



## Certificate Examination in SME Finance for Bankers

### Rules & Syllabus

#### 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	₹1,124/- *	₹1,685/- *
Subsequent each attempt	₹1,124/- *	₹1,685/- *

\* Inclusive of 12.36% Service Tax.

#### 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) The examination will be held in online mode only. A list of examination centre will be provided in the online 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

Application for examination should be made online from the Institute's website **www.iibf.org.in**. No physical form will be accepted by the Institute with effect from 1<sup>st</sup> January, 2013.

## 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  
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#### **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  
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#### **Commercial Book House**

LG-2, 23, Aakarshan Bhawan,  
Anasari Road, Darya Ganj,  
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Tel. : 23267860

#### **M/s. Taxmann Publication Pvt. Ltd.**

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Opp. Mulund Railway Station,  
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## 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 employee of IT Companies
- ☞ Certificate Course for Business Correspondents / Business Facilitators
- ☞ Certificate Examination for Debt Recovery Agents
- ☞ Certificate Examination in IT Security
- ☞ Certificate Examination in Rural Banking Operations for RRB Staff
- ☞ Certificate Examination in Prevention of Cyber Crimes and Fraud Management
- ☞ Certificate Examination in Foreign Exchange Facilities for Individuals
- ☞ Certificate Examination in Microfinance

### D. 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](http://www.iibf.org.in).

## ADDRESSES FOR CONTACT

### Corporate Office :

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

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408, 'Anandlok', 'A' Block, 4th Floor,  
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