



CERTIFICATE EXAMINATION IN TRADE FINANCE

Rules & Syllabus 2010

OBJECTIVE

Trade Finance is one of the traditional forms of bank finance in India. In view of reforms and liberalisation, this has gained a new significance. Many of the practices in trade finance have evolved over a period of time and some are guided by Ministry of Commerce and Reserve Bank of India, besides WTO and International Chamber of Commerce through UCPDC 600.

With the increase in the volume of trade both domestically and internationally, there is a need for trade finance professionals from banks as well as corporates.

This comprehensive course aims :

- (i) To provide candidates with competencies required to function as trade finance practitioners.
- (ii) To enable candidates to possess the needed skill and knowledge to understand clients' needs.
- (iii) To enable candidates to handle trade bills of individual clients.
- (iv) To enable candidates to attain high ethical and professional standards.

ELIGIBILITY

- (i) Any bank employee.
- (ii) Any graduate of a recognized university or its equivalent.

SUBJECT OF EXAMINATION

TRADE FINANCE

EXAMINATION FEES / REGISTRATION FEES

	For Members	For Non-Members
First attempt	Rs. 2000/-	@Rs. 3500/-
Subsequent each attempt	Rs. 1000/-	Rs. 1000/-

@Includes registration fee for Rs.500/-

MEDIUM OF EXAMINATION

Examination will be conducted in **English** only.

PATTERN OF EXAMINATION

- (I) Each Question Paper will contain approximately 120 objective type multiple choice questions.
- (II) Information about mode of examination (**online / offline**) and list of examination centre will be provided along with examination application form.

DURATION OF EXAMINATION

Examination will be of two hours duration.

PERIODICITY AND EXAMINATION CENTRES

- (I) The examination will be conducted normally twice a year in May / June and November / December.
- (II) Examination **will be conducted on a Sunday**.

PASSING CRITERIA

The candidate has to secure 60% or more marks in the examination to pass, i.e. 60 marks out of 100.

PROCEDURE FOR APPLYING FOR EXAMINATION

Examination Application Forms will be available at the Institute's website **www.iibf.org.in** which could be downloaded and filled in. The application forms will be also available at the Institute's zonal offices, Corporate Office and also at such other centres / offices as may be notified from time to time. Examination Application Forms duly filled in (for the detailed instructions refer the Examination Application Form) along with requisite examination fee should be submitted to the respective zonal office at Mumbai, Chennai, New Delhi, Kolkata. The Institute accepts no responsibility for delay or inconvenience arising from the candidate's failure to reach the Examination Application Form in time or if the form is incomplete or failure to furnish all the essential information about himself / herself and the details of his / her examination.

STUDY MATERIAL

The Institute has published study books to facilitate study and will be available at outlets / showrooms / distributors of M/s. Taxmann Publication Pvt. Ltd. The price of each book and detail list of outlets is mentioned below.

Candidates may purchase directly from outlets / showrooms / distributors of the above.

Candidates who purchase book/s directly from outlets of publishers will be offered a discount of 20% on the cost price of the book. Candidates desirous of purchasing book/s by post will not be offered any discount. However the postage will be borne by publishers. Candidates would be required to send their indent to publishers' outlet along with a Demand Draft for the cost of book/s. The Demand Draft should be drawn in favor of M/s. Taxmann Publication Pvt. Ltd. **(No cheques will be accepted)**. **Candidates are requested not to send any request for the purchase of book/s to the Institute's Zonal Offices / Corporate Office.**

Name of the Book	Price
Practitioners' Book on Trade Finance	Rs.240/-

ADDRESSES OF TAXMANN PUBLICATION PVT. LTD.

Jaina Book Agency

649 A Girgaum Road, Dhobi Talao,
Mumbai - 400002
Tel. : 22012143, 22018485

Asia Law House

Opp. High Court,
Hyderabad - 500002
Tel. : 24520276, 24526212

Standard Book Distributors

104, Labh Complex, 12-B,
Sattar Taluka Society,
Opp. Old High Court Road,
Ahmedabad - 380014
Tel. : 7540731,7540732

Student Book Centre

527, Kalbadevi Road,
Opp. Edward Cinema,
Mumbai - 400002
Tel. : 22050510, 22080668

Commercial House

149 Rajendra Market,
Opp. Tis Hazari Court,
Delhi - 110054
Tel. : 23947862, 23947863

Book Corporation

4 R. N. Mukherjee Road,
Kolkata - 700001
Tel. : 22101089, 22206669, 31000405

Asia Law House

Opp. High Court,
Hyderabad - 500002
Tel. : 24520276, 24566212

Student Agencies (I) Pvt. Ltd.

102, Konark Shram,
Behind Everest Building,
156, Tardeo Road, Mumbai - 400 034
Tel. : 2351334-37

C. Sitaraman & Co.,

37, Royapettah High Road,
Chennai - 600014
Tel. : 28111516, 28117069, 28113950

Law Point

6C, R. N. Mukherjee Road,
Opp. Birla Building, Stephen House,
Kolkata - 700011
Tel. : 22101821

Krishna Law House

35-36, Gokhale Market,
Opp. Tis Hazari Court, Delhi - 110054
Tel. : 23969866, 23919317

Book Corporation

108, Nandan Complex,
Near Mithkhali Rly. Crossing Mithakhali,
Ahmedabad - 380006
Tel. : 6465385

Puliani & Puliani

Ground Floor, Sujatha Complex,
1st Cross Gandhinagar,
Bangalore - 560009
Tel. : 2265500, 2254052

Modern Law House

1/1, A. D. A. Flat
(Near Bishop Johnson School),
M. G. Marg, Allahabad - 211001
Tel. : 2560700, 2560616

Arora Law Agency

Shivala Road, Hussainpura,
Amritsar - 143 001
Tel. : 2584548

Commercial Book House

LG-2, 23, Aakarshan Bhawan,
Anasari Road, Darya Ganj,
New Delhi - 110 002
Tel. : 23267860

SYLLABUS

The details of the prescribed syllabus which is indicative are furnished below. However, keeping in view 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. The Institute also reserves to itself the right to vary the syllabus / rules / fee structure from time to time. Any alterations made will be notified from time to time. Further, questions based on current developments in banking and finance may be asked.

Candidates are advised to refer to financial news papers / periodicals more particularly "IIBF VISION" and "BANK QUEST" published by the Institute.

SYLLABUS

1. The meaning of foreign trade; terms of delivery of goods; balance of payments; balance of trade.
2. The laws governing trade finance viz **FEMA**, **NIACT**, Indian Stamp Act, **EXIM** policy **RBI** Guidelines, **FEDAI** guidelines.
3. Role of banks in foreign trade; methods of financing.
 - a) Documentary Letters of Credit - **UCPDC 600** Uniform rules for bank - to - bank reimbursements under Documentary Credits ICC Brochure no 725 (**URR 725**)
 - b) Various facilities to Exporters and Importers including forfeiting and factoring.
 - c) Counter trade and Merchanting trade.
4. Theories of International Trade.
5. Terms of Trade.

6. WTO - Its Impact
7. Exchange Control / relating to International Trade
8. INCO terms Meaning - Obligation of buyers and sellers
9. Letter of Credit and UCPDC 600 - Meaning Parties to LC, Different types of LC, Mechanics of LC, Articles of UCPDC
10. Exports
 - Pre Shipment - Credit
 - Post Shipment - Credit
11. Imports
12. International Finance - method of finance
 - ADR - GDR
 - Loan - syndication
 - LIBOR
 - Documents used in Trade - Bill of Exchange, Invoice, Bill of Lading, Airway Bill, Insurance Policy etc.
 - Insurance including marine insurance.
 - Risks involved in trade finance - country risk, currency risk, credit risk, counter party risk, exchange risk, legal risk etc.
 - Domestic trade-method of Financing - Working Capital - Appraisal and sanction - Deferred payment guarantee - Securitisation - Factoring etc.
 - Role of EXIM Bank
 - Role of ECGC

COURSES OF IIBF

A. Flagship Courses

- ☞ JAIB
- ☞ CAIB
- ☞ Diploma in Banking & Finance

B. Specialised Post Graduate Diploma Courses (for Member* and Non-Members**)

- ☞ Diploma in Treasury, Investment and Risk Management
- ☞ Diploma in Banking Technology
- ☞ Diploma in International Banking and Finance
- ☞ Diploma in Urban Co-operative Bank
- ☞ Diploma in Commodity Derivatives for Bankers
- ☞ Diploma for Micro Finance Professionals in collaboration with Sa-Dhan
- ☞ Post Graduate Diploma in Financial Advising
- ☞ Diploma in Home Loan Advising

C. Specialised Certificate Courses (for Member* and Non-Members**)

- ☞ Certificate in Trade Finance
- ☞ Certified Information System Banker
- ☞ Certificate in Anti-Money Laundering / Know Your Customer
- ☞ Certificate in Quantitative Methods for Bankers
- ☞ Certificate in Credit Cards for Bankers
- ☞ Certificate Examination in Banking Oriented Paper in Hindi
- ☞ Certificate Examination for SME
- ☞ Certificate Examination in Basics of Banking / Credit Cards for employee of IT Companies

D. Management Courses

- ☞ Advanced Management Program in collaboration with SIES - Mumbai, Welingkar-Mumbai, IMI-Delhi.
- ☞ Project Management Blended Course with IFMR, Chennai
- ☞ Advanced Diploma in Banking Technology (with PNB-IT) - An entry point qualification
- ☞ CAIB linked MBA with IGNOU.

Educational support :

- ☞ Publishing specific courseware for each paper / examination and Workbooks etc.
- ☞ Tutorials through Accredited Institutions, Virtual Classes, e-learning through Portal, Contact Classes or Campus Training - Model Questions and subject updates on the net

Other activities :

- ☞ Research, Seminars, Conferences, Lectures, etc.
- ☞ Publications of books, Daily e-newsletter, monthly newsletter and quarterly journal
- ☞ Training & Consultancy and Financial Education

* Members are employees of Banks and Financial Institutions who have enrolled as members of IIBF.

** Non-Members are eligible candidates for each course / examination without IIBF Membership.

The Syllabi, Rules / Regulations, Examination Forms and other information pertaining to the examinations are available with Institute's Offices at Mumbai, Chennai, New Delhi, Kolkata and also at such other centers / offices as may be notified from time to time. The same is also available at our website www.iibf.org.in.

MEMBERS OF THE GOVERNING COUNCIL (As on 01/01/2010)

President

Shri O. P. Bhatt, Chairman, State Bank of India

Vice President

Shri M. V. Nair, Chairman & Managing Director, Union Bank of India

Shri M. D. Mallya, Chairman & Managing Director, Bank of Baroda

Representing Reserve Bank of India

Shri C. Krishnan, Executive Director

Representing State Bank of India and its Associate Banks

Shri Narayanan Raja, DMD & CDO, State Bank of India

Shri Arun Shandilya, Managing Director, State Bank of Bikaner & Jaipur

Representing Public Sector Banks

Shri A. C. Mahajan, Chairman & Managing Director, Canara Bank

Shri Yogesh Agarwal, Chairman & Managing Director, IDBI Bank Ltd.

Shri M. S. Sundara Rajan, Chairman & Managing Director, Indian Bank

Shri K. R. Kamath, Chairman & Managing Director, Punjab National Bank

Shri A. K. Misra, Chairman & Managing Director, Bank of India

Shri J. M. Garg, Chairman & Managing Director, Corporation Bank

Shri S. Sridhar, Chairman & Managing Director, Central Bank of India

Representing Financial Institutions

Shri U. C. Sarangi, Chairman, NABARD

Representing Private Sector Banks

Shri M. V. Venugopalan, Chairman & CEO, The Federal Bank Ltd.

Shri Ananthkrishna, Chairman & CEO, Karnataka Bank Ltd.

Representing Foreign Banks

Shri Gunit Chadha, Chief Executive Officer - India, Deutsche Bank AG

Representing Co-operative Banks

Shri S. K. Banerji, Managing Director, The Saraswat Co-op Bank Ltd.

Representing other Bodies / Experts

Shri Y. H. Malegam, Former Managing Partner, SB. Billimoria & Co., Chartered Accountants

Prof. Y. K. Bhushan, Senior Adviser, ICFAI Business School

Dr. Asish Saha, Director, National Institute of Bank Management

Dr. K. Ramakrishnan, Chief Executive, Indian Bank's Association

From IIBF

Shri R. Bhaskaran, CEO, Indian Institute of Banking & Finance

ADDRESSES FOR CONTACT

Corporate Office :

Indian Institute of Banking & Finance
The "Arcade", World Trade Centre, 2nd Floor,
East Wing, Cuffe Parade, Mumbai - 400 005
Tel : 2218 7003/4/5 Fax : 022-2218 5147 / 2215 5093
E-mail : iibgen@bom5.vsnl.net.in

Northern Zonal Office :

Indian Institute of Banking & Finance
109-113, Vikrant Towers, 1st Floor,
4, Rajendra Place, New Delhi - 110 008
Tel. : 91-011-2575 2191/92
Fax : 91-011-2575 2193
E-mail : iibnz@iibf.org.in

Southern Zonal Office :

Indian Institute of Banking & Finance
No.94, Jawaharlal Nehru Road,
(100 Feet Road), Opp. Hotel Ambica
Empire, Vadapalani, Chennai - 600 026
Tel. : 044-2472 2990/2472 7961
Fax : 044-2472 6966
E-mail : iibsz@iibf.org.in

Western Zonal Office :

Indian Institute of Banking & Finance
191-F, Maker Towers, 19th Floor,
Cuffe Parade, Mumbai - 400 005
Tel. : 022-2218 3302 / 2218 5134
Fax : 022-2218 0845
E-mail : iibwz@iibf.org.in

Eastern Zonal Office :

Indian Institute of Banking & Finance
408, 'Anandlok', 'A' Block, 4th Floor,
227, Acharya J. C. Bose Road,
Kolkata - 700 020
Tel. : 033-2280 9681/82/83
Fax : 033-2280 9680
E-mail : iibez@iibf.org.in