

**Training Programme: Loan Policy, IRAC Norms and Legal Aspects in Banking**

**Target Group :** Newly Recruited Managers/ITOs

**Duration :** 2 Weeks

**Objectives:**

**At the end of programme, the participants would be able to:**

1. Explain loan & advances by cooperative banks
2. Describe Crop Loan, RCC & various retail loans
3. Appraise various loan proposals
4. Explain IRAC Norms as applicable to cooperative banks
5. Explain accountancy and finalization of bank accounts
6. Explain ALM and fund management by cooperative banks

**Coverage of the Programme**

<b>Day</b>	<b>Session</b>	<b>Topic</b>	<b>Contents</b>	<b>Methodology</b>
1 <sup>st</sup>	I	Registration	-Registration	
	II	Setting Learning Climate Recapitulation of ITP Part-1	- Recapitulation of training Part-1 -Objectives of programme - Expectation of the participants - Distribution of reading material	Interaction with participants
	III&IV	Loan & Advances by Cooperative Banks	-Need & Importance of loan & advances -Classification -Lending policy	Interaction with guided discussion
	IV	Crop Loan	-Features of Crop Loan -Scale of Finance -Maximum Credit Limit -Sanction & Disbursement -Operations in KCC -Monitoring & follow up	Interactive lecture and discussion
2 <sup>nd</sup>	I	Revolving Cash Credit Limit to Farmers	- Policy, operation, appraisal sanction & disbursement - Documentation required for RCC - Renewal of RCC & monitoring	Interactive lecture and discussion Case exercise
	II&III	CC Limit to Traders	- Policy, operation, appraisal sanction & disbursement -Stock Statement and its Verification -Calculation of drawing power - Documentation required for CCTs - Renewal of CCTs & monitoring	Interactive Lecture and discussion & case exercise
	IV	Housing Loans by Cooperative Banks	-Urban & Rural housing loan schemes - Purposes, policy, appraisal, sanction, documentation, disbursement & monitoring	Interactive lecture and discussion & case exercise
3 <sup>rd</sup>	I&II	Non-Farm Sector Loans	-Importance of NFS activities -NFS Loan schemes	Interactive lecture and

			-Purposes, policy, appraisal, sanction, documentation , disbursement & monitoring	discussion & case exercise
	III	Moral and ethics business	-Expected behavior in organizations -Trust Building - Business ethics	Interactive lecture and Discussion
	IV	Retail Loans Cooperative Banks	-Various Retail Loans in Coop banks -Purposes, policy, appraisal, sanction, documentation , disbursement & monitoring	Interactive lecture and discussion & case exercise
4th	I	Belongingness towards the organization	-Personal life Vs Professional Life - Family life & Professional life	Interactive lecture and discussion
	II&III	Dairy Financing	-Purposes, policy, appraisal, sanction, documentation , disbursement & monitoring	Interactive lecture and discussion & case exercise
	IV	Coop Rent, Loan Against Property and Earned Money Loan Schemes	-Coop. Rent , Loan Against Property & Earned Money Schemes -Purposes, policy, appraisal, sanction, documentation , disbursement & monitoring	Interactive lecture and discussion & case exercise
5th	I	Personality Grooming	-Meaning & Aspects of personality -How to groom personality	Interactive lecture and discussion
	II	Micro Credit	-Need & importance of micro credit -Avenues available for Micro financing and credit in coop. banks -SHGs/JLGs/Farmer Clubs etc.	Interactive lecture and discussion
	III	GOI Subsidy Schemes	- For Agro Clinic -Godown -Marketing infrastructure -Purposes, policy, appraisal, sanction, documentation , disbursement & monitoring	Interactive lecture and discussion & case exercise
	IV	Loan Diversification	-Need & importance of loan diversification in coop. banks -Short Term Loans by cooperative banks -High yielding Vs Low Yielding	Interactive lecture and discussion
6th	I	Building Effective Leadership	-Qualities of a good leader - Leadership & team work	Interactive lecture and discussion
	II	Modes of Creating	-Various modes of creating	Interactive

		Charges	charges such as -Pledge -Mortgage -Hypothecation -Lien -Set Off & Assignment - Methods of creating charges	lecture and discussion
	III	Execution of Documents	-Need & importance of good Documentation -Stamping of documentation -Execution of documents -Important provisions of various Acts to be kept in mind while documentation	Interactive lecture and discussion
	IV	Branch as a Profit Centre	-Profitability compulsions -Viability analysis of branch Calculation of AWF, Yield on assets, Cost of Funds, Financial Margin, COM, Risk Cost, Misc. Income & BEP -Strategies for Profit planning	Interactive lecture and discussion & case exercise
7 <sup>th</sup>	I&II	Income Recognition and Asset Classification Norms Case Exercises	-Concept of -Income Recognition -Asset Classification -Provisioning Norms -Identification of NPAs -Case Exercise	Interactive lecture and discussion & case exercise
	III	Capital Adequacy Norms	- Meaning, Need and Importance of CRAR Norms, Basel-I, II & III - Types of risks & Risk Weightage - Calculation of Capital Tier –I & II - Calculation of CRAR - Strategy for branches to improve CRAR Level of DCCBs	Interactive lecture and guided discussion Case exercise
	IV	Recovery Through Persuasion	- Importance of recovery - Methods of recovery: Recovery through persuasion -Methods of persuasion	Interactive lecture & discussion
8 <sup>th</sup>	I	Time Management	-Value of time -Time killers -How to manage time effectively	Lecture and guided discussion
	II	ALM and Fund Management	-Need for ALM in the present Scenario - Pillars of ALM -ALM MIS -ALM Process	Interactive lecture and guided discussion Case exercise

			-ALM Organization -Concepts and dynamics of ALM - ALM & Fund management	
	III&IV	Analysis and Interpretation of Financial Statements with case exercises	- Ratio Analysis - Profitability, Liquidity, Solvency & Efficiency - Interpretation of financial ratios	Interactive lecture and guided discussion Case exercise
9 <sup>th</sup>	I	Bank Marketing and Brand Building	-Concept of marketing Vs selling -Market segmentation -Marketing strategies for enhancing bank business	Interactive lecture and discussion
	II	Securitization Act	-Securitization Act - Parties involved in process of Securitization -Mechanics of Securitization -Important provisions of Securitization Act	Interactive lecture and discussion
	III	Arbitration and Execution Procedures for Recovery of Loans	-Recovery through legal action or with court intervention -Recovery through Coop. Societies Act -Various sections of Coop. societies Act for recovery of dues	Interactive lecture and discussion
	IV	Knowledge Management and E-Learning	-Historical perspectives of knowledge management -Concept & importance of knowledge management in banks -Problems in the implementation KM -How to implement KM in banks	Interactive lecture and discussion
10 <sup>th</sup>	I	Effective Decision Making	-Need & importance of effective decision making -Implementation of decisions -Periodic review of implementation of decisions -Evaluation ,feedback and analysis of decisions	Interactive lecture and discussion
	II	Systems and Control	-Need for system control in banks -Internal checks- system & Procedure -Internal audit -Concurrent audit	Interactive lecture and discussion

			-Vigilance cell -Reconciliation -Strong MIS	
	III	Core Areas of Inspection by RBI/ NABARD/SCB	-Core areas of NABARD inspection -CAMELSC rating - Core area of SCBs inspection	Interactive lecture and discussion
	IV	Compliance of Audit and Inspection	-Compliance of observations -Methods of compliance -Statutory audit -LFAR -Tax audit & its compliance	Interactive lecture and discussion
11 <sup>th</sup>	I	Salary Matters ,TA/DA Rule, Medical Reimbursement	-FINCRAFT -Salary matters -Rules of TA DA and medical reimbursement	Interactive lecture and discussion
	II	Leave Rules	-Rules for Casual Leave, Earned Leave, Medical Leave, Ex-India Leave -Without Pay Leave	Interactive lecture and discussion
	III&IV	Common Cadre and Non- Common Cadre Rules	-Recruitment -Promotion -Pay Protection -Deputation Rules -Lien on Job -NOC Rules -Proficiency	Interactive lecture and discussion
	IV	Evaluation & Valediction of Programme	-Feedback of participants	