



Certified Credit Officer Course

Rules & Syllabus 2014

INTRODUCTION :

The world is increasingly getting inter connected and complex. Bank credit mechanism has also undergone phenomenal changes in recent years. Few years ago, credit meant only Cash Credit, Overdraft and Loan. Today quasi credit facilities like Letters of Credit, Bank Guarantees, Co acceptances, Buyer's Credit and Supplier's Credit are gaining predominance. The bank officer dealing with such products should possess a good knowledge of the product itself to assess the risk involved and judge the repayment capacity of the borrower to honour the liabilities within the agreed timeframe. Credit Appraisal and Risk Appraisal can be considered as two sides of the same coin. Hence, when appraisal aspects are being discussed, be it concerning domestic finance or trade finance for international trade, risk aspects are considered so that the credit officer does not lose sight of the same. The course provides a holistic insight into the various dimensions in bank credit management.

OBJECTIVES :

- To develop a cadre of credit officers in banks to perform different credit functions across banks
- To inculcate advanced skills for handling credit management issues

COVERAGE :

The course broadly covers :

- a) Loan Policy
- b) Credit appraisal
- c) Analysis of Financial statements
- d) Project Finance
- e) Working Capital Management
- f) Export Credits
- g) Credit Monitoring
- h) Management of Impaired Assets etc.

TARGET GROUP :

- Existing / Newly posted officers in credit department
- Persons identified for the credit department
- People aspiring to become credit officers in banks

METHODOLOGY :

Course has two components viz.,

- a) Online examination for 100 marks based on a specially designed courseware on credit management
- b) Classroom Learning of 5 days in Mumbai or at pre-announced centres.

For details of Classroom Learning, Course Structure & Delivery, refer page 3.

ELIGIBILITY :

The examination is open to :

- A graduate in any discipline
- Members of the Institute, preferably CAIIB

SUBJECT OF ONLINE EXAMINATION :

Credit Management

EXAMINATION FEES / REGISTRATION FEES :

	For members and Non-members
First two attempts	₹6,000/-*
Subsequent each attempt	₹3,000/-*

* Plus Service Tax as applicable (Reg. No. AAATT3309DSD002)

MEDIUM OF EXAMINATION :

Examination will be conducted in English only.

PATTERN OF EXAMINATION :

- (i) Question Paper will contain approximately 100 objective type multiple choice questions including situation analysis / problem based questions for a total of 100 marks.
- (ii) Examination will be of 2 hours duration.
- (iii) Examination will be held in Online Mode only.

PERIODICITY AND EXAMINATION CENTRES :

The Examination will be conducted normally twice a year in June and December on a Sunday.

List of Centres available on the web site.

PASSING CRITERIA :

- 50 or more marks out of 100 marks in the online examination.
- 25 or more marks out of 50 marks in the Classroom learning.

PROCEDURE FOR APPLYING FOR EXAMINATION :

Application for examination should be made through online from the Institute's website www.iibf.org.in. Online Application will be activated on the Institute's web site before last date for applying which is normally 3 to 4 months before the date of examination. For details they may visit web site of the Institute.

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 or 6) Aadhaar Card

STUDY MATERIAL / COURSEWARE :

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 websites of organizations like RBI, SEBI, BIS, IBA etc. 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 the book and detailed list of outlets is mentioned below.

Candidates may purchase directly from outlets / showrooms / distributors of M/s. Taxmann Publication Pvt. Ltd. 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 favour of M/s. Taxmann Publication Pvt. 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
"Bankers' Handbook on Credit Management"	₹745/-

COURSE STRUCTURE & DELIVERY

Certified Credit Officer course has two parts viz. written examination and class room learning. To be declared successful, a candidate has to secure a minimum of 50% marks in the online examination and 50% in class room learning. The steps in completing the course are as under :

1. Study :

A minimum 3 months study of the stipulated courseware is envisaged. Institute will accept application up to a certain period before the dates of announced exams so as to ensure that the study period is adhered to.

2. Examination :

Candidates will have to appear for the online examination conducted by IIBF (Multiple Choice Questions mode) and pass the examination.

3. Classroom Learning :

Candidates who have successfully passed the online examination have to undergo class room learning. For this purpose, the candidate, on passing the examination should log on to IIBF website - www.iibf.org.in and select his/her convenient slot for class room learning (5 days) from the pre-determined dates and venue at select centres announced by the Institute by paying the fees prescribed for class room learning. During the class room learning, candidates will be assessed (Internal assessment) for class room performance for a total of 50 marks. Marks for classroom learning will be awarded to candidates by faculty for their classroom participation, analytical skills, case discussions, dealing ability, presentation skills etc. Candidates who obtain 25 or more marks will be declared as successful.

4. Time Limit for Classroom Learning :

Classroom learning is required to be completed within 15 months from the date of declaration of the online examination results in which the candidate passes.

In case a candidate fails to complete the Class Room Learning either on account of not able to successfully complete the Class Room Learning or by not attending the training for Class Room Learning within the stipulated period of 15 months, the candidate would be required to RE-ENROLL himself for the Online examination foregoing credit for the subject/s passed in the Online examination earlier in case he wants to complete the course.

Classroom Learning fee :

Class room learning including learning kit (5 days Non-residential)	₹17,100/-* (₹15,000 + ₹2,100)
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* Inclusive of 14% Service Tax (Reg. No. AAATT3309DSD002)

Refund of fee :

Examination fee is not refundable. For refund of classroom learning fee, application for the same giving sufficient reason/s should reach the Institute one month in advance and in case the refund is effected 25% will be deducted towards administrative charges.

Award of Certificate :

Certificate will be issued to candidates within 6 months on successful completion of both online examination and classroom learning. No certificate will be issued for passing only the online examination.

Code of Conduct :

All the successful candidates will be encouraged to adhere to a code of conduct which will be issued along with the Certificate.

For Registration of Classroom Learning visit www.iibf.org.in or Contact :

Dr. Rekha Rani Singh

e-mail : training@iibf.org.in

Joint Director (Training)

Tel: 022-25039746 / 25039604 / 25039907

Indian Institute of Banking & Finance,

3rd Floor, Commercial-II, Tower-1,

Kirol Road, Kohinoor City,

Kurla (West), Mumbai - 400 070

CONTACT PROGRAMMES :

IIBF will arrange contact classes subject to availability of sufficient candidates in select centres across the country. For further details candidates may get in touch with Zonal Office or logon to the Institute's website www.iibf.org.in.

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 subject/s 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 FOR ONLINE EXAMINATION

MODULE - A : INTRODUCTION & OVERVIEW OF CREDIT

Principles of Lending : Safety, Liquidity, Profitability, Purpose of Loan, Diversification Risk.

Model Credit Policy : Importance, Contents, Exposure Norms, Model MSE Policy.

Types of Borrowers : Individuals - Major, Minor, Married Women, Pardhanashin Women, Illiterate Persons, Agent, Attorney, Joint Borrowers, Hindu Undivided Family (HUF), Proprietorship Firms, Partnership Firms, Limited companies, Statutory Companies, Holding Companies, Government Companies, Private & Pubic Limited Companies, Registration of charges, Limited Liability Partnerships (LLP).

Types of Credit Facilities : Various Types of Credit Facilities - Cash Credit, Overdrafts, Demand Loan, Bills Finance - Drawee Bill Scheme, Bills Discounting.

Credit Delivery : Types of Facilities, Modes of Delivery, Sole Banking Arrangement, Multiple Banking Arrangement, Consortium Lending, Syndication. Credit Thrust, Credit Priorities, Credit Acquisitions, Statutory & Regulatory restrictions on Advances.

Credit Appraisal : Validation of proposal, Dimensions of Credit Appraisals, Six "C" s, Structuring of Loan documents, Credit Risk, Credit Risk Rating, Credit Worthiness of Borrower, Purpose of Loan, Source of Repayment, Cash Flow, Collateral.

Credit Rating : Measurement of Risk, Objective of Rating, Internal & External Rating, Model Credit Rating, Methodology of Rating, Internal & External Comparison, Model Rating Formats

MODULE - B : ANALYSIS OF FINANCIAL STATEMENTS

Analysis of Financial Statements : Balance Sheet - Definition, Balance Sheet & Banker, Classification of Assets & Liabilities, Current Assets, Fixed Assets, Non-current Assets, Intangible & Fictitious Assets, Liabilities - Current Liabilities, Medium & Term Liabilities, Capital & Reserve, Classification of Current Assets & Current Liabilities, Balance Sheet Analysis, Analysis of Profit & Loss Account, Auditor's Note. Ratio Analysis - Classification of Ratios, Liquidity Ratios, Leverage Ratios, Activity Ratios, Profitability Ratios, Other important Ratios, Interpretation of important Financial Ratios, Uses of Ratios, Fund Flow Statements, Techniques of Fund Flow and Cash Flow Statements, Illustrations.

Project / Term Loan Appraisal : Technical Appraisal, Commercial / Market Appraisal, Managerial Appraisal, Financial Appraisal, Economic Appraisal, Environmental Appraisal, Project Cost & Means of Finance, Cost of Production & Profitability, Sensitivity Analysis, Break-even Analysis, Capital Budgeting - Pay Back Period Method, Time Value Money, Net Present Value, Internal Rate of Return, Life of the Project.

MODULE - C : WORKING CAPITAL MANAGEMENT

Working Capital Assessment : Concept of Working Capital, Gross Working Capital, Net Working Capital, Working Capital Gap, Components of Working

Capital, Source of Working Capital, Operating / Working Cycle, Computation of storage / Retention Period, Various Methods of Assessment of Working Capital, Computation of Working Capital - Turnover Method, MPBF Method, Cash Budget System, Illustrations, Impact of inadequate Working Capital, Working Capital Finance to IT. & Software Industry, Loan Delivery System, Cash Flow Analysis, Commercial Paper, Credit Delivery, Analysis of CMA data.

Quasi Credit Facilities : Advantages of Non-Fund Facilities, Various types of NFB Facilities, Various types Letter of Credits, Assessment of LC limits, Bills Purchase / Discounting under LC.

Various types of Bank Guarantees : Performance Guarantee, Financial Guarantees, Deferred Payment Guarantees, Types of Performance and Financial Guarantees, Assessment of Bank Guarantees Limit, Period of Claim under Guarantee.

Co-acceptance Facilities : RBI Guidelines, Co-acceptance of Bills covering supply of Goods & Machinery

MODULE - D : OTHER CREDITS

Export Finance : Pre-Shipment Finance-Export Packing Credit in Rupees, Running Account Facility, Pre shipment credit to specific sectors - Sub Suppliers, Construction Contractors, Export credit to Processors / exporters-Agri Export Zones, Export Credit Insurance Whole Turnover Packing Credit, Pre-Shipment Credit in Foreign Currency (PCFC), Running Account Facility in all currencies, Deemed Exports, Diamond Dollar Account Scheme, Post Shipment Rupee Export Finance, Purchase / Discount of Export Bills, Negotiation of Export Bills, Export on Consignment basis, Advance against Duty Draw Back Entitlements, ECGC Whole Turnover Post-Shipment Guarantee Scheme, Interest Rate of Rupee Export Credit, ECNOS, Rupee Export Credit Interest Rate Subvention, Post-Shipment Finance in Foreign Currency, Gold Card Scheme for Exporters, Crystallisation of Export Bills.

Priority Sector Lending / Government Sponsored Schemes : Different Categories of Priority Sector borrowers, Agriculture (Direct & Indirect) Finance, MSME Finance (Direct & Indirect), Micro Credit, Government Sponsored Schemes, Swarnajayanti Gram Swarozgar Yojana (SGSY), Swarna Jayanti Shahari Rozgar Yojana (SJSRY), Self Employment Scheme for Rehabilitation of Manual Scavengers (SRMS), Swarna Jayanti Shahari Rozgar Yojana, Education Loans, Housing Finance, Weaker Sections, Export Credit, Differential Rate of Interest Scheme, Priority Sector Targets.

Retail Loans : Characteristic of Retail Loans, Advantages of Retail Loans, Retail Banking Vs Corporate Banking, Various Retail Banking Products, Model Retail Banking Products - Home Loans, Vehicle Loan, Personal Loan, Pensioner Loan Scheme, Property Loan, Holiday Loan Scheme, Gold Loan Scheme, Education Loan, etc., Guidelines on CERSAI registration.

MODULE - E : MONITORING, SUPERVISION & FOLLOW UP AND MANAGEMENT OF IMPAIRED ASSETS

Documentation : Meaning, Importance, Types of documents, Requisites of documentation, Selection of documents, Stamping of different documents, Mode and time of Stamping, Remedy for un-stamped / under-stamped documents, Documents of which registration is compulsory, Time limit of registration, Consequence of non-registration, Execution, Mode of Execution by different executants, Period of Limitation, Law of Limitation to Guarantor, Extension of period of limitation, Enforcement of documents, Death of Borrower / Guarantor.

Types of Charges : Purpose, Various types of charges, Types of Security, Mode of charge, Lien, Negative Lien, Set Off, Assignment, Pledge, Right of Banker as a Pledgee, Duties as a Pledgee, Mode of Charges, Hypothecation, Mortgage - different types of mortgages, Difference between Simple and Equitable Mortgage.

Credit Monitoring, Supervision & Follow Up : Credit Monitoring - Meaning, Monitoring Goals, Process of Monitoring, Different Monitoring Tools, Check-list for Monitoring, Monitoring by using various statements, QIS Formats / guidelines, Supervision & Follow Up.

Management of Impaired Assets : Introduction, Credit Monitoring, NPA why & how?, NPA Management Policy, Definition of Sick Unit, Non-Performing Assets (NPA), Income Recognition Policy, Assets Classification, Guidelines on Asset Classification, Projects under implementation,

Project Loans under Infrastructure and Non-infrastructure Sectors, Projects under Commercial Real Estate Sector, Income Recognition, Take out Finance, Provisioning Norms for NPA, Provisioning Coverage Ratio (PCR), Options available to banks in Stressed Assets, Prudential Guidelines on Restructuring, Eligibility criteria for restructuring, Asset Classification Norms for Restructured Assets, Mahapatra Committee Recommendations, Revised Prudential Guidelines on Restructuring of Advances, General Provision on Restructured Standard Accounts, Up-gradation of Restructured Accounts, Rehabilitation, Viability Period, Viability Parameters, Incentives for Quick implementation of Restructuring Package, Corporate Debt Restructuring (CDR) Mechanism, CDR Structure & Operations, New RBI Framework for Distressed Assets, Willful Defaulters, Penal Measures, Compromise, Legal Action, Civil litigation, Pre and Post -filing precautions, Type of Decrees, Modes of Execution of Decree, Lok Adalats, Debt Recovery Tribunal, SARFAESI, Write Off.

Fair Practices : Applicability, Practices to be adopted, Loan Processing, Assessment, Disbursement, Administration, Recall / Repayment of Loan, Grievance Redress Mechanisms.

ADDRESSES OF TAXMANN PUBLICATION PVT. LTD.

BRANCHES & SHOWROOMS

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COURSES OF IIBF

A. Flagship Courses (for Members*)

- ☞ JAIB
- ☞ CAIB
- ☞ Diploma in Banking & Finance (Only for Non-Members)

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

- ☞ Diploma in Treasury, Investment and Risk Management
- ☞ Diploma in Banking Technology
- ☞ Diploma in International Banking and Finance
- ☞ Advanced Diploma in Urban Co-operative Banking
- ☞ Diploma in Commodity Derivatives for Bankers
- ☞ Advanced Wealth Management Course
- ☞ Diploma in Home Loan Advising

C. Certificate Courses (for Members* 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 CAIB - Elective Subjects
- ☞ Certificate Examination in Basics of Banking / Credit Card Operations / Functions of Banks for employees of IT Companies
- ☞ Certificate Course for Business Correspondents / Business Facilitators
- ☞ Certificate Examination for Debt Recovery Agents
- ☞ Certificate Examination in IT Security
- ☞ Certificate Examination in Rural Banking Operations for RRB Staff
- ☞ Certificate Examination in Prevention of Cyber Crimes and Fraud Management
- ☞ Certificate Examination in Foreign Exchange Facilities for Individuals
- ☞ Certificate Examination in Microfinance

D. Specialised Blended Certificate Courses

- ☞ Certified Bank Trainer
- ☞ Certified Banking Compliance Professional
- ☞ Certified Credit Officer
- ☞ Certified Treasury Dealer
- ☞ Project Finance Management with IFMR, Chennai

E. Management Courses

- ☞ Advanced Management Program
- ☞ CAIB linked MBA with IGNOU.

Educational support :

- ☞ Publishing specific courseware for each paper / examination and Workbooks etc.
- ☞ Classroom learning through Accredited Institutions, Video 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 Rules & Syllabus 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.

ADDRESSES FOR CONTACT

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