



Certificate Examination in SME Finance for Bankers

Rules & Syllabus 2012

OBJECTIVE

Considering the growing importance of SME finance in the Banking Industry, this course is intended to equip practicing banking and finance professionals to have in depth knowledge in the field of SME finance.

ELIGIBILITY

Any Graduate of a recognized university will be eligible for admission.

SUBJECT OF EXAMINATION

Small and Medium enterprises in India

EXAMINATION FEES / REGISTRATION FEE

	For Members	For Non-Members
First attempt	₹1,500/-	@₹2,500/-
Subsequent each attempt	₹1,000/-	₹1,000/-

@Includes registration fee of ₹500/-

MEDIUM OF EXAMINATION

Examination will be conducted in English only.

PATTERN OF EXAMINATION

- (i) Each Question Paper will contain approximately 120 objective type multiple choice questions.
- (ii) Information about mode of examination (online / offline) and list of examination centre will be provided along with Examination Application Form.

DURATION OF EXAMINATION

The duration of the examination will be of two hours.

PERIODICITY AND EXAMINATION CENTRES

- (i) The examination will be conducted normally twice a year in May / June and November / December.
- (ii) Examination **will be conducted on a Sunday**.

PASSING CRITERIA

Candidate has to secure 50% or more marks in the examination to pass i.e. 50 marks out of 100.

PROCEDURE FOR APPLYING FOR EXAMINATION

Examination Application Forms will be available at the Institute's website **www.iibf.org.in** which could be downloaded and filled in. The application forms will be also available at the Institute's Zonal Offices, Corporate Office and also at such other centres / offices as may be notified from time to time. Examination Application Forms duly filled in (for the detailed instructions refer the Examination Application Form) along with requisite examination fee should be submitted to the respective Zonal Office at Mumbai, Chennai, New Delhi, Kolkata. The Institute accepts no responsibility for delay or inconvenience arising from the candidate's failure to reach the Examination Application Form in time or if the form is incomplete or failure to furnish all the essential information about himself / herself and the details of his / her examination.

PROOF OF IDENTITY

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

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

STUDY MATERIAL

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

The Institute has published study books to facilitate study and they will be available at outlets / showrooms / distributors of M/s. Taxmann Publication Pvt. 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 book/s. 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
Small and Medium Enterprises in India, 2008	₹195/-

ADDRESSES OF TAXMANN PUBLICATION PVT. LTD.

BRANCHES & SHOWROOMS

Jaina Book Agency

649-A, Girgaum Road, Dhobi Talao,
Mumbai - 400 002
Tel. : 22012143, 22018485

Asia Law House

Shop No. 10, Aiyangar Plaza,
Between UTI & Central Bank
Bank Street Kothi,
Hyderabad - 500 095
Tel. : 24742324

Standard Book Distributors

104, Labh Complex, 12-B,
Sattar Taluka Society,
Opp.Old High Court Rd.,
Ahmedabad - 380 014
Tel. : 7540731,7540732

Student Book Centre

527, Kalbadevi Road,
Opp. Edward Cinema,
Mumbai - 400 002
Tel. : 22050510, 22080668

Commercial 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

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 House,
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 - 380006
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 - 211001
Tel. : 2560700, 2560616

Arora Law Agency

Shivala Road, Hussainpura, Amritsar - 143 001
Tel. : 2584548

Commercial Book House

LG-2, 23, Aakarshan Bhawan,
Anasari Road, Darya Ganj,
New Delhi - 110 002
Tel. : 23267860

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Opp. Mulund Railway Station,
Mulund (West), Mumbai - 400 080
Tel. : 022-25934807/32516684/25644807
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59/32, New Rohtak Road, New Delhi - 110 005
Tel. : 011-45562222

E-mail: sales@taxmann.com

M/s. Taxmann Publication Pvt. Ltd.

7, Abhinav Arcade, Ground Floor,
Nr. Bank of Baroda, Pritam Nagar,
Paldi, Ahmedabad - 380 007
Cell : 9909984900

E-mail: bdrugaprasad@taxmann.com

SYLLABUS

The details of the prescribed syllabus which is indicative are furnished in the booklet. However, keeping in view the professional nature of examinations, all matters falling within the realm of the subject concerned will have to be studied by the candidate as questions can be asked on all relevant matters under the subject. Candidates appearing for the Examination should particularly prepare themselves for answering questions that may be asked on the latest developments taking place under the various subjects of the said examination although those topics may not have been specifically included in the syllabus. The Institute also reserves to itself the right to vary the syllabus / rules / fee structure from time to time. Any alterations made will be notified from time to time. Further, questions based on current developments in banking and finance may be asked.

Candidates are advised to refer to financial news papers / periodicals more particularly "IIBF VISION" and "BANK QUEST" published by the Institute.

SYLLABUS

I. Setting up SME

Evolution, Definition of SMEs, Characteristics, Role in Economic Development., Needs of SMEs

Forms of Organisations; Proprietary, Partnership, HUFs, Company etc., Establishing SMEs : Environmental Scanning, Market Assessment, Technology, Selection of Site, etc., - Organisational Structures - Rules & Regulations - Gender & Entrepreneurial Development.

II. SMEs : Policy, Regulatory and Legal Framework

Policy Framework for SMEs - Policy Shifts since 1991 - Regulatory Framework - Laws and Regulations for SMEs - SME Development Bill, 2005 - LLP Act, Changing Policy Framework & SME Strategies

III. Institutional Framework & SME Financing

Institutions - Central Government - SSI Board, SIDO, SISI, PPDCs, RTCs, CFTI, NISIET, NIESBUD, NSIC - State Government : Directorate of Industries, DICs, SFCs, SIDC / SIIC, SSIDC - Financial Institutions & Banks; SIDBI, Commercial Banks, RRBs and Co-op. Banks etc., - Enterprise Perspective - Banker's Perspective.

IV. Financing Options & Modes

Sources of finance and methods of financing SMEs, relevance of quasi capital and own money in business - Venture Capital, Hybrid Capital, special financial products for SMEs, Assessment of Term Finance / Working Capital for SMEs - Credit Risk Management of SMEs - Appraisal, assessment, collaterals, documentation, inspection, follow-up and monitoring and review, Credit Scoring models, Standing and liquidity assessment, Credit pricing of SMEs

V. SME Development

Business Development Service Providers - Role & Responsibilities - Improving Competitiveness of SMEs through Enhancing Productivity - Market Promotion and Development - technological Development in SMEs - Environmental Impact Assessment, Modernisation issues (technological and quality upgradation), Role and Functions of Credit Guarantee Trust for small industries (CGTSI)

VI. Clusters and Cluster Development

What are Clusters? - Why Clusters - Types of Clusters - Advantages and Disadvantages - Role of Clusters - Setting up of Clusters - Approaches to Develop Cluster Strategies - Measuring Cluster Development - Critical Success Factors (lending economics to clusters from the angle of bankers and borrowers) - Policy Environment - Successful Clusters; India and Global.

VII. SME : Rehabilitation

Sickness-symptoms, warning signals, diagnosis and prescriptions, rehabilitation, restructuring, holding on operations, work out, NPA management, recovery options, legal aspects / options, securitization and exit options / alternatives

VIII.Future of SMEs -

Micro Finance Approach to SMEs - Linkages with Agriculture and industry - IT and SMEs - Relationship banking and its impact in SME development - WTO issues, impact on SMEs - BASEL-II - globalization issues, impact, intermediation opportunities and Emerging issues affecting SMEs.

COURSES OF IIBF

A. Flagship Courses

- ☞ JAIB
- ☞ CAIB
- ☞ Diploma in Banking & Finance

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

- ☞ Diploma in Treasury, Investment and Risk Management
- ☞ Diploma in Banking Technology
- ☞ Diploma in International Banking and Finance
- ☞ Diploma in Urban Co-operative Bank
- ☞ Diploma in Commodity Derivatives for Bankers
- ☞ Diploma for Micro Finance Professionals in collaboration with Sa-Dhan
- ☞ Advanced Wealth Management Course
- ☞ Diploma in Home Loan Advising

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

- ☞ Certificate in Trade Finance
- ☞ Certified Information System Banker
- ☞ Certificate in Anti-Money Laundering / Know Your Customer
- ☞ Certificate in Quantitative Methods for Bankers
- ☞ Certificate in Credit Cards for Bankers
- ☞ Certificate Examination in Banking Oriented Paper in Hindi
- ☞ Certificate Examination in SME Finance for Bankers
- ☞ Certificate Examination in Customer Service & Banking Codes and Standards
- ☞ Certificate Examination in Basics of Banking / Credit Cards for employees of IT Companies
- ☞ Certificate Course for Business Correspondents / Business Facilitators
- ☞ Certificate Examination for Debt Recovery Agents

D. Management Courses

- ☞ Advanced Management Program in collaboration with SIES - Mumbai, Welingkar-Mumbai, IMI-Delhi, IPE-Hyderabad.
- ☞ Project Finance Management Blended Course with IFMR, Chennai
- ☞ CAIB linked MBA with IGNOU.

Educational support :

- ☞ Publishing specific courseware for each paper / examination and Workbooks etc.
- ☞ Tutorials through Accredited Institutions, Virtual Classes, e-learning through Portal, Contact Classes or Campus Training - Model Questions and subject updates on the net

Other activities :

- ☞ Research, Seminars, Conferences, Lectures, etc.
- ☞ Publications of books, Daily e-newsletter, monthly newsletter and quarterly journal
- ☞ Training & Consultancy and Financial Education

* Members are employees of Banks and Financial Institutions who have enrolled as members of IIBF.

** Non-Members are eligible candidates for each course / examination without IIBF Membership.

The Syllabi, Rules / Regulations, Examination Forms and other information pertaining to the examinations are available with Institute's Offices at Mumbai, Chennai, New Delhi, Kolkata and also at such other centers / offices as may be notified from time to time. The same is also available at our website www.iibf.org.in.

MEMBERS OF THE GOVERNING COUNCIL (As on 01/01/2012)

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Shri M. D. Mallya, Chairman & Managing Director, Bank of Baroda

VICE PRESIDENTS

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Shri Rana Kapoor, Managing Director & Chief Executive Officer, YES Bank

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Shri Dilip Mavinkurve, Managing Director, State Bank of Mysore

Smt. Arundhati Bhattacharya, Deputy Managing Director & CDO, State Bank of India

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Shri Arun Kaul, Chairman & Managing Director, UCO Bank

Shri M. Narendra, Chairman & Managing Director, Indian Overseas Bank

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

Representing Financial Institutions

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

Representing Private Sector Banks

Shri Ananthakrishna, Chairman, Karnataka Bank Ltd.

Representing Co-operative Banks

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

Representing other Bodies / Experts

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

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

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

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

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

From IIBF

Dr. R. Bhaskaran, Chief Executive Officer

ADDRESSES FOR CONTACT

Corporate Office :

Indian Institute of Banking & Finance
Kohinoor City, Commercial-II, Tower-1, 2nd Floor,
Kiroli Road, Kurla (West), Mumbai - 400 070
Tel : 022-2503 9746 / 9604 / 9907 Fax : 022-2503 7332
E-mail : iibgen@bom5.vsnl.net.in

Northern Zonal Office :

Indian Institute of Banking & Finance
109-113, Vikrant Towers, 1st Floor,
4, Rajendra Place, New Delhi - 110 008
Tel. : 91-011-2575 2191/92
Fax : 91-011-2575 2193
E-mail : iibnz@iibf.org.in

Southern Zonal Office :

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
Fax : 044-2472 6966
E-mail : iibsz@iibf.org.in

Western Zonal Office :

Indian Institute of Banking & Finance
191-F, Maker Towers, 19th Floor,
Cuffe Parade, 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
408, 'Anandlok', 'A' Block, 4th 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