



# Telangana State Co-operative Apex Bank Ltd. Co-operative Training Institute

(An ISO 9001:2015 Certified Institute)

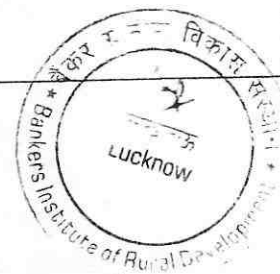
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## PROGRAM ON "IMPACT OF NPAs ON FINANCIAL HEALTH OF PACS"

<b>Target Group</b>	CEOs / Staff of PACS
<b>Duration</b>	<b>3 Days</b>
<b>Programme Objectives</b>	<p><b>To familiarise the participants with:</b></p> <ul style="list-style-type: none"> <li>❖ the objectives and functions of PACS &amp; principles of cooperation</li> <li>❖ the concepts of Income Recognition, Asset Classification and Provisioning Norms</li> <li>❖ the impact of NPAs on profitability of PACS</li> <li>❖ Credit Management &amp; recovery methodologies and provision available in the society to take legal action</li> <li>❖ innovative recovery methods / Strategies</li> <li>❖ the skills required for managing NPAs and</li> <li>❖ the concept and Calculation of CRAR</li> </ul>
<b>Programme Contents</b>	<ul style="list-style-type: none"> <li>❖ Concept of NPA - RBI / NABARD Guidelines on Prudential Norms / IRAC Norms - Methodology to identify NPAs - Its impact on financial health of PACS</li> <li>❖ Management of NPAs - Preparation of NPA statements</li> <li>❖ Credit Management &amp; Recovery methodology - Importance and need for recovery of dues - Calendar of activities for recovery</li> <li>❖ Preparation of dues lists-Recovery Action Plan-Monitoring Mechanism</li> <li>❖ Innovative recovery methods</li> <li>❖ Legal remedies for recovery of dues - Precautions to be taken in filing Arbitration and EPs</li> <li>❖ Capital Adequacy Ratio - Calculation of CRAR</li> </ul>

### RE-DESIGNED DAY-TO-DAY SCHEDULE TO SUIT 2-HR DURATION PROGRAMME

Day	Session	Topic
1	I	a) Principles of cooperation - <b>15 Minutes</b> b) Objectives and functions of PACS - <b>15 Minutes</b> c) Recommendations of Task Force on Revival of Rural Cooperative Credit Institutions - <b>30 Minutes</b>
	II	a) Background and Components of Prudential Norms - <b>15 Minutes</b> b) Concept of NPA - <b>15 Minutes</b> c) NABARD Guidelines on Prudential Norms applicable to PACS - <b>30 Minutes</b>
2	I	a) Concept of CRAR - <b>15 Minutes</b> b) Case exercise on Calculation of CRAR - <b>45 Minutes</b>
	II	a) Impact of NPAs on Profitability/Financial Health of PACS - <b>15 Mts</b> b) Case exercise on Impact of NPAs on Profitability of PACS - <b>45 Minutes</b>
3	I	a) Innovative Recovery Methods - <b>15 Minutes</b> b) Preventive and Curative measures - <b>15 Minutes</b> c) Recovery Action Plan - <b>15 Minutes</b> d) Management of NPAs - <b>15 Minutes</b>



II	a) Important Provisions of Cooperative Societies Act – <b>30 Minutes</b> b) Legal remedies for recovery of dues – <b>15 Minutes</b> c) Precautions to be taken in filing Arbitration & EPs – <b>15 Minutes</b>
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### TOPICS & SESSION-WISE OBJECTIVES

Days	Session	Topics to be Discussed	Session Objectives
1	I	<b>SWOT Analysis</b> of Cooperative Banks – Principles of cooperation – Objectives & functions of PACS – Recommendations of Task Force on Revival of Rural Cooperative Credit Institutions	<ul style="list-style-type: none"> <li>❖ To familiarise with the Principles of cooperation</li> <li>❖ To familiarise with the Core objectives &amp; functions of PACS</li> <li>❖ To know the impact &amp; status of Task Force committee recommendations on Revival of PACS</li> </ul>
	II	Background & Components of Prudential Norms – Concept of NPA – NABARD Guidelines on Prudential Norms applicable to PACS	<ul style="list-style-type: none"> <li>❖ To familiarise with the concept of NPA</li> <li>❖ To familiarise with the components of prudential norms</li> <li>❖ To familiarise with the NABARD guidelines on prudential norms applicable to PACS</li> </ul>
2	I	Concept of CRAR – Case exercise on Calculation of CRAR	<ul style="list-style-type: none"> <li>❖ To familiarise with the concept of CRAR</li> <li>❖ Calculation of CRAR - discussion and debriefing</li> </ul>
	II	Impact of NPAs on Profitability / Financial Health of PACS- Case exercise on Impact of NPAs on Profitability of PACS	<ul style="list-style-type: none"> <li>❖ To familiarise with the impact of NPAs on Profitability / Financial Health of PACS</li> <li>❖ Case exercise on Impact of NPAs on Profitability of PACS - discussion and debriefing</li> </ul>
3	I	Innovative Recovery Methods – Preventive and Curative measures – Recovery Action Plan – Management of NPAs	<ul style="list-style-type: none"> <li>❖ To familiarise with the innovative recovery practices to be followed in PACS</li> <li>❖ To familiarise with the Preventive and Curative measures to be taken-up in PACS</li> <li>❖ To explain the techniques of preparation of Recovery Action Plan</li> <li>❖ To stress upon the need and importance of management of NPAs in PACS</li> </ul>
	II	Important Provisions of Cooperative Societies Act – Legal remedies for recovery of overdues – Precautions to be taken in filing Arbitration & EPs	<ul style="list-style-type: none"> <li>❖ Explaining the important sections of Cooperative Societies Act relevant to legal coverage &amp; other legal remedies for recovery of dues</li> <li>❖ To make the participants to know about precautions &amp; procedure to be followed in filing Arbitration &amp; EPs</li> </ul>

