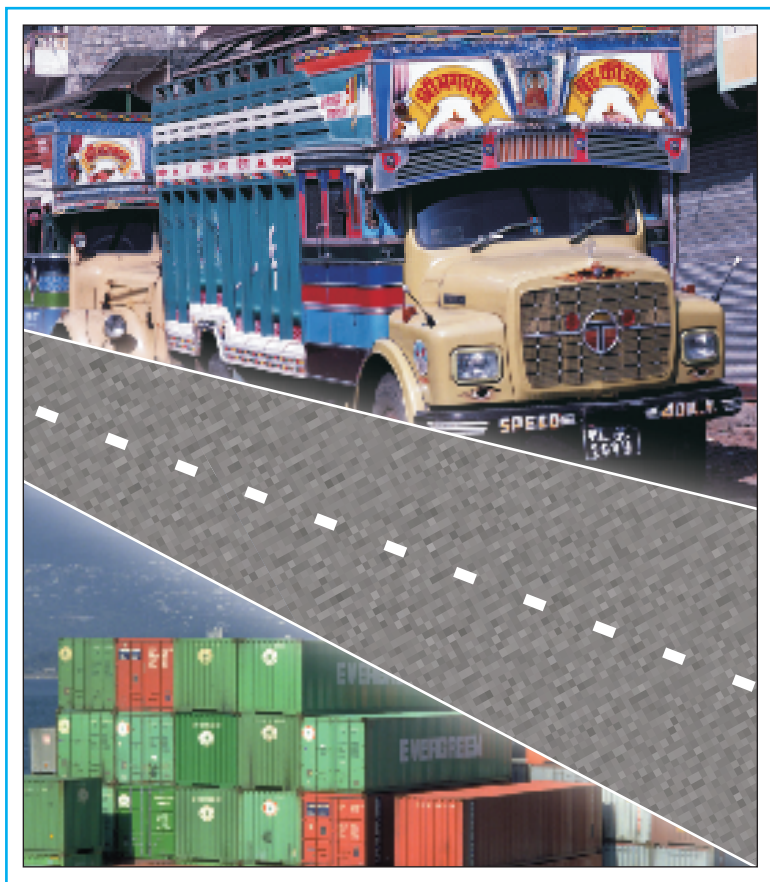


CERTIFICATE EXAMINATION IN TRADE FINANCE (CTF) Rules and Syllabus 2008



INDIAN INSTITUTE OF BANKING & FINANCE
An ISO 9001 - 2000 CERTIFIED COMPANY

World Trade Centre, Cuffe Parade,
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Web-site : www.iibf.org.in

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13. Shri C. Krishnan, Executive Director, Reserve Bank of India
14. Shri A. C. Mahajan, Chairman & Managing Director, Allahabad Bank
15. Shri Y. H. Malegam, S.B. Billimoria & Co.
16. Shri M. D. Mallya, Chairman & Managing Director, Bank of Maharashtra
17. Shri M. B. N. Rao, Chairman & Managing Director, Canara Bank
18. Dr. Asish Saha, Director, National Institute of Bank Management
19. Shri C. P. Swarnkar, Chairman & Managing Director, Syndicate Bank
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21. Shri M. Venugopalan, Chairman & CEO, The Federal Bank Ltd
22. Shri R. Bhaskaran, CEO, Indian Institute of Banking & Finance
23. Shri Yogesh Agarwal, Chairman & Managing Director, IDBI Ltd.
24. Dr. K. Ramakrishnan, Chairman & Managing Director, Andhra Bank

ABOUT THE INSTITUTE

GENESIS

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 :

- ★ To facilitate study of theory and practice of banking and finance
- ★ To test and certify attainment of competence in the profession of banking and finance
- ★ To collect, analyze and provide information needed by professionals in banking and finance
- ★ To promote continuous professional development
- ★ 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

- ★ 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.
- ★ Award certificates / diplomas to successful candidates.
- ★ Provide necessary educational support services such as tutorial classes, contact programmes and study material.
- ★ Dissemination of knowledge on banking and financial services through publication of quarterly journal “Bank Quest”, a monthly newsletter “IIB VISION” and e-newsletter called ‘fin@quest’ and by organizing lectures / seminars, workshops as a part of continuing professional development programmes.
- ★ Conduct of seminars on topical matters across the country for the benefit of members.

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The details of Certificate Examination in Trade Finance are as under :

1.1 OBJECTIVES

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 500.

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.

1.2 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.

1.3 PATTERN OF EXAMINATION

Question Paper will contain approximately 120 objective type multiple choice questions, carrying 100 marks including questions based on case study / case lets. There will NOT be a system of **negative marking** for wrong answers.

1.4 DURATION OF EXAMINATION

Examination will be of two hours duration.

1.5 PERIODICITY AND EXAMINATION CENTRES

- (i) The examination will be conducted normally twice a year in June and December on Sunday. The examination will be conducted under **on-line** mode only.
- (ii) A list of examination centers will be provided along with the Examination Application Form.
- (iii) Candidates will have to appear at the centre which they choose while applying for the examination. The venue for the examination will be advised while issuing the examination admit card.
- (iv) Request for change in centre due to transfer or any other valid reason should reach the Institute 45 days before the commencement of the examination. Any request received thereafter will not be entertained.

- (v) No change of centre request will be accepted for personal reasons. In case of employed candidates all the requests for change of centre due to transfer, training and deputation etc. should be accompanied by employer's authentication.

The Institute reserves a right to close any of the existing centre/s on account of inadequate number of candidates appearing from that centre or any other reason which it may deem fit. In such case, candidates will be advised to appear at the examination from the nearest available centre.

1.6 ELIGIBILITY

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

1.7 EXAMINATION FEES / REGISTRATION FEES

	For Members	For Non members @
First attempt	Rs.2000/-	Rs.3000/-
Subsequent attempt	Rs.1000/-	Rs.1000/-

@ Also Rs 500/- towards registration fee is payable by non members

1.8 MEDIUM OF EXAMINATION

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

1.9 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 also be 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.

1.10 ADMIT CARD

- (i) The Institute will issue Examination Identity Card (to non-members) / Membership Identity Card (to members).
- (ii) In addition to the above, the Institute will issue to all the candidates Examination Admit Card before every examination indicating dates, time, venue address as well as User ID and password to be used while appearing at the examination.
- (iii) Both Examination Admit Card and the Membership Identity Card should be produced to the Examination Authority each time at the examination venue for identification.
- (iv) In the absence of the Admit Card / Membership Identity Card, the candidate will be denied permission in the examination venue.

1.11 CONDUCT AND DISCIPLINE IN THE EXAMINATION HALL

- (i) Candidates should be present at the examination venue at least 15 minutes before the commencement of the examination. No candidate shall be permitted to enter the examination hall after the expiry of 15 minutes from the commencement of the examination.

- (ii) Candidates should ensure that they sign the Attendance Sheet.
- (iii) Candidates should not possess and / or use books, notes, periodicals etc. in the examination hall at the time of the examination / or use mathematical tables, slide rules, stencils etc. during the examination. Such items, if any, should be handed over to the Hall Superintendent before the commencement of the examination. **Mobile phones are strictly prohibited in the examination hall.** A candidate found in possession of such unauthorised material during the examination is liable to be penalised for adoption of unfair means in the examination in addition to reporting the matter to his / her employers for disciplinary proceedings for the misconduct.
- (iv) Candidates will be permitted to use calculators while appearing for the Examination, subject to the following:

Calculators should :

- a) be of pocket size and fully portable
- b) be silent while in operation
- c) be battery operated
- d) not be capable of being programmed by the insertion of tapes or otherwise
- e) not have print out facilities
- f) be of the type upto 6 functions and 12 digits
- g) not be capable of retaining / storing data in memory when the same is switched off

Calculators which do not comply with the above conditions and found in possession of candidate during the examination will be confiscated by Examination Supervisors and returned to the

candidate at the end of the examination. In case a candidate is found using the calculator not complying with the above conditions in the course of the examination, it will amount to adoption of unfair practice at the examination by the candidate concerned and the Institute shall take such action against the candidate as may be deemed appropriate.

- (v) Communication of any sort between candidates or with outsiders is not permitted and complete silence should be maintained during the examination.
- (vi) No candidate shall impersonate others or allow others to impersonate himself / herself at the examination.
- (vii) No candidate shall misbehave / argue with the examination conducting authorities at the centre.

If any candidate violates any of the above rules, it will be considered to be an act of misconduct and he / she will be liable for punishment mentioned below.

1.12 PENALTIES FOR MISCONDUCT / UNFAIR PRACTICES

The Institute shall have the right to impose penalties on any candidates for committing an act of misconduct / unfair practice in respect of any matter affecting the Institute or in respect of any examination conducted by the Institute or disqualifying any candidate who, they have reason to believe has received or given unfair assistance at the examination and

- (i) to cancel the result of such candidate in all or any of the subjects of the examination at which he / she may have appeared;
- (ii) to exclude him / her from future examinations either permanently or for a specified number of examinations;
- (iii) to report his / her name to his / her employer and

- (iv) to take such other action against him / her as the Institute shall in their sole discretion deem fit and the decision of the Institute shall be final and binding on the candidate concerned.

The Institute shall also have right to cancel results of any subsequent examination at which the candidate may have appeared if such examination falls within the exclusion period in the penalty, as by reason of imposition of such a penalty of exclusion from the future examination, the candidate would not have been eligible to appear at such subsequent examinations.

In the event any of dispute between the Institute and the candidate, only competent courts in Chennai, Kolkata, New Delhi and Mumbai alone have the jurisdiction to entertain the dispute.

1.13 PASSING CRITERIA

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

1.14 DECLARATION OF RESULTS

Provisional score card will be given to candidates immediately at the end of each examination.

The final result of the examination along with the marks secured for each subject will be normally communicated to candidates appeared within two months after the examination.

1.15 FACILITY FOR VERIFICATION OF MARKS

Facility for verification of marks will not be available since it is on-line examination and evaluation is computerized.

1.16 ISSUE OF CERTIFICATES

Candidates who pass the examination will receive a certificate within six months after the Examination.

2. EDUCATIONAL SUPPORT

2.1 BANK QUEST

The Institute publishes a quarterly journal **Bank Quest**, covering various aspects of banking and allied subjects. This is a priced publication and the annual subscription for the same is Rs.140/- (for four issues) for the present.

2.2 IIB VISION

The Institute also publishes a monthly newsletter titled as “IIB VISION” covering news on latest developments in banking and finance. This is sent to all regular members free of cost.

Subscription rate for Non-Members

1 Year (12 issues) Rs.40.00

2 Year (24 issues) Rs.80.00

2.3 e-newsletter : FIN@QUEST

The Institute publishes a daily e-newsletter through its portal, covering various aspects of banking and finance and its subscription rate is Rs. 500/- per annum. This newsletter will be supplied to the email address of the subscriber on daily basis.

2.4 STUDY MATERIAL / COURSEWARE

The Institute has published study books to facilitate study and will be available at outlets / showrooms / distributors of M/s. Taxmann Ltd.

The price of each book and detail list of outlets is mentioned in 3.1 and 3.2 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 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.**

3. OTHER INFORMATION

3.1 PRICE LIST OF THE STUDY MATERIAL FOR THE EXAMINATION

Name of the Book	Price (Rs.)
Practitioners' Book on Trade Finance Shri Prashant Pillai, Shri Rantej Singh	240.00

3.2 ADDRESSES OF TAXMANN LTD.**BRANCHES & SHOWROOMS**

Jaina Book Agency 649 A Girgaum Road, Dhobi Talao, Mumbai-400002. Tel. : 22012143, 22018485	Standard Book Distributors 104, Labh Complex, 12-B, Sattar Taluka Society, Opp. Old high Court Road, Ahmedabad-380 014. Tel. : 7540731, 7540732
Student Book Centre 527, Kalbadevi Road, Opp. Edward cinema, Mumbai-400 002. Tel. : 22050510, 22080668	Commercial Law House 149, Rajendra Market, Opp. Tis Hazari Court, Delhi-110 054. Tel. : 23947862, 23947863
Book Corporation 4 R. N. Mukherjee Road, Kolkata-700 001. Tel. : 22101089, 22206669, 31000405	Asia Law House Opp. High Court, Hyderabad-500 002. 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-600 014. Tel. : 28111516, 28117069, 28113950
Law Point 6C, R. N. Mukherjee Road, Opp. Birla Building, Stephen Hpuse, Kolkata-700 011. Tel. : 22101821	Krishna Law House 35-36, Gokhale Market, Opp. Tis Hazari Court, Delhi-110 054. Tel. : 23969866, 23919317
Book Corporation 108, Nandan Complex, Near Mithkhali Rly. Crossing, Mithakhali, Ahmedabad-380 006. Tel. : 6465385	Puliani & Puliani Ground Floor, Sujatha Complex, 1st Cross Gandhinagar, Bangalore-560 009. Tel. : 2265500, 2254052
Modern Law House 1/1, A. D. A. Flat, (Near Bishop Johnson School) M. G. Marg, Allahabad-211 001. Tel. : 2560700, 2560616	Arora Law Agency Shivala Road, Hussainpura, Amritsar-143 001. Tel. : 2584548
Delhi 59/32, New Rohtak Road, New Delhi-11005. Tel. : 011-2871 2352 Fax : 011-2871 5041 Email : sales@taxmann.com Website : www.taxmann.com	Mumbai No. 35, Bodke Building, M. G. Road, Opp. Railway Station, Mulund (W), Mumbai-400 080. Tel. : 022-2593 4807, 3251 6684 Email : Nileshbhanushali@taxmann.com

4. SYLLABUS FOR EXAMINATION

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 500** Uniform rules for bank – to – bank reimbursements under Documentary Credits ICC Brochure no 525 (**URR 525**)
 - 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 500 – 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 (Only for members*)

Associate Examination

- JAIBB
- CAIIB

B. Diploma Courses (for Members and Non-Members**)

- Diploma in Treasury, Investment and Risk Management (DTIRM)
- Diploma in Banking Technology (DBT)
- Diploma in International Banking and Finance (DIBF)
- Advanced Diploma in Urban Co-operative Bank (ADUCB)
- Diploma in Commodity Derivates for Bankers (DCDB)
- Post Graduate Diploma in Financial Advising (PGDFA)

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

- Certificate in Trade Finance (CTF)
- Certified Information System Banker (CeISB)
- Certificate in Anti-Money Laundering / Know Your Customer (AML / KYC)

- Certificate in Quantitative Methods for Bankers (CQM)
- Certificate in Credit Cards for Bankers (CCCB)
- Certificate Examination in Banking Oriented Paper in Hindi (BOPH)
- Certificate Examination for DSA / DMA
- Certificate Examination in Basics of Banking for employees of IT Companies

D. Specialised Diploma Courses

- Diploma in Banking & Finance (DBF)
- Advanced Diploma in Banking Technology (with PNB-IT) – An entry point qualification

E. Management Courses

- Advanced Management Program in collaboration with SIES- Mumbai, Welinkar-Mumbai, IMI-Delhi.
- Project Management Course with IFMR, Chennai
- CAIIB linked MBA by 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 and 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

Corporate Office :

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E-mail : iibgen@bom5.vsnl.net.in

Northern Zonal Office :

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11th Floor, Atmaram House,
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E-mail : iibnz@iibf.org.in

Southern Zonal Office :

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76, Arya Gowda Road,
West Mambalam,
Chennai - 600 033
Tel : 044-2474 6961 / 2471 5990,
Fax : 044-2474 6966
E-mail : iibsz@iibf.org.in

Western Zonal Office :

Indian Institute of Banking & Finance
Maker Tower, 'F' Wing, 19th Floor,
Cuffe Parade, Colaba
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
'Anandlok', 3rd 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

