



ADVANCED DIPLOMA IN URBAN CO-OPERATIVE BANKING

Rules & Syllabus 2012

OBJECTIVE

To build professional competence and enhance decision making skills in urban co-operative banks.

ELIGIBILITY

The applicant should be Graduate from a recognized university.

SUBJECT OF EXAMINATION

- (i) Principles & Law of Co-operative Banking
- (ii) Co-operative Banking Operations, and
- (iii) Technology, Risk Management & Regulation of Co-operative Banks

EXAMINATION FEES / REGISTRATION FEES

	For Members	For Non-Members
First 2 attempts	₹4,000/-	@₹6,500/-
Subsequent each attempt	₹2,000/-	₹2,000/-

@Includes ₹500/- towards registration fee.

MEDIUM OF EXAMINATION

Examination will be conducted in English only.

PATTERN OF EXAMINATION

- (i) Question Paper will contain approximately 120 objective type multiple choice questions.
- (ii) Information about mode of examination (**online / offline**) and a 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 June and December on a Sundays.
- (ii) Examinations will be conducted on two consecutive Sundays (two papers on first Sunday and one paper on second Sunday)

PASSING CRITERIA

- (i) Pass : Minimum marks for pass in every subject - 50 out of 100 marks.
- (ii) **Candidate securing atleast 45 marks in each subject with an aggregate of 50% marks in all subjects of examination in a single attempt will also be declared as Pass.**
- (iii) Candidates will be allowed to retain credits for the subject/s they have passed in an attempt till the expiry of the time limit for passing the examination as mentioned below :

TIME LIMIT FOR PASSING THE EXAMINATION

- (i) Candidates will be required to pass the examination within a time limit of 2 years (i.e. 4 consecutive attempts). Initially a candidate will have to pay examination fee for a block of one year i.e. for two attempts. In case a candidate is not able to pass the examination within a time limit of one year, he can appear for a further period of one year i.e. two attempts on payment of requisite fee.
- (ii) Candidates not able to pass examination within stipulated time period of two years are required to re-enroll themselves afresh by submitting a fresh Examination Application Form. Such candidates will not be granted credit/s for subject/s passed, if any, earlier.
- (iii) Attempts will be counted from the date of application irrespective of whether a candidate appears at any examination or otherwise.

“CLASS OF PASS” CRITERIA

- (i) The Institute will consider the FIRST PHYSICAL ATTEMPT of the candidate at the examination as first attempt for awarding class. In other words, the candidate should not have attempted any of the subject/s pertaining to the concerned examination any time in the past and has to pass all the subjects as per the passing criteria and secure prescribed marks for awarding class. Candidate re enrolling for the examination after exhausting all permissible attempts as per the time limit rule will not be considered for awarding class.
- (ii) First Class : 60% or more marks in aggregate and pass in all the subjects in the FIRST PHYSICAL ATTEMPT.
- (iii) First Class with Distinction : 70% or more marks in aggregate and 60 or more marks in each subject in the FIRST PHYSICAL ATTEMPT.

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.

PROOF OF IDENTITY

Non-members applying for Institute's exams / courses are required to submit a copy of any one of the following documents along with Examination Application Form. Forms without the same shall be liable to be rejected.

- 1) Photo i/card issued by Employer or
- 2) PAN Card or
- 3) Driving License or
- 4) Election Voter's i/card or
- 5) Passport

STUDY MATERIAL

The Institute has developed a courseware to cover the syllabus. Candidates are advised to make full use of the courseware and also the updates put on the IIBF website from time to time. However, as banking and finance fields are dynamic, rules and regulations witness rapid changes. Hence, candidates should keep themselves updated on latest developments by going through Master Circulars issued by RBI, visiting the websites of organizations like RBI, SEBI, BIS etc.

The Institute has published study books to facilitate study and they will be available at outlets / showrooms / distributors of M/s. Macmillan Publishers India 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 books directly from outlets of publishers will be offered a discount of 20% on the cost price of the book. Candidates desirous of purchasing books 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 books. The Demand Draft should be drawn in favor of M/s. Macmillan Publishers India Ltd. **(No cheques will be accepted)**. **Candidates are requested not to send any request for the purchase of books to the Institute's Zonal Offices / Corporate Office.**

Name of the Book	Price
Laws of Co-operative Banking, 2007	₹285/-
Co-operative Banking Operations, 2007	₹325/-
Technology, Risk Management & Regulation of Co-operative Banks, 2007	₹345/-

ADDRESSES OF MACMILLAN PUBLISHERS INDIA LTD.**BRANCHES & SHOWROOMS****New Delhi**

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New Delhi-110002
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Bangalore

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ntbok@gmail.com

SYLLABUS

The details of the prescribed syllabus which is indicative are furnished in the booklet. 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

PAPER - I : PRINCIPLES AND LAWS OF COOPERATIVE BANKING

Module A

Law and rules relating to Urban Cooperative Banks

- Principles of Co-operation
- Brief overview of structure of co-operative credit institutions - Federal, central and primary credit societies. Types of credit institutions- salary / wage earner / employee / consumer credit societies, agriculture credit societies, Land development banks, urban co-operative Bank's etc. Co-operative Marketing Societies
- Membership shares linkage, types of members-regular, nominal & associate membership
- Salient provisions of Multi State Co-op. Societies Act, 1984 relating to :
 - Registration, duties and privileges of the members
 - Members and their rights and obligations
 - Management of Societies
 - Audit and related matters including systems audit
 - Disputes between members and societies & Co-op. Courts
 - Liquidation and winding up
 - Election of committee members and other officers of the societies
 - Officers, penalties, appeals and revision etc.
 - Supervisory and Regulatory Role of state / Central Govt.

Module B

Legal aspects of banking operations

- Case laws on responsibility of paying / collecting banker
- Indemnities / guarantees-scope and application-obligations of a banker - precautions and rights - laws relating to bill finance, LC and Deferred Payment Guarantees
- Laws relating to securities-valuation of securities-modes of charging securities - lien, pledge, mortgage, hypothecation etc-registration of firms / companies - creation of charge and satisfaction of charge

Module C

Banking related laws

- Provisions of Bankers Book Evidence Act
- Special features of Recovery of Debts Due to Banks and Financial Institutions Act, 1993
- The Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002
- The Consumer Protection Act, 1986 Definition, Consumer Protection Councils Chapter-II (Sections 4-8) Consumer Disputes Redressal Agencies (Sections 9-15) District Forums, State Commission and National Commission, their powers etc.
- Banking Ombudsman

PAPER - II : Co-operative Banking Operations

Module A

Deposits and New Products

- Different Deposit Products
- Banker - Customer relations - services rendered by Banks - Mandate and Power of attorney - Know Your Customer (KYC)
- Responsibility of Paying / Collecting Bankers.
- Various types of relationships with customers such as Creditor - Debtors, Bailor - Bailee, Principal - Agent, etc.,
- Garnishee orders and Attachment orders, Bankers' right of lien, set-off and appropriation Indemnities and Bank Guarantees; scope and application Customer and Deposit Policy (Fixing ROI ,Products, etc.)

Module B

Credit Management

- Loans and advances-concepts, terms and conditions, refinance, exposure limits, appraisal standards
- Priority sector lending
- Financing of small Business, Retail Trade, Professional and Self Employed
- Transport Operators, SSI/ Tiny Sector Units

- Personal Finance and Consumer Durables
- Housing loans
- Urban poverty and Financing of subsidy-linked programs
- Loan Policy (Fixing rate of interest, delegation, exposure, ALM for loans etc)

Module C

Essentials of Book Keeping and Accountancy

- Accounting concepts and conventions and systems of recording transactions
- Meaning of Financial Statements
- Journal and Ledger
- Writing cash books
- Types of Trial balance
- Types of Accounting Errors
- Balance Sheet Equation
- Interest and annuities

Paper - III : Technology, Risk Management and Regulation of Cooperative Banks

Module A

Investment Management

- CRR / SLR Management
- Investment Management.
- Financial Markets & Instruments
- Approved Investment avenues for the banks-guidelines of RBI / NABARD in regard to investment.
- Money Market - Call money - Commercial bills - Commercial papers - Certificate of deposits - Term money - money market mutual Funds (MMMFs) - RBI Repurchase Agreements (repos) - RBIs Reverse Repos - Inter bank repos - Foreign Exchange Market- Government Securities Market - Treasury Bills.
- Operations in primary and secondary Market in Government Securities-trading norms and policies
- Debt market
- Overview of Financial Services - Role and functions of Capital market - Regulation thereof.
- Role and Functions of Mutual Funds, Insurance Companies - SEBI, AMFI, IRDA
- Bancassurance - Meaning and Scope
- Compliances
- Investment Policy

Module B

Risk Management

- IRAC Guidelines
- NPA - Management of NPA
- Restructuring and re-phasing of credit
- Exposure limits
- Asset Liability Management
- Risk Management Policies
- Capital Adequacy - Basel-II - Profit and Profitability - Approach of Banks to profitability Effects of NPA on profitability - A profitability Model - Share holders value Maximisation and EVA - Profit Planning-Measures to improve profitability.

Module C

Supervision and Regulation

- Banking Regulation Act (As applicable to Co-op. Societies)
- Role of R.B.I.
- Supervision and control
- Branch licensing
- Inspection / audit
- Statutory / Reserve requirements
- Salient features of R.B.I. guidelines / directives on Deposits, advance, priority sector lending, weaker section lending, Control Returns, maximum limit on lending, unsecured loans etc.
- Recommendations of Marathe Committee and Madhav Rao Committee
- Problems and prospects of Urban Co-operative Banks
- Co-operative Banking & Commodity market relation
- Role of Directors and Corporate Governance - Principles and Best Practices - Code of ethics / conduct for bankers. Management Information System

Module D

Technology Banking

- Electronic Payment systems - Teller Machines at the Bank Counters - Cash dispensers - ATMs - Anywhere Anytime Banking - Home banking (Corporate and personal) - Personal identification numbers and their use in conjunction with magnetic cards of both credit and debit cards, smart cards, signature storage and display by electronic means, cheque truncation, note and coin counting devices.
- Electronic funds transfer systems - plain messages (Telex or data communication) - structured messages - RTGS.

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
- ☞ Advanced Wealth Management Course
- ☞ 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 in SME Finance for Bankers
- ☞ Certificate Examination in Customer Service & Banking Codes and Standards
- ☞ Certificate Examination in Basics of Banking / Credit Cards for employees of IT Companies
- ☞ Certificate Course for Business Correspondents / Business Facilitators
- ☞ Certificate Examination for Debt Recovery Agents

D. Management Courses

- ☞ Advanced Management Program in collaboration with SIES - Mumbai, Welingkar-Mumbai, IMI-Delhi, IPE-Hyderabad.
- ☞ Project Finance Management Blended Course with IFMR, Chennai
- ☞ 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 01/01/2012)

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Shri T. M. Bhasin, Chairman & Managing Director, Indian Bank

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Shri T. C. A. Ranganathan, Chairman & Managing Director, Export-Import Bank of India

Representing Private Sector Banks

Shri Ananthakrishna, Chairman, Karnataka Bank Ltd.

Representing Co-operative Banks

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

Representing other Bodies / Experts

Shri M. Balachandran, Director, Institute of Banking Personnel Selection

Shri Y. H. Malegam, former Managing Partner, S. B. Billimoria & Co., Chartered Accountants

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

Shri Allen C. A. Pereira, Director, National Institute of Bank Management (NIBM)

Dr. K. Ramakrishnan, Chief Executive, Indian Banks' Association (IBA)

From IIBF

Dr. R. Bhaskaran, Chief Executive Officer

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