

CERTIFICATE COURSE FOR BUSINESS CORRESPONDENTS/ BUSINESS FACILITATORS



About IIBF

Indian Institute of Banking & Finance, a body of banks and financial institutions and professionals in banking and finance industry in India, was established on 30th April, 1928, at the initiative of few eminent bankers, businessmen and industrialists of India.

MISSION

The mission of the Institute is to develop professionally qualified and competent bankers and finance professionals primarily through a process of education, training, examination, consultancy/counseling and continuing professional development programmes.

OBJECTIVES

The objectives for which the Institute was established are :

1. to facilitate study of theory and practice of banking and finance
2. to test and certify attainment of competence in the profession of banking and finance
3. to collect, analyze and provide information needed by professionals in banking and finance
4. to promote continuous professional development
5. to promote and undertake research relating to operations, products, instruments, processes etc. in banking and finance and to encourage innovation and creativity among finance professionals so that they could face competition and succeed.

VISION

“To be premier Institute for developing and nurturing competent professionals in banking and financial field”.

ACTIVITIES

1. Design, develop and conduct examinations to test the proficiency of bank / financial sector employees in various areas of operations of banks/ financial institutions and finance related subjects.
2. Award certificates / diplomas to successful candidates.
3. Provide necessary educational support services such as tutorial classes, contact programmes and study material.
4. Dissemination of knowledge on banking and financial services through publication of quarterly journal “Bank Quest”, a monthly newsletter “IIBF VISION” and e-newsletter called ‘Fin@quest’ and by organizing lectures / seminars, workshops as a part of continuing professional development programmes.
5. Conduct of seminars on topical matters across the country for the benefit of members.

CONTENTS

Page No.

BACKGROUND	3
SUPPORT FROM NABARD	3
OBJECTIVE OF THE COURSE	3
THE DESIGN	4
CERTIFICATION PROCESS	4
TARGET GROUP	5
HOW TO APPLY ?	5
SUBJECT OF EXAMINATION	5
EXAMINATION FEES	5
MEDIUM OF EXAMINATION	5
PATTERN OF EXAMINATION	5
PERIODICITY OF EXAMINATION	6
COURSEWARE	6
COURSE COVERAGE	8
SYLLABUS	8
ANNEXURE	10

CERTIFICATE COURSE FOR BUSINESS CORRESPONDENTS / BUSINESS FACILITATORS

RULES & SYLLABUS 2009

BACKGROUND

Reserve Bank of India has permitted banks to use intermediaries such as Business Correspondents/Business Facilitators (BC/BF) to reach out to the rural population. The BC/BF model will offer an effective way, for the banks, to reach the un-reached population at large, customers and intermediaries alike. In this model banks do not have to invest in costly infrastructure of a branch to reach the un-banked areas while and at the same time the people who remained excluded so far will be assured of easy access to financial products and services. For this to happen a large number of BC/BFs, who are not bank employees but are outsourced by banks - across the country to function as their agents - would be needed. This will bring the hitherto 'excluded' rural poor and help establish an open, inclusive and egalitarian society in the rural areas and make financial inclusion a reality with in a time frame.

IN ORDER TO MEET THIS NATIONAL OBJECTIVE, THE INSTITUTE HAS LAUNCHED THIS CERTIFICATE COURSE, WITH STRUCTURED TRAINING AND CLASS ROOM SUPPORT, FOLLOWED BY EXAMINATION.

SUPPORT FROM NABARD

NABARD HAS DECIDED TO EXTEND SUPPORT TO THE COURSE BY WAY OF FULL/PARTIAL REIMBURSEMENT OF THE COURSE FEE TO THE SUCCESSFUL CANDIDATES. NABARD HAS DECIDED TO SUPPORT CAPACITY BUILDING OF BC/BFs THROUGH THIS CERTIFICATION COURSE AS USING BUSINESS CORRESPONDENTS (BCs) & BUSINESS FACILITATORS (BFs) IS FOUND TO BE AN EFFECTIVE METHOD TO SPEED UP THE PROCESS OF FINANCIAL INCLUSION. FURTHER A POOL OF COMPETENT PERSONS IS NEEDED URGENTLY, WHO COULD BE EMPLOYED AS BC/BFs BY THE BANKS OR AS CUSTOMER SERVICE PROVIDERS (CSPs) BY THE AGENCIES WHICH ARE APPOINTED AS BCs BY THE BANKS, TO FASTEN THE PROCESS OF FINANCIAL INCLUSION WITHIN A REASONABLE TIME

DETAILS OF THE SCHEME IS GIVEN AT THE END OF THIS BOOKLET.

Objective of the Course

Business Correspondents / Business Facilitators (BC/BF) will help banks in:

- Identifying potential customers.
- Advising / counseling village people about appropriate bank products and services.
- Helping villagers in completing formalities that are needed to transact with banks.
- Educating customers about terms of sanction, repayment and recovery.
- Putting through / helping in Putting through basic and small-value transactions of rural people.

This course is aimed at providing the knowledge inputs and skill sets to BC/BFs. As such, the objective of the course is to provide basic knowledge in banking operations and help the candidates in developing an overall understanding of the following aspects:

- the role/functions of banks
- the basics of banking operations and procedures
- role and function of BC/BFs
- financial advising and counseling
- various forms/documents used in banks.

THE DESIGN

- a) Training :** Candidates appearing for the course will undergo a self-paced study of comprehensive course material developed by the Institute and undergo training for about 5 days arranged by the Institute with select accredited institutions across the country. **Name of the accredited institutions will be put on website www.iibf.org.in from time to time.**
- b) Testing by IIBF :** Once the training is complete the candidates will apply for examination to be conducted by IIBF. This test will be in objective type and conducted off-line once in a month or greater frequency as may be decided from time to time. On successful passing of the test/examination the candidate will be given a pass Certificate.

CERTIFICATION PROCESS

For obtaining the certificate a candidate should :

1. Joint / accredited training institute and undergo 5 days training
2. Obtain Training Completion Certificate from the training institute
3. Apply for Examination of the Institute enclosing the training completion certificate

4. Appear and pass the Examination
5. Get Pass Certificate from the Institute

TARGET GROUP

- Persons working as Business Correspondents /Business Facilitators
- Employees of BC/BFs providing banking and finance related services
- Persons aspiring to make a career in this field.

ELIGIBILITY

Candidates with SSC/SSLC/Matriculation or equivalent qualification will be eligible for admission.

HOW TO APPLY?

Application Forms can be downloaded from the Institute's website www.iibf.org.in. Forms will also be available at Institute's Zonal Offices and Accredited Institutions.

SUBJECT OF EXAMINATION

- Course for Business Correspondents/Business Facilitators

EXAMINATION FEES

Examination Fee is Rs. 4,000/-[®] to be paid by Demand Draft in favour of "Indian Institute of Banking & Finance" payable at Mumbai. In case a candidate is not able to pass the examination in first attempt, Fee for each of the subsequent attempt is Rs. 750/-.

[®] Includes cost of training/registration and course material

The Institute would vary the fee structure from time to time. Any alterations made will be notified on the website www.iibf.org.in.

MEDIUM OF EXAMINATION

Examination will be conducted in **English and Hindi**. Institute will offer examination in other vernacular languages in due course. Please refer the website www.iibf.org.in for update on medium of examination.

PATTERN OF EXAMINATION

a) Internal assessment

Internal Assessment will be for 40 marks (by the accredited training institutes) which will, among others, cover the following areas:-

- Candidate's familiarity with the asset products and schemes for financing in rural areas.

- Candidate's involvement and participation in the class-room discussion and activities
- Candidate's participation in the simulation exercises like role-play, case discussions etc;
- Candidate's application in class-room exercises like filling up of account-opening forms, loan applications, documents etc;

b) Examination:

- Candidates will undergo an examination with a question paper containing approximately 60 multiple-choice objective type questions for 60 marks based on the courseware prescribed for the course.
- Candidate has to secure in all 50% or more marks in the internal assessment and examination to be declared as pass, with a minimum of 20 marks each from internal assessment and examination.
- Examination will be held in offline mode (paper & pencil) only. The duration of the written examination will be 75 minutes.

PERIODICITY OF EXAMINATION

- Written Examination will be conducted normally once in a month. However the Institute would conduct the examination in greater frequency as may be decided from time to time. Please refer our website www.iibf.org.in for the schedule of the examination.
- Examination will be conducted on Sunday
- A list of Examination centers will be provided along with the examination application form.
- The list of examination centers will be amended from time to time.

COURSEWARE

The following publication of the Institute will be the courseware-

“Inclusive Growth – thro’ Business Correspondent/Facilitator”

Published by Taxmann Publications Pvt.Ltd (Price Rs. 275/)

ADDRESS OF TAXMANN LTD.

Jaina Book Agency 649 A Girgaum Road, Dhobi Talao, Mumbai 400002 Tel. : 22012143, 22018485	C. Sitaraman & Co, 37, Royapettah High Road Chennai 600 014 Tel. : 28111516, 28117069, 28113950
Asia Law House Opp. High Court Hyderabad 500 002 Tel. : 24520276, 24526212	Law Point 6C, R. N. Mukherjee Road Opp. Birla Building, Stephen Hpuse, Kolkata 700 011 Tel. : 22101821
Standard Book Distributors 104, Labh Complex, 12-B, Sattar Taluka Society, Opp. Old high Court Road, Ahmedabad 380 014 Tel. : 7540731, 7540732	Krishna Law House 35-36, Gokhale Market, Opp. Tis Hazari Court Delhi 110 054 Tel. : 23969866, 23919317
Student Book Centre 527, Kalbadevi Road, Opp. Edward cinema Mumbai 400 002 Tel. : 22050510, 22080668	Book Corporation 108, Nandan Complex Near Mithkhali Rly. Crossing Mithakhali, Ahmedabad 380 006 Tel. : 6465385
Commercial Law House 149, Rajendra Market, Opp. Tis Hazari Court Delhi 110 054 Tel. : 23947862, 23947863	Puliani & Puliani Ground Floor, Sujatha Complex 1st Cross Gandhinagar Bangalore 560 009 Tel. : 2265500, 2254052
Book Corporation 4 R. N. Mukherjee Road Kolkata 700 001 Tel. : 22101089, 22206669, 31000405	Modern Law House 1/1, A.D.A. Flat (Near Bishop Johnson School), M. G. Marg, Allahabad 211 001 Te. : 2560700, 2560616
Student Agencies (I) Pvt. Ltd. 102, Konark Shram, Behind Everest Building, 156, Tardeo Road, Mumbai 400 034 Tel. : 2351334-37	Arora Law Agency Shivala Road, Hussainpura Amritsar 143 001 Te. : 2584548

COURSE COVERAGE

The details of the prescribed syllabus which is indicative are furnished below. However, keeping in view of the professional nature of examinations, all matters falling within the realm of the subject concerned will have to be studied by the candidate as questions can be asked on all relevant matters under the subject. Candidates appearing for the Examination should particularly prepare themselves for answering questions that may be asked on the latest developments taking place under the various subjects of the said examination although those topics may not have been specifically included in the syllabus. Further, questions based on current developments in banking and finance may be asked. The Institute reserves the right to vary the syllabus / rules / fee structure from time to time. Any alterations made will be notified from time to time.

SYLLABUS

General Banking including Deposits

Principles of Banking - Structure of Indian Banking System - Functions of Banks – Indian Banking: Recent trends - e-Banking – KYC Norms- Anti-Money Laundering

Banker – Customer Relationship - Demand and Time Deposits - Various types of deposits– Account Opening and Closing of Accounts – Pre-mature Closure of Deposits – Interest Rate Application - Renewal of deposits – Procedure for settlement of claims – Various types of customers –Minors and Joint Accounts- Power of Attorney – Mandate and E or S Accounts/ F or S Accounts – Income Tax Orders and Garnishee Orders – Lien and Set-off – Loan against Deposits – Deposit Insurance and Credit Guarantee Scheme – Cheques - Payment and Collection Procedures –Endorsements – Clearing / Cheques truncation – Electronic transfer of Funds – Banker’s secrecy of accounts – Opinion Reports

Ancillary services – Plastic Money - Credit Cards- Safe Deposit Lockers-Remittances

Principles of Lending with special reference to Rural and Retail Lending

Loans and Advances – Guiding Principles of Lending – Appraisal and Monitoring – Working Capital Vs Term Loans

Different Categories of Loans – Retail Lending – Consumer Loans, Home Loans, Vehicle Loans,

Agricultural Finance including Kisan Credit Cards and Gold Loans - Lending to other Priority Sectors –Recent Developments - MSMEs - Eligibility norms - Repayment Terms and EMI setting. Different types of securities and modes of creating charge on them - Security documents and Documentation procedures

– Stamping of Documents – Legal aspects of recovery of bank loans

Asset Classification Norms – Appraisal and Processing Techniques and Sanction Procedures –Follow-up for repayment – Recovery of bank loans

Financial Inclusion and Role of Business Correspondents and Business Facilitators

Micro Finance and its importance in Financial Inclusion – Channels for delivering micro credit – SHG-Bank Linkages – Group Dynamics and peer pressure in SHG Model - Need for and Role of Business Facilitators and Business Correspondents in Financial Inclusion – Scope of activities performed by Business Facilitators and Business Correspondents and how are they different? – Who all can be Business Facilitators and Business Correspondents – Different activities outsourced by banks - Eligibility Criteria for engagement of individuals and institutions as Business Facilitators and Business Correspondents – Pre-cautions to be observed before their enrollment - Area of operations – Due diligence check –Duties of Business Facilitators and Business Correspondents- Check and Balance System - Training Needs– Various Risks faced by banks – Strategic Risk – Reputation Risk – Compliance Risk – Operational Risk – Concentration Risk – Legal Risk and their Mitigation – Confidentiality and Secrecy – Monitoring and Control of BF/BCs. – Ethical issues and Do's & Don'ts for Business Facilitators and Business Correspondents

Skill-sets that make BC/BFs effective in relating with rural people

An overview of various skills needed by Business Facilitators/Business Correspondents - Skills that make them effective in their role: Communication and Interviewing Skills - Borrower Profiling Skill - Debt Management Skill - Cash Flow Working and Cash Budgeting Technique - Credit Counseling and Financial Advising Skills — Financial Literacy and Financial Education - Marketing Skill - Cross Selling Skill.

Details of Banks' Deposits and Priority Sector Advances Products/ schemes

Designing and Developing Savings (Deposits) and Credit Products and Schemes - Deposits and Advances Model Schemes in operation in banks – Check List for filling Banks' Loan Application and Credit Information Forms and Security Documents.

* * * * *

ANNEXURE

FEE REIMBURSEMENT SCHEME OF NABARD

Terms and conditions of the NABARD Scheme for reimbursement of fee is as under:

- i. Candidates, who are employed/engaged as BC/BF with Banks or as Customer Service Providers (CSPs) of the agency appointed or whose services are used by banks as the BC, for the purpose of financial inclusion are eligible for undertaking the course.
- ii. Support from FIF (Financial Inclusion Fund) will be provided by NABARD to meet the cost of certification course incurred by the candidates, who have successfully passed the course.
- iii. The level of support will be 100% of course fee (Rs. 4000 per candidate) employed in any of the 256 districts identified by the Committee on Financial Inclusion (CFI) and 75% of course fee in the rest of the districts.
- iv. In case of CSPs appointed by Section-25 Companies engaged by Banks as BCs, the claims may be submitted directly to IIBF for personnel engaged by them for providing financial services at the ground level.
- v. Banks should forward the claims received from individuals to IIBF. Prescribed claim formats are to be used by IIBF, Banks & other agencies for clearing reimbursements.
- vi. IIBF, in turn, would consolidate the claims and submit to NABARD on a quarterly basis for reimbursement.
- vii. IIBF/Banks should certify due diligence in submitting the claim under the scheme.

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.

NOTES

[illegible]