



## Certificate Course for Non-banking Financial Companies

### Rules & Syllabus 2017

#### EXAMINATION OBJECTIVE :

The NBFC sector assumes a critical role in financial inclusion as it caters to a wide range of financial activities. NBFCs are expected to play a crucial role in fostering inclusive growth, especially in sectors like MSMEs. They specialize in meeting the credit needs of niche areas such as hire purchase, financing of physical assets, commercial vehicles and infrastructure loans.

As NBFCs play an important role, the Institute felt that a certificate course for the employee's of NBFCs will be useful.

**ELIGIBILITY :** Open to employees of NBFCs

**SUBJECT OF EXAMINATION :** Operations of NBFCs

**PASSING CRITERIA :** Minimum marks for pass in the subject is 50 out of 100

#### EXAMINATION FEES :

Particulars	For Members	For Non-Members
First attempt	₹1,000/- *	₹1,500/- *
Subsequent each attempt	₹1,000/- *	₹1,500/- *

\* Plus convenience charges and Taxes as applicable

**Please Note : Candidates are required to Register for every attempt separately.**

The fee once paid will **NOT** be refunded or adjusted on any account.

#### MEDIUM OF EXAMINATION :

Examination will be conducted in English only.

#### PATTERN OF EXAMINATION:

- Question Paper will contain 120 objective type multiple choice questions for 100 marks.
- The examination will be held in Online Mode only
- There will NOT be negative marking for wrong answers.

#### DURATION OF EXAMINATION :

The duration of the examination will be of 2 hours.

#### PERIODICITY AND EXAMINATION CENTRES :

- Examination will be conducted on pre-announced dates published on IIBF Web Site. Institute conducts examination on half yearly basis, however periodicity of the examination may be changed depending upon the requirement of banking industry.
- List of Examination centers will be available on the website. (Institute will conduct examination in those centers where there are 20 or more candidates.)

#### PROCEDURE FOR APPLYING FOR EXAMINATION

Application for examination should be registered online from the Institute's website [www.iibf.org.in](http://www.iibf.org.in). The schedule of examination and dates for registration will be published on IIBF website.

#### PROOF OF IDENTITY:

Non-members applying for Institute's examinations / courses are required to attach / submit a copy of any one of the following documents containing Name, Photo and

Signature at the time of registration of Examination Application. Application without the same shall be liable to be rejected.

1) Photo I / Card issued by Employer or 2) PAN Card or 3) Driving Licencse or 4) Election Voter's I / Card or 5) Passport 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. However, as banking and finance fields are dynamic, rules and regulations witness rapid changes. Therefore, the courseware should not be considered as the only source of information while preparing for the examinations. Candidates are advised to go through the updates put on the IIBF website from time to time and go through Master Circulars / Master Directions issued by RBI and publications of IIBF like IIBF Vision, Bank Quest, etc. All these sources are important from the examination point of view. Candidates are also to visit the websites of organizations like RBI, SEBI, BIS, IRDAI, FEDAI etc. besides going through other books & publications covering the subject / exam concerned etc. Questions based on current developments relating to the subject / exam may also be asked.

### **Cut-off Date of Guidelines / Important Developments for Examinations**

The Institute has a practice of asking questions in each exam about the recent developments / guidelines issued by the regulator(s) in order to test if the candidates keep themselves abreast of the current developments. However, there could be changes in the developments / guidelines from the date the question papers are prepared and the dates of the actual examinations.

In order to address these issues effectively, it has been decided that :

- i. In respect of the exams to be conducted by the Institute during May / June of a calendar year, instructions / guidelines issued by the regulator(s) and important developments in banking and finance up to 31st December of the previous year will only be considered for the purpose of inclusion in the question papers".
- ii. In respect of the exams to be conducted by the Institute during November / December of a calendar year, instructions / guidelines issued by the regulator(s) and important developments in banking and finance up to 30th June of that year will only be considered for the purpose of inclusion in the question papers.

The table given below further clarifies the situation.

<b>Particulars</b>	<b>Cut-off Date of Guidelines / Important Developments for Examination/s</b>
For the examinations to be conducted by the Institute during May / June / July 2017 and May / June / July 2018	31st December 2016 and 31st December 2017 respectively
For the examinations to be conducted by the Institute during November / December '2017 / January 2018 and November / December '2018 / January 2019	30th June 2017 and 30th June 2018 respectively.

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 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 :

The details of the prescribed syllabus which is indicative are given below. The Institute however, also reserves to itself the right to vary the syllabus / rules / fee structure from time to time. Any alterations made will be notified.

### MODULE - A : Indian Financial System and regulatory requirements for NBFCs

1. An Overview – Role of RBI, SEBI, NABARD, NHB, IRDA, Commercial Banks, NBFCs, PDs, FIs, Cooperative Banks
2. Markets-Money Markets, Debt Markets, Forex Market, Capital Markets, Mutual Funds, Insurance Companies
3. NBFC -Types of NBFCs and their Regulators; role of NBFCs in promoting inclusive growth; Companies Act 2013; RBI guidelines for NBFCs; Chapters IIIB and IIIC of RBI Act, 1934; Corporate Governance
4. Recent RBI initiatives in the financial space (Small finance banks, payment banks, Mudra bank, etc.) and how they affect NBFCs.

### MODULE - B : Resource mobilisation for NBFCs & capital adequacy norms

1. Sources of Finance I - Share Capital; Types of share capital; components of various tiers of capital; Debentures and its types
2. Sources of Finance II - Public deposits; Bank Finance; Commercial Paper; Short term / Long term Bonds; CBLO
3. Sources of Finance - Factoring, forfaiting, ADRs, GDRs, ECBs, etc.
4. Regulatory requirements / Compliance - CRR, SLR; Returns to be submitted by NBFCs; Prudential Norms for NBFCs; CRAR; ALM; Market risk, Operational risk

### MODULE - C : Customer Service and Deposits

1. Customer Relationship - Types of customers; services to customers; Fair Practices code for NBFCs; customer complaints; COPRA; Redressal system for customers and depositors of NBFCs (Company Law Board)
2. KYC/AML/CFT Norms - PMLA Act; obligations, records to be maintained.
3. Operational aspects of opening and maintaining accounts of different types of customers; term deposits and services; How NBFC deposits are different from bank deposits
4. Marketing and Distribution - Meaning, importance and functions of marketing management; pricing of products; role of promotion; direct and indirect channels of distribution.

### MODULE - D : Loans and Advances and Investments

1. Types of Credit Facilities - Demand Loans, Term Loans, Project Loans and Infrastructure Finance. Trade Finance, Home Loans, Personal Loans, Consumer Loans, Vehicle Finance (personal and commercial), lending against shares, Gold Loans, MSME finance and Microfinance.
2. Credit appraisal techniques - working capital and term loans.
3. Documentation & Credit management and credit monitoring – Asset classification; NPA management; recovery of loans.
4. Securities- different modes of charging; types of collaterals and their characteristics.
5. Types of investments: Govt securities, Bonds, Mutual Funds, Inter corporate deposits; Classification, Accounting and Mark to market requirements.

### IMPORTANT RULES / INFORMATION FOR CANDIDATES

#### 1. ADMIT LETTER OF EXAMINATIONS :

- a. While registering for the examination / course candidates will have provision to choose venue and examination time slot of his/her choice for each subject as per their preference on first-cum-first-serve basis.
- b. **Candidates are required to take utmost care and precaution in selecting Centre, Venue and Time slot, as there is no provision to change the Centre, Venue and Time slot in the system. Hence no request for change of centre, venue and time slot will be entertained for any reason.**

- c. After successful registration of examination, real time admit letter will be generated for the candidate/s. **Candidate/s will be able to save, download and print admit letter.** Admit letters will also be emailed to the candidates in their email id registered with the Institute.
- d. Admit letter will be hosted on Institute's website [www.iibf.org.in](http://www.iibf.org.in)
- e. For downloading and printing of admit letter from the above mentioned website, candidates will have to enter the following:
  - i. Membership or registration number as **login id**
  - ii. **Edit profile password.**
  - iii. 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.
- f. 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.
- g. **In the absence of printed copy of Admit Letter and Photo Identity Card, candidates will be denied permission to write Examination.**

## 2. Mobile Phones

- a. 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

- a. 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 before the reporting time mentioned in the admit letter. **No candidate/s will be permitted to enter the Examination Venue after the gate closing time mentioned in the admit letter.**
- c. **No candidate will be permitted to leave the examination venue in the first 60 minutes from the scheduled start time 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 compulsorily 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.

#### **Multiple Choice Questions (MCQs) and Answers**

"The Institute conducts its examinations through Multiple Choice Questions (MCQs). These MCQs are part of the Question Bank of the Institute and its Intellectual Property. As a matter of policy, these MCQs and their answers will not be shared by the Institute with the candidates or others and no correspondence in this regard will be entertained."

## CONTACT DETAILS :

Register your queries through website [www.iibf.org.in](http://www.iibf.org.in) > Members / Candidates Support

Services (Help)

or

Email all your queries to [care@iibf.org.in](mailto: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](mailto: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 : <a href="mailto:iibfsz@iibf.org.in">iibfsz@iibf.org.in</a>	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 : <a href="mailto:iibfnz@iibf.org.in">iibfnz@iibf.org.in</a>	Indian Institute of Banking & Finance Hindusthan Building (Annexe), 7th Floor, 4, C. R. Avenue, Kolkatta – 700 072. Tel. : 033-2212 4992 E-mail : <a href="mailto:iibfez@iibf.org.in">iibfez@iibf.org.in</a>

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