



DIPLOMA IN URBAN CO-OPERATIVE BANKING

Rules & Syllabus 2017

(OLD SYLLABUS)

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

Particulars	For Members	For Non-Members
Subsequent each attempt	₹2,000/- *	₹2,000/- *

* 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 120 objective type multiple choice questions.
- (ii) The examination will be held in online mode only.

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

Institute has completely revised and restructured the syllabus of this Examination to make it contemporary. No new candidate for the old syllabus will be enrolled effective from May 2017. New candidates necessarily need to enrol for revised syllabus only.

For Candidates already enrolled for above Diploma examinations under old syllabus:

- The Institute will conduct the examinations both under the old and revised syllabus
- Candidates already enrolled for old syllabus will be permitted to attempt examinations under the old syllabus till their permissible number of attempts (4) are over.
- Candidates can however move to the Revised Syllabus even before availing all four (4) permissible consecutive attempts.
- Candidates will not get credit for subject/s passed, if any, under the old syllabus for the examination under revised syllabus as the revised course has been completely revamped and re-structured.
- Fees paid for the old syllabus examination will not be refunded to candidates who switch over to the revised syllabus. They need to pay the fee for the examination under revised syllabus as per rules.
- The last Examination under the old syllabus will be held in July 2018. (this will enable all candidates who are currently enrolled for examination under old syllabus to avail permissible 4 attempts)

It is recommended that candidates who had enrolled for this Diploma Examinations and have completed two attempts in the examination without passing any paper so far may consider applying under the revised syllabus instead of enrolling for 2nd block of 2 attempts under the old syllabus.

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	₹298/-
Co-operative Banking Operations, 2007	₹345/-
Technology, Risk Management & Regulation of Co-operative Banks, 2007	₹345/-

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 Co-operative 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 Co-operative 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.

IMPORTANT RULES / INFORMATION FOR CANDIDATES

1. ADMIT LETTER OF EXAMINATIONS :

- Admit letter to all eligible candidates will be emailed to the candidates in their email id registered with the Institute, 10 days before the examination date.
- Admit letter of all eligible candidates will be hosted on Institute's website www.iibf.org.in under the menu 'Exam Related', 1 week before the examination date.
- For downloading and printing of admit letter from the above mentioned website, candidates will have to enter the following:
 - Membership or registration number as **login id**
 - Edit profile password.**
 - If candidates do not remember their Edit profile password, they have to click on the 'Forgot password / Get Password' button after entering the Membership or Registration number. On clicking fresh edit profile password will be sent to their registered email id.
- Candidates are required to **produce printed copy of admit letter** along with Membership identity card or any other valid photo ID card (Aadhaar card / Employer's card / PAN Card / Driving License / Election voter's card / Passport etc.) at the examination venue.
- In the absence of printed copy of Admit Letter and Photo Identity Card, candidates will be denied permission to write Examination.**

2. Mobile Phones

- Mobile phones and other electronic / smart gadgets (except calculator as permissible) are not allowed in the examination hall. It is clarified that mere possession of mobile phone and other electronic / smart gadgets in the examination hall whether in switch off mode or silent mode shall also be deemed to be resorting to adoption of unfair means in the examination.

3. Use of calculator

- Candidates will be allowed to use battery operated portable calculator in the examination. The calculator can be of any type up to 6 functions, 12 digits.

- b. Attempt to use any other type of calculator not complying with the specifications indicated above or having more features than mentioned above shall tantamount to use of unfair means. Scientific calculator is not allowed.

4. Other Rules / Information

- a. Candidates should ensure that they sign the Attendance Sheet.
- b. Candidates are advised to reach the Examination Venue at least 30 minutes before commencement of the examination.
- c. No candidate will be permitted to enter the Examination Venue / hall after expiry of 15 minutes and to leave the hall in the first 30 minutes from the scheduled commencement of the examination.
- d. Candidates would be able to login to the system only with the password mentioned in this Admit Letter. This password should not be disclosed to others. Keep it safe to avoid the possible misuse.
- e. If the examination could not commence on scheduled time or there is delay due to Failure of power, Technical snag of whatsoever nature or for any such reason having bearing upon the conduct of examination; candidates have to :-
 - i. Wait till resumption of power supply / solving of technical snag.
 - ii. Take-up the examination at other venue arranged by the examination conducting authority.
 - iii. Follow instructions given by the examination conducting authority.
- f. Candidates are required to strictly follow all the instructions given by the examination conducting authority during the examination and adhere to Rules of the examination.
- g. Violation of any of the Rules / Instructions, misuse of the Admit Letter will be considered to be an act of serious misconduct and the Institute will take action as per the Rules of the examination, which will also be reported to the employer of the candidate.

5. Rules, Penalties for Misconduct / Unfair Practices :

- a. Communication of any sort between candidates or with outsiders is not permitted and complete silence should be maintained during the examination.
- b. Copying answers from other candidates / other printed / Electronic material or permitting others to copy or consultation of any kind will attract the rules relating to unfair practices in the examination.
- c. No candidate shall impersonate others or allow others to impersonate himself / herself at the examination.
- d. No candidate shall misbehave / argue with the Examination Conducting Authorities at the centre.
- e. Candidates have to compulsory return any papers given including that given for rough work to invigilator.
- f. Candidates should not possess and / or use books, notes, periodicals, etc. in the examination hall at the time of examination / or use mathematical tables, slide rules, stencils etc. during the examination.

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.

PLEASE REFER INSTITUTE'S WEBSITE UNDER THE MENU "EXAM RELATED" FOR DETAILS OF DEBARMENT PERIOD FOR UNFAIR PRACTICES ADOPTED BY CANDIDATES DURING CONDUCT OF INSTITUTE'S EXAMINATIONS.

6. Result Advice / Consolidated Marksheet / Final Certificate

- a. Result Advice of candidates will be hosted on Institute's website on declaration of result, which can be downloaded by the candidates.
- b. Consolidated mark sheet for candidates completing examination having more than one subject, will be available on the Institute's website after the declaration of results. Candidates can download the same after entering login credentials using their membership number and edit profile password.
- c. Final certificates will be sent by speed post within 2 months after the declaration of result.

CONTACT DETAILS :

Register your queries through website www.iibf.org.in > Members / Candidates Support

Services (Help)

or

Email all your queries to care@iibf.org.in

Member Support Service Office :

Indian Institute of Banking & Finance

191-F, Maker Towers, 19th Floor,

Cuffe Parade, Mumbai - 400 005

Tel. : 022-2218 3302 / 2218 5134

For training / contact classes related queries contact :

Leadership Centre

Indian Institute of Banking & Finance

Kohinoor City, Commercial-II, Tower-I, 3rd Floor,

Kirol Road, Off L.B.S.Marg, Kurla West, Mumbai 400 070.

Tel. : 022 25039746 / 9604 / 9907

E-mail : training@iibf.org.in

PROFESSIONAL DEVELOPMENT CENTRES :

South Zone	North Zone	East Zone
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 E-mail : iibfsz@iibf.org.in	Indian Institute of Banking & Finance 102-113, Vikrant Towers, 1st Floor, 4 Rajendra Place, New Delhi – 110 008. Tel. : 011-2575 2191 / 92 E-mail : iibfnz@iibf.org.in	Indian Institute of Banking & Finance Hindusthan Building (Annexe), 7th Floor, 4, C. R. Avenue, Kolkatta – 700 072. Tel. : 033-2212 4992 E-mail : iibfez@iibf.org.in

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