

Associate Examination

JAIIB

Rules and Syllabus
2002



THE INDIAN INSTITUTE OF BANKERS
World Trade Centre, Cuffe Parade, Mumbai-400 005.

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THE INDIAN INSTITUTE OF BANKERS ASSOCIATE EXAMINATION-RULES

1. ABOUT THE INSTITUTE

1.1 GENESIS

The Indian Institute of Bankers which is a professional body of banks and financial institutions in India, was established on 30th April 1928 as a Limited Company under the Indian Companies Act, 1913 with limited liability without the addition of the word 'Limited' to its name at the initiative of few eminent bankers, businessmen and industrialists of India.

1.2 MISSION

The mission of the Institute is to develop professionally qualified and competent bankers primarily through a process of training, examinations and continuing professional development programmes.

1.3 OBJECTIVES:

The objectives for which the Institute was established are:

- i) to encourage the study of the theory of banking and for that purpose to institute a scheme of examinations and to give certificates, scholarships and prizes.
- ii) to promote information on banking and allied subjects by lectures, discussions, books, correspondence with public bodies and individuals.

1.4 ACTIVITIES

- i) Design, develop and conduct examinations to test the proficiency of bank / financial sector employees in various finance related subjects
- ii) Award certificates / diplomas to the successful candidates
- iii) Provide necessary educational support services such as tutorial classes, contact programmes and study material.
- iv) Dissemination of knowledge on banking and financial

services through publication of quarterly journal “Bank Quest”, newsletters and by organising lectures/seminars, workshops as a part of continuing professional development programmes.

- v) Organising and managing efficient library facility at Mumbai and at few other selected centres.
- vi) Any other activity incidental to and facilitating the achievement of the basic objectives of the institute.

2. EXAMINATIONS

The Institute conducts the following examinations for the benefits of its members:

- a) Associate Examination
- b) Associate Diploma in Banking (ADB)
- c) Diploma in Treasury, Investment and Risk Management (DTIRM)
- d) Diploma in Banking Technology (DBT)
- e) Diploma in Advanced Rural Banking (ADRB)
- f) Diploma in International Banking and Finance (DIBF)
- g) Diploma in Capital Markets and Merchant Banking (DCMMB)
- h) Program on Mutual Fund Management (MFM)
- i) Banking Oriented Paper in Hindi (BOPH)

The syllabi and other information pertaining to the examinations are available with the Institute’s offices at Mumbai, Chennai, New Delhi, Kolkata and at other centres/sub centres of the Institute.

2.1 ASSOCIATE EXAMINATION – OBJECTIVES

- A. JAIBB** aims at providing maximum level of basic knowledge in banking and financial systems, communication, and customer relations and basic accountancy necessary for carrying out day to day banking operation.
- B. CAIBB** aims at providing advanced knowledge necessary for better

decision making together with a reasonable level of specialisation in specific disciplines.

2.2 SYLLABUS:

The details of the prescribed syllabi are furnished elsewhere in the booklet. Though a detailed syllabus has been prepared for all the subjects, the same is only indicative and not exhaustive. **Keeping in view the professional nature of the 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 Associate 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 from time to time. Any alterations made will be notified from time to time.**

2.3 SUBJECTS :

This examination has been divided into two parts, namely, JAIIB and CAIIB. The subjects under each part are as under :

JAIIB	CAIIB
i) Indian Financial System & Commercial Banking	i) Laws & Practices relating to Banking
ii) Business Communication and Customer Relations	ii) Management Accounting & Financial Management
iii) Special and Preferred Sector Finance	iii) Indian Economic Environment
iv) Basic Accountancy	iv) Business Management
v) Introduction to Computers	v) Introduction to Foreign Trade, Foreign Exchange and Risk Management.
	vi) OPTIONAL SUBJECTS (Choose any one)
	a) Investment and Merchant Banking
	b) Electronic Banking and Information Technology in Banks
	c) Organisational Development and Human Resources Development
	d) Marketing of Banking Services

JAIIB and CAIIB have been equated with Part I and Part II respectively of the present Associate Examination.

Scheme of Exemptions

The Institute will consider granting exemption from passing the following subjects for JAIIB and CAIIB for the candidates who possessed the qualification/s noted against each subject :

Subject	Prior Qualification
JAIIB	
1. Basic Accountancy	B.COM degree of a University in India provided the percentage of marks secured by the candidate is above or equal to 50% in this subject or Chartered Accountant, or Cost Accountant from ICWAI.
2. Introduction to Computers	B.TECH/M. TECH or B.E. Degree of a University of India or Diploma in Computers from DOEAC/NCST with a minimum study duration of 12 months, or MCA/MCM degree from a University in India, provided the percentage of marks secured by the candidates is above or equal to 50%.
CAIIB	
1. Management Accounting and Financial Management	M.COM or MBA from a University in India provided the percentage of marks secured by the candidate is above or equal to 50% in this subject or possessing an equivalent qualification from the IIMs, or Chartered Accountants.
2. Indian Economic Environment	M.A. Economics from a University in India provided the percentage of marks secured by the candidate is above or equal to 50%.
3. Business Management	MBA degree of a University in India including PG Diploma from the IIMs, equivalent to MBA recognised by AICTE provided the percentage of marks secured by the candidate is above or equal to 50%.
4. Electronic Banking and Information Technology in Banks	B. TECH. or M. TECH or equivalent from a reputed University in India, with Electronics or Computers or MCA/MCM from a University in India.
5. Organisational Development and HRD	MBA with specialisation in Personnel or HRD or Industrial Relations from a University in India, or possessing an equivalent qualification from the IIMs.

6. Marketing of Banking Services	MBA with specialisation in Marketing from a University in India provided the percentage of marks secured by the candidate is above or equal to 50% in this subject or possessing an equivalent qualification from the IIMs.
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Note :

For all other papers/subjects of JAIIB and CAIIB no exemptions will be given.

A candidate will be required to apply for exemptions with the documentary evidence viz. attested marks sheets, a copy of the syllabus and attested copy of the certificate. *The candidate should apply for exemptions before submitting the entry form for the examination.* In case of professional examination the candidate may submit the attested copy of the certificate. The decision of the Institute will be final in the matter.

The term 'A University in India' mentioned above will also include an institution which is recognised as 'A deemed University' or recognised by the Association of Indian Universities.

The scheme of Exemptions is subject to the following :

- i) No candidate will be granted exemption in all in not more than two subjects.
- ii) No candidate will be granted exemption in more than one subject based on a single qualification
- iii) No exemption will be granted for the optional subjects under CAIIB.

The scheme of exemptions will not be open for our Diploma Examinations

2.4 PATTERN :

The pattern of the question papers for the candidates appearing for JAIIB and CAIIB would be as under :

- a) Calling for Conceptual Grasp (Multiple Choice Questions)
- b) Quick Problem Solving (Short Problems)
- c) Analytical/ Logical Expositions (Major Problems)

d) Theoretical Foundation (Theory Questions).

2.5 PERIODICITY AND EXAMINATION CENTRES :

The examination will be held normally twice a year in the months of June and December on three Sundays (two papers on each Sunday) at all Metropolitan Centres, State Capitals, certain Districts and other places in India as also at certain centres abroad as may be decided by the Institute. A list of such examination centres will be provided along with the entry form.

2.6 ELIGIBILITY :

1. The Examination is open only to the members of the Institute who are in employment of the Institutions which are members of the Institute provided individual subscription is not in arrears.
2. A new candidate will be advised of the examination for which he/she is eligible to appear while intimating his/her membership number.
3. The candidates must have passed the matriculation examination or its equivalent. However, the Institute may, at its discretion, allow any candidate from clerical or supervisory staff cadre to appear at the examination on the recommendation of the Manager of the bank/the officer-in-charge of the bank's office where he/she is working, even if he/she is not a matriculate or its equivalent. Subordinate staff of recognised Banking/Financial Institutions in India, who are members of the Institute, are eligible to appear at the examination, provided they have passed the matriculation examination or its equivalent.
4. A candidate applying for any subject or subjects of CAIIB must have completed JAIIB or Part I of the Associate examination.
5. Candidates appearing for CAIIB have to appear in 5 compulsory subjects and any one optional subject to complete CAIIB. Once the subject under the optional group is selected by the candidate, the same cannot be changed till he/she completes the CAIIB.

Candidates may subsequently appear for the remaining optional papers at their own volition only after completing CAIIB and on completion a separate certificate for passing in each of

the subject subsequently will be awarded.

6. Candidates appearing for the first time will be eligible to appear under the revised syllabus only i.e. for the Junior Associate Examination (JAIIB). Similarly candidates who have not passed any subject of Part I under the old syllabus will be required to appear under the revised syllabus.

7. The ex-employees of Banks/Financial Institutions who desire to appear at and complete Associate Examination will be allowed to appear for the Examination at the discretion of the Institute subject to the following :

- i. The cessation of service is not due to reason of any misconduct.
- ii. The application is forwarded through the Institution in whose employment the candidate was before ceasing to be in service with their recommendations in the prescribed format, along with a no objection certificate from the current employer.

2.7 CREDIT TRANSFER :

Candidates switching over from the old syllabus to the revised syllabus will be given credit for subjects passed under old Syllabus as under:

Part I	JAIIB
1. Practice & Law of Banking I	1. Indian Financial System & Commercial Banking
2. Business Communication	2. Business Communication & Customer Relations
3. Book-Keeping	3. Basic Accountancy
4. Principles of Computer Science	4. Introduction to Computers
Part II	CAIIB
1. Commercial Law and Practice and Law of Banking II	1. Laws & Practice Relating to Banking
2. Management Accounting	2. Management Accounting & Financial Management

Part II	CAIIB
3. Foreign Exchange	3. Foreign Exchange & Risk Mangement
4. Monetary Theory & Practice and Indian Economic Problems	4. Indian Economic Environment

Candidates who have passed in all the four subjects mentioned under Part I need to appear only in Special & Preferred Sector Finance to get JAIIB Certificate. Members who have passed all the four subjects under Part II need to appear for Business Management and one optional subject to get CAIIB Certificate. The benefit of credit transfer will be available also to those who had already switched over to the revised syllabus.

Candidates getting benefit of credit transfer will not be entitled for any refund of examination fees.

For candidates who have completed JAIIB/CAIIB after getting the credit transfer, the word first class or distinction will not be added in the certificates issued to them, they will be declared as ordinary Pass only since they have not completed all the subjects in the first attempt, but have completed the examination with the help of credit transfer.

Candidates passing with credit transfers and getting 50% aggregate marks in the remaining subjects in first attempt but getting 45 or 46 marks in individual subjects will not be declared as passed since certain subjects are completed under the old syllabus earlier and they have not passed the examination in single attempt.

2.8 TIME LIMIT FOR PASSING THE EXAMINATION:

Candidates for the JAIIB / CAIIB Examination are required to pass in all subjects of the respective examination in not more than 8 consecutive attempts. The counting of attempts will begin from the date of application for the examination and attempts will be counted irrespective of whether a candidate appears at any examination or otherwise.

2.9 MEDIUM OF EXAMINATION:

1. The candidates are allowed to write the examination either in Hindi or English. They should fill in the entry form in his/her own hand

under his/her signature and indicate the choice of medium as Hindi or English for answering the question paper. In the absence of a clear indication about the medium opted by the candidate, English will be presumed as the medium.

2. Answers to all questions in all subjects of an examination should be written through chosen medium only, and it should be the medium opted by the candidate in the entry form for the examination. The candidates are not permitted to answer different subjects in the same examination in different mediums. The candidates are also not permitted to answer the question paper of a subject, partly in English and partly in Hindi. In case a candidate uses both languages simultaneously for answering question paper/s in one examination, his/her answer book/s will be liable to be rejected. Alternatively, the Institute may consider valuing only the portion of the answers written in the medium opted by the candidate as per his/her indication on the entry form.
3. The candidate can change the medium of examination **ONCE** during the period of four years which is allowed for JAIIB/CAIIB.

2.10 PROCEDURE FOR APPLYING FOR EXAMINATION:

Examination Application Forms will be available on the Institute's web site at "iib-online.org" which could be filled up and submitted online. The applications will be available at the Institute's offices also including Corporate Office.

The Institute accepts no responsibility for delay or inconvenience arising from the candidate's failure to reach the entry 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.

2.11 EXAMINATION FEES:

The fees payable by the candidates for appearing at the examination centres in India for the Associate examination under the revised syllabus are as under:

For JAIIB Examination Rs 1500/- (excluding cost of study kit)

For CAIIB Examination Rs 2000/- (excluding cost of study kit)

The study material would be available from the offices of the Institute or at selected subcentres @Rs 150/- per subject.

- (1) **Candidates who complete the JAIIB /CAIIB examinations in 50% of the total number of chances allowed will be refunded 50% of the examination fees only. The amount paid for the study kit will not be refunded.**
- (2) **This provision of refund of 50% examination fees is not applicable to the candidates who are availing the facility of credit transfer as mentioned in item 2.7 above.**

As regards the candidates appearing at overseas centres, the payment of examination fees must be made by a draft in US dollar / Sterling Pound as under. It may be noted that such candidates have to apply a fresh for each attempt.

Number of Subjects	Examination Fee
1 subject	US \$40 / £ 23
2 subjects	US \$45 / £ 26
3 subjects	US \$50 / £ 29
4 subjects	US \$55 / £ 32
5 subjects	US \$60 / £ 35
6 subjects	US \$65 / £ 38

2.12 ADMIT CARD:

The Institute will be issuing Examinations Admit Cards, to members who apply for the Associate Examinations. This card will be valid for the period as mentioned on the card. The Admit Card along with the Permanent Membership Identity Card should be produced to the examination authority each time in the examination hall for identification. In absence of the Admit Card / Permanent Membership Identity Card the candidate is liable to be denied permission in the examination hall.

Members who have enrolled for the examination and having Examination Identity Card issued to them earlier will continue to appear for the examination based on Examination Identity Card and will not be issued any Membership Card or Admit Card. Permanent Membership Identity Card will be issued by Zonal Offices in case any person is admitted as a member, he/ she renews his / her membership or applies for the examination in future.

The candidates will have to appear at the Centre which he/she chooses while applying for the examination first time for the subsequent examinations also. The venue for the examination will be advised while issuing the Admit Card. In case of any change in venue due to transfer or any other valid reason, the candidate should inform the Institute well in advance to enable the Institute to intimate the changed venue. **The Institute reserves a right to close any of the existing centres on account of less number of candidates appearing from that centre or any other reason which it may think fit. In such case candidates will be advised to appear from the nearest available centre.**

2.13 CONDUCT & DISCIPLINE IN THE EXAMINATION HALL

1. No candidate shall be permitted to enter the examination hall after the expiry of 15 minutes from the commencement of the examination and no candidate shall be permitted to leave the hall before the expiry of one hour from the commencement of the examination. The candidates shall be at the examination venue at least 15 minutes before the commencement of the examination.

2. Candidates should ensure that he/she signs the Attendance Sheet.

MISCONDUCT AND UNFAIR PRACTICE

1. 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 except for the examination for which such use is expressly permitted. A candidate found in possession of such unauthorised material during the examination is liable to be proceeded against for adoption of unfair means in the examination in addition to reporting the matter to his/her employer for disciplinary proceedings for the misconduct. They should hand them over to the Hall Superintendent before the commencement of the examination.

Generally candidates appearing for Basic Accountancy, Financial Management, Introduction to Computers and Introduction to Foreign Trade & Foreign Exchange, will be permitted to use calculators while appearing for the Associate Examinations subject to the following:

Calculators should:

- a) be pocket size and fully portable
- b) be silent while 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 calculator is switched off.

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

Candidates are not permitted to carry mobile phone in the examination hall.

1. Communication of any sort between candidates or with outsiders is not permitted and complete silence should be maintained during the examination.
2. Copying the answers from the answer books of other candidates or permitting others to copy from one's answer book will attract the rules relating to unfair practices in the examination.
3. No candidate should leave the examination hall without handing over the answer scripts to the Hall Supervisor / Invigilator. Once the answer book is handed over to the Supervisor / Invigilator the same cannot be taken back by the candidate.
4. No candidate shall impersonate others or allow others to impersonate himself at 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 mentioned herein under.

2.14 PENALTIES FOR MISCONDUCT / UNFAIR PRACTICES

The Institute shall have the right to impose penalties on any member for committing an act of misconduct/ unfair practice in respect of any matter affecting the Institute or at 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

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

The Institute shall also have a right to cancel the 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 candidates would not have been eligible to appear at such subsequent examinations.

In case any member including former member, desires to institute any legal proceedings against the Institute in respect of anything done or proposed to be done by the Institute in relation to him/her such legal proceedings shall be instituted **only in the courts at Chennai, Kolkata, New Delhi and Mumbai in whose jurisdiction the application is submitted by him/her and not in any other court.**

2.15 PASSING CRITERIA

- a) Pass: Minimum 50% or more marks in each subjects
- b) First Class with Distinction: 75% or more marks in any individual

subject and 60% or more marks in the aggregate and pass in all subjects in the first attempt.

- c) First Class: 60% or more marks in aggregate and pass in all the subjects in the first attempt.
- d) Candidates will be allowed to retain credits for the subject he/she has passed in one attempt till the expiry of the time limit.

First Class / First Class with Distinction will not be applicable to the candidates availing the facility of credit transfer as they would not be passing the examination in first attempt.

2.16 DECLARATION OF RESULTS

The results of the examination along with the marks secured for each subject of the examination will be communicated to the candidates by letter.

2.17 FACILITY FOR VERIFICATION OF MARKS

The decision of the examiners with regard to marks shall in every case, be final and no request for re-valuation of the candidate's paper will be entertained. If, however, any candidate requires his/her marks to be verified he/she may request the Chief Executive Officer accordingly. Such verification will cover the following:

- i) all answers have been valued
- ii) the marks awarded for all the answers have been carried forward correctly to the cover-page for totalling
- iii) the total arrived at is arithmetically correct.

The request for verification of marks must be received in the Institute's Zonal office within one month from the date of the declaration of the examination results. The candidates will have to pay a sum of **Rs.80/-** The payment should be made by means of MICR crossed Demand Draft drawn in favour of "The Indian Institute Of Bankers" and made payable at the place of the Zonal Office. The candidates should write their membership number on the reverse of the draft.

2.18 ISSUE OF CERTIFICATES

Candidates who complete JAIIB will receive a Certificate of Junior Associateship of the Indian Institute of Bankers and those who complete

CAIIB will receive a Certificate of Associateship of The Indian Institute of Bankers.

3 EDUCATIONAL SUPPORT

3.1 TUTORIAL/ CONTACT PROGRAMMES:

Tutorial / Contact programmes will be organised by the Institute. For further details candidates may get in touch with Zonal Office / nearest sub-centre or log on to the Institute's web site at "iib-online.org"

3.2 LIBRARY:

The Institute provides library facility to the members at its Zonal offices and Sub-Centres.

In addition, the Institute provides postal lending service also for the benefit of the outstation members. The rules for the postal lending services and functional library at sub-centres to meet the normal requirements of the candidates for the Institute's examination are that:

- a) the subscription from members should not be in arrears;
- b) the request should be forwarded through the officer in charge of the Branch/Office in which the member is working;
- c) the member should undertake to return the book at his cost within the stipulated time.

3.3 BANK QUEST:

The Institute publishes quarterly bank quest, covering various aspects of banking and allied subjects. It is supplied to all the members free of cost, whose membership subscription is upto date. The bank quest also gives information on the dates of examinations, other important information and announcements, from the Institute.

3.4 IIB Vision :

The Institute publishes a bimonthly newsletter "Vision" containing latest information about banking and finance. The publication is available for yearly subscription of Rs.40/- only.

3.5 IIB Portal :

The Institute has its own web site "iib-online.org". The web site

facilitates information about membership / examination including announcements, schedule of examinations, online membership / examination, results, online tutorials etc.

4. SYLLABUS FOR ASSOCIATE EXAMINATION

JAIIB

1. INDIAN FINANCIAL SYSTEM AND COMMERCIAL BANKING

Objectives

The candidates would be able to acquire

1. a fair knowledge about the Banking environment.
2. knowledge of the historical / emerging role of banks.
3. knowledge about the essential legal aspects of banking as also a clear understanding of various functions.
4. a clear perspective of banking operations and their implications in various areas.

Syllabus

SECTION A : FINANCIAL SYSTEM

1. Structure of Indian Financial System-Constituents-RBI; Commercial banks; Rural banks; Cooperative banks; Land development banks; Development banks such as IFCI, NABARD, IDBI, IRBI, SHCI, ICICI, EXIM bank, SIDBI, DFHI, SFCs, NHB; Non banking financial institutions (NBFCs); Indian Capital markets; Mutual funds, Merchant banking, Finance companies, LIC, UTI, GIC;-main functions of these constituents and respective roles.
2. Origin and evolution of Indian Banking-changes in the role and functions of commercial banks; Banking Regulation Act, 1949 - regulatory framework - provisions relating to opening of new Banks/branches.
3. Role of RBI - functions - supervision, development and refinancing functions; Commercial banks, and other constituents of the financial system.

4. RBI Act, 1934; an overview of the provisions relating to Banks and other Financial Institutions; Statutory requirements; Reserve requirements.

SECTION B : TRENDS IN RURAL, SOCIAL AND DEVELOPMENT BANKING

5. Financial sector developments; pre-nationalisation and post-nationalisations; rural credit and institutional development for rural and agricultural development.
6. Introduction to Social-Banking-Lead bank Scheme-Service area approach - Socio - economic and Poverty Alleviation programmes such as IRDP, PMRY, PMI UPEP - Housing finance for the poorer and weaker sections; Priority sector lending; various developmental programmes of the Government in agricultural and rural development; Village and Cottage industries, Tiny industries, small scale industries and Ancillaries and their role and scope in the development processes.

SECTION C : DEPOSITS AND ANCILLARY SERVICES

7. Banker-Customer relations - services rendered by Banks - general and special features of the relationship in all aspects of banking transactions; mandates and power of attorney; duty of secrecy; Banker's lien and right of set-off/appropriation; Garnishee and attachment orders, Disclosures permitted by under law and by practice.
8. Knowledge of NI Act; Payment and collection of cheques and other negotiable instruments; Duties and responsibilities of a Paying and collective banker; Protection available to the paying and collective banker; types of endorsements/negotiation and their implications; forged instruments and bouncing of cheques and their implications;
9. Deposit Accounts and types of customers; procedure and practice in opening, closing and conduct of accounts; various types of customers like minors, joint account holders, partnership firms, companies, Joint Hindu family, Executors, Trustees, Clubs and Associations, illiterate, Charitable institutions, Government and allied Public sector bodies/

institutions; Non-resident accounts-definition, types of deposit accounts, various facilities to NRIs and opening, closing and conduct of NRI accounts; Cash and Currency chests.

SECTION D : LENDING AND OTHERS SERVICES :

10. Principles of Bank Lending-Different kinds of borrowers and types of credit facilities granted by Banks - Types of securities and methods of charging them - types of documents such as pledge/hypothecation agreement, demand promissory notes, mortgage deed; valuation of securities; indemnity bonds, Personal loans and Consumer durables finance, finance against shares and securities; overview of Hire-purchase, leasing, Factoring and Export finance.
11. Miscellaneous Services - Bank guarantees and Letters of Credit - Remittance of funds - Safe custody of articles - Safe Deposit Lockers - Nomination facility - Debit/Credit cards - ATMs - Travellers / Gift Cheques - Handling of Government accounts; Overview of Merchant Banking.

2. BUSINESS COMMUNICATION AND CUSTOMER RELATIONS

Objectives

The Candidates would be able to know and apply.

1. the essentials of communication, especially business communication.
2. the basics of Bank Marketing and customer relations and the relevance of communication skills to these areas.

Syllabus

SECTION A : INTRODUCTION

1. Communication - need for communication - objectives of communication - methods - communication barriers - channels of communication.
2. Factors affecting communication - essentials for effective communication - perception, attitudes, beliefs, values, norms and experiences and their affect on communication.
3. Non verbal communication - Body language - behaviour implications, group dynamics and effective communication.
4. Listening skills - Communication skills - inter personal communication and intra-personal communication.

SECTION B : WRITTEN COMMUNICATION

5. Essentials of a business letter-parts of a business letter-forms of a business letter.
6. Types of letters and their replies - letters to depositors, external agencies, creditors, users of various services and to other banks-letters of enquiry, complaints and their replies; Credit reports.
7. Letters within the bank and to staff members-representations and suggestions.
8. Meetings and conferences - presentation skills - oral communication - report writing.

SECTION C : PUBLIC / CUSTOMER RELATIONS

9. Customer relations in a competitive environment - understanding the needs of customers - customer-bank relationship - customer service and customer orientation - interpersonal skills and relations - Public relations and Image building - Business development and deposit mobilisation.
10. Consumer Protection Act/Forums and Ombudsman-concept of service, deficiency in service and redressal mechanism.
11. Recommendations of various committees on customer service.

SECTION D : BANK MARKETING

12. Marketing - why marketing - marketing approach - products marketing and service marketing - marketing concepts and strategies - marketing mix - need for marketing - marketing vs selling - marketing skills - market segmentation.
13. Customer focus - understanding customer behaviour - Identifying buyers - research needs - maintaining database of customers - analysis of potential customers - market forecasting.
14. Customer care - services offered - setting and monitoring standards - quality/Study Circles - Customer grievances/complaints redressal machinery.

3. SPECIAL AND PREFERRED SECTOR FINANCE*Objectives*

The candidate would be able to acquire

1. knowledge of social banking, priority sector, exports and the related issues.
2. knowledge about the guidelines of the Government and the Reserve Bank of India and the latest developments in the areas related to priority sector and exports.
3. knowledge as to the rationale behind the policies and the role of different agencies/Banks.

*Syllabus***SECTION A : INTRODUCTION :**

1. Concept of Priority Sector and lending; evolution of these concepts; thrust areas; historical background; Lead Bank Scheme; Service Area Approach and Service Area Monitoring and Information System (SAMIS); Weaker Sections; Guidelines/Norms for various Priority Sectors.
2. Poverty - definition, nature, causes, extent and remedies; Urban based and rural based programmes for poverty alleviation.
3. Various committees in the areas of Priority sector and their recommendations such as Nayak Committee, etc...
4. Credit Linked Poverty alleviation programmes such as PMRY, IRDP, PMI, UPEP, etc...; Non credit linked programmes such as JRY, EGS, DWCRA, etc...; Concepts, objectives and rationale.
5. Introduction to Housing/Mortgage finance; Innovative Banking; New thrust areas in Banking.

SECTION B : RURAL FINANCE :

6. Rural Credit; Non-farm activities; concept of ISB (Industry, Service, Business); importance of financing rural non-farm

activities such as small business enterprises, handlooms, handicrafts, village and cottage Industries, Tiny sector and small scale industries; Self employment schemes and Self-help groups; Rural infrastructure development fund.

7. Machinery for rural development; RBI and NABARD, role and functions, types of services, refinancing role, research and institutional development, rural development policies; structure of rural financing Institutions; problems associated with rural credit Institutions and their remedies; Commercial/RRBs/Cooperative Banks, role and functions, district credit planning, coordination and programme implementation; District Rural Development Agency (DRDA), role and functions; District Industries Centre (DIC), role and functions; Differential Rate of Interest (DRI) scheme; DIC GCI, role and functions-deposit insurance and credit guarantee schemes, coverage and lodging of claims; Mobilisation of rural savings; Security norms for Priority sector advances; Strategies for Recovery; Lok Adalats; Self-help Groups; Local area banks; Innovative approaches to rural lending; involvement of NGOs.
8. Reforms in rural credit system; deregulation of interest rates of cooperative banks and RRBs; prudential norms and provisioning requirements; alternative credit delivery innovations; revamping rural credit system; development action plan (DAP) and Memorandum of Understanding (MOU); Monitoring of rural credit.

SECTION C : AGRICULTURE FINANCE :

9. Indian Agriculture; Role of Agriculture; organisation of agricultural production; land reforms and agrarian structure; agrarian reforms; dimensions of agriculture policy and its implications for Rural Financing Institutions; Capital Formation in Indian Agriculture; Approaches to the definitions of small/marginal/other farmers.
10. Agricultural technology; Appraisal techniques in HI-TECH agriculture such as Mushroom cultivation, Floriculture, sericulture, aquaculture, wind-energy, vermiculture, etc.; Application of technology to agriculture; Agro-processing

industries and post-harvest technology; Hybrid seeds, irrigation facilities, fertilisers, etc. and increase of agricultural productivity. Agricultural costs and prices; Occupational structure; agricultural markets and marketing of rural products and linking of credit with marketing.

11. Appraisal Technique of financing; Assessment of working capital requirements for farm and non-farm sectors; Stabilisation arrangements to tackle natural calamities; Rural credit in the Farm sector, Short-term Credit such as Crop Loans; Long Term and Medium term financing such as minor irrigation, well sinking, animal husbandry, land development, fishery, plantation and horticulture, forestry, waste-land development, and dry land farming.

SECTION D : EXPORT FINANCE :

12. India's foreign trade; balance of payments-Export/Import structure and pattern; Issues relating to Agriculture and SSI Exports.
13. Export credit; Norms for export credit; Need for export credit; Different agencies involved in export credit and their role in exports credit such as EXIM Bank, Commercial banks, Export promotional bodies; Various credit facilities available to Exporters such as Packing credit, etc...; Export promotional schemes and facilities; ECGC-role, functions and schemes;
14. WTO and GATT and other Agencies involved in International Trade.

4. BASIC ACCOUNTANCY

Objectives

The candidates would be able to acquire

1. knowledge about the basic accounting principles and concepts.
2. and grasp the mechanics of accountancy and its applications to various categories of accounts.
3. knowledge about preparation of the basic accounting financial statements.

Syllabus

SECTION A : BACKGROUND

1. Nature and purpose of accounting; Historical perspectives-origins of accounting principles - accounting standards in India-Management accounting and its definition and scope - Distinction between Financial accounting and Management accounting; Accounting in a computerised environment.
2. Accounting concepts and principles - concepts of accountancy - entity - going concern - double entry systems; Principles of conservatism - revenue recognition and realisation, matching and expense recognition - accrual and cash basis.

SECTION B : BOOK-KEEPING MECHANICS

3. Record keeping basics - account categories - debit and credit concepts - T account and Columnar accounting mechanics - Journalising - Writing cash books - Bank reconciliation statement - Trial balance - Adjusting and closing entries.

SECTION C : BALANCE SHEET AND P&L ACCOUNTING

4. Balance sheet structure - accounts - categories - Assets, Liabilities and Net worth components.
5. Income and Expenditure accounts - P & L Account - Income Statement - Accounting for depreciation - Accounting for

bad and doubtful debts - P&L account and appropriation-Reserves and Provisions accounting and concepts - Sinking funds.

SECTION D : ACCOUNTING FOR TYPES OF ENTITIES

6. Partnership accounts - Partner's fixed capital accounts - current accounts - loan accounts - treatment of intangibles like goodwill - admission/retirement/death of partner - sleeping/quasi and limited partnerships.
7. Company accounts - Partnership vs Limited Liability Company accounts - classes of share capital-issue/forfeiture of share - non-voting shares - issue of bonus shares - Schedule VI of the Companies Act, 1956 - preparation of final accounts - Final accounts of Banking Companies.
8. Special accounts - Leasing and Hire-purchase company accounts contracting companies accounts - Accounts of Non-Trading concerns - Receipts and Payments.

5. INTRODUCTION TO COMPUTERS

Objectives

The Candidates would be able to understand

1. the developments in the field of Computers and in Information Technology.
2. the relevance of Computers in day to day operations, with special reference to banking.

Syllabus

SECTION A : INTRODUCTION

1. Introduction to computers; What is a computer - its main functions capabilities and limitations - when to use computers - role of computers in data processing - impact of computerisation on Banks.
2. Why computerisation - impact on customer service, data transmission and as a storage device and impact on business development-uses of computers-various services offered by use of computers and their advantages over the manual system.

SECTION B : HARDWARE AND SOFTWARE

3. Computer Hardware - Anatomy of Computer - Types of computers, Central processing unit, main memory, RAM and ROM; Computer systems, Peripheral controllers, Peripherals (Terminals, Printers, Floppy drive, Disk drives, Compact disk, Tape drive, Cartridge tape, Graph plotter, Mark sense reader, voice recognition, CD-ROM, etc.); Current Trends in Hardware.
4. Software - Need for software; What is software - types of software - systems and applications software - Operating systems, DOS; WINDOWS; Data base management systems; Software development; Current Trends.

SECTION C : MECHANISATION IN BANKS

5. Different approaches to bank mechanisation - Stand alone

computer systems - Wide area and local area networks - local processing and batch concepts; on-line systems - Mini computers and Main Frame networking systems - DTP and Scanners - UPS.

6. Electronic Payment systems - Teller Machines at the Bank Counters - Cash dispensers - ATMs - Anywhere Anytime Banking - Home banking (Corporate and personal) - Online enquiry and update facilities - 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, microfiche, note and coin counting devices.
7. Document handling systems - cheque sorting and balancing systems (MICR and OCR, etc...) - Document storage and retrieval systems (Micro films, etc...) - Document Transmission Systems (FAX, etc...) - Interbranch reconciliation uses in Foreign exchange, dealing and investment management, cash management systems and for statistical analysis.

SECTION D : INFORMATION TECHNOLOGY AND ITS IMPACT

8. Electronic funds transfer systems - plain messages (Telex or data communication) - structured messages (SWIFT, etc...) - Direct funds settlement systems (CHIPS, Electronic clearing, etc...) - Two level funds transfer and settlement (FEDWIRE, BANKWIRE, POS systems, etc.)
9. Information Technology - Current trends - Banknet, RBI net, Datanet, Nicnet, I-net, Internet, E-mail, etc...-Modems and their uses - Multimedia - VSAT - Role and uses of technology upgradation - Global developments in Banking Technology - Information Technology in finance and service delivery - Management information systems.
10. Impact of Technology on Banks - Protecting the confidentiality and secrecy of data - effect on employees and employment - effect on customers and service quality- Audit trails - Computer Audit - Rangarajan, Saraf and Shere Committee Recommendations.

RECOMMENDED READING

“The Institute has prepared comprehensive study material in the form of kits modelled on IGNOU pattern to facilitate preparation for the examination without intervention of teacher. Attempt has been made to cover fully in the write-ups the syllabus prescribed for each subject/paper. The presentation of topics in the self study material may not always be in the same sequence as given in the syllabus. The said course material should be purchased by the members at a price of Rs.150/- per subject.

Candidates are also expected to take note of all the latest developments relating to the subjects covered in the syllabus by referring to Economic Journals, Financial Papers, latest books and publications on the subjects concerned.”

5. LIST OF ZONAL OFFICES OF THE INSTITUTE**Western Zonal Office**

The Indian Institute of Bankers
Maker Tower, ‘F’ Wing, 19th Floor,
Cuffe Parade, Mumbai-400 005.

Eastern Zonal Office

The Indian Institute of Bankers
‘Anandlok’, 3rd Floor,
227, Acharya J. C. Bose Road,
Calcutta-700 020.

Nothern Zonal Office

The Indian Institute of Bankers
11th Floor, Atmaram House,
Tolstoy Marg,
New Delhi-110 001.

Southern Zonal Office

The Indian Institute of Bankers
61, Arya Gowda Road,
West Mambalam,
Chennai-600 033.