor at the NDTV World Summit 2026, NBFCs in which layer must list on stock exchanges?

- A. Base Layer
- B. Middle Layer
- C. Upper Layer
- D. Top Layer

Answer: C. NBFCs classified in the Upper Layer under scale-based regulation are required to list.

Revision: recent days

21 October 2026: Earlier edition: the call rate was 5.66% on 19 October against the 5.75% MSF rate; the DFS campaign runs 21 October to 31 December.

22 October 2026: Earlier edition: the 21 October overnight VRR cleared at 5.52% with bids of Rs 93,241 crore; the 22 October auction drew Rs 1,62,354 crore at a 5.54% cut-off.

23 October 2026: Earlier edition: the 22 October overnight VRR drew bids of Rs 1,62,354 crore at a 5.54% cut-off; the 23 October 3-day VRR drew Rs 1,06,949 crore at 5.58%.

Sources and publication information

The VRR, money market, leverage ratio, operational-risk and Bulletin items are from RBI press releases of 23 October 2026. The SEBI item is from the SEBI circular and Business Standard. The Governor's remarks are from Business Standard (NDTV World Summit). IndusInd Bank and the Priyanka Sinha appointment are from The Hindu, SBI Funds from The Hindu BusinessLine, the FSDC and C-DAC items from PIB, the Fed/ECB item from market reports (WSJ/OANDA/CNBC), and the mule-account case from PTI via Moneycontrol.

The separate 25-question practice test uses the same verified dataset. Original practice, not an actual previous-year paper.

Designed and prepared by CrackExam.co.in Team