

282726/21



**GOVERNMENT OF KERALA**

**Abstract**

Co-operation Department– Revision of Syllabus for Qualifying Examination conducted by Co-operative Services Examination Board for promotion to various posts - approved -Orders issued.

**Co-operation (A) Department**

**G.O.(Rt)No.249/2021/Co-Op** Dated,Thiruvananthapuram, 13/04/2021

Read 1 Letter No.EM(5)/3467/2020 dated20/01/2021 from Registrar of Co-operative Societies

**ORDER**

Government are pleased to revise the syllabus for qualifying examinations conducted by Co-operative Services Examination Board for promotion to various posts as appended to this order .

(By order of the Governor)

**P.S.RAJESH**

**ADDITIONAL SECRETARY**

Registrar of Co-operative Societies, Thiruvananthapuram  
The Chairman , Co-operative Services Examination Board  
Thiruvananthapuram.  
Stock File/Office Copy (A2/177/2020/Co-op)

Forwarded /By order

Section Officer

I

**QUALIFYING EXAMINATION FOR PROMOTION TO THE POST OF ASSISTANT SECRETARY/ MANAGER AND EQUIVALENT POSTS IN PRIMARY CO-OPERATIVE SOCIETIES WITH DEPOSIT OF ABOVE RS.10 CRORES AND ASSISTANT SECRETARY IN PCARDB**

**I General Administrations**

(Marks - 15)

- i) Co-operative Governance
- ii) Rural Economics and Rural development
- iii) Administration of Co-operatives - Departmental set-up at State, District and Taluk levels.
- iv) Identification of training needs
- v) Role of NCUI, KSCU and Circle Co-operative Unions, NCCT and NCCE
- vi) Division making - steps in decision making process, problem solving and decision making
- vii) Planning delegation, Basics of Internal communications
- viii) Designing the organization and staff Employee performance management. Setting goals, supporting employee motivation observing and giving feed back, conducting performance appraisal.
- ix) Personal Policies, Personal Management
- x) Office Administration - Manual of office procedures.
- xi) Profit and profitability - Balance Sheet Analysis, Profit and Loss account analysis - Profit ability productivity and Efficiency analysis of final accounts, Profit Planning and Development Action Plan.
- xii) Types of Co-operative structures - Vertical Vs Horizontal Co-operative organisation structure
- xiii) Relevance of professional Management
- xiv) Budget, Budgeting and Budgetary control
- xv) Three tier vs two tier Co-operative credit structure
- xvi) Types of credit societies.

**II Management and Accounting**

(Marks 20)

1. Co-operative Management - Concept, meaning definition, unique features, structure of Co-operative organisation and management, Essential management functions - Planning organising, directing and controlling, its applicability in Co-operatives - democracy, direct and Indirect democracy decision making in Co-operatives, types of decision, steps in decision making
2. Management Structure - Role and responsibilities of General Body, role of Board of directors, Role of President, Role of secretary/General Manager - Functions and duties.
3. Human Resource Management - HR Policies, Procedure
4. Resources to manage in Co-operative - People, capital and facilities.

5. Core skills in management and supervision
6. Major tasks and Issues in Co-operative Management
7. Financial Management
8. Personal Management
9. Accounting and Auditing of Co-operatives - Books and Registers to be maintained, closing of accounts Power of Registrar to Direct accounts and books to be written up - statements and returns to be filed, posting in ledgers, general ledger, trial balance, transfer entries, Adjustments and closing of nominal accounts, outstanding accounts, Interest receivable and payable, expenses pre-paid, deferred revenue expenditure, profit and loss account, Principles governing its preparation, Revenue account and Income and Expenditure account.  
Preparation of Balance Sheet, Verification of assets and liabilities, Valuation of assets form of Balance Sheet, fixed assets, floating/current asset, wasting asset, valuation of goodwill, Patents, trademarks, copy right, Plant and Machinery, free hold land lease hold property, motor vehicle, Furniture and Fixtures - Verification and Valuation of current assets, Verification of mortgage deeds and time barred cases, stock in trade sundry debtors, Loans outstanding.
10. Preparation of financial ratios - Current ratio, acid test ratio, Proprietary ratio, Capital employed ratio stock-turnover ratio, debtors turn over ratio, creditors ratio, gross profit ratio, Net profit ratio.
11. Investment Management - fluid resources. Cash Management, cash in transit, current account balance, Demand and time liabilities. Net demand and time liabilities.
12. Asset Liability Management, Liquidity Management, spread management - Maximizing the spread by reducing the exposure to cyclical rates and stabilize earnings, Gap Management Balancing the Gap between interest sensitive assets and interest sensitive liabilities by distributing the assets and liabilities into various time buckets
13. NABARD'S CAMELS, Credit rating of Co-operative Banks
14. Risk Management - Credit risk liquidity risk and interest rate risk cost.
15. Cash and fund management to maximize spread
16. Leadership styles and functions
17. Communication
18. Team Building, Motivation, Time and Stress Management
19. Organisation behavior - Individual Behavior
20. Group dynamics and leadership
21. Conflict resolution
22. Recovery Management - Arbitration, Execution Compromise and Settlement
23. Prudential Norms - Income Recognition, Asset classification, Provisioning norms, Capital Adequacy Norms.
24. Counter manners, Customer Relationship management.

**III Banking**

(Marks - 25)

- 1) Legal aspects of Banking operations - NI Act, BR Act
- 2) Banker - Customer relationship
- 3) Responsibilities of paying Banker and collecting Banker
- 4) Rural Banking - Different dimensions of rural banking - Various Scheme and programmes introduced for rural development. controlling authorities in rural banking - basic features of rural economy.
- 5) Financial services in the rural areas.
- 6) Priority sector lending Housing and Education Loans - Kissan credit card.
- 7) Micro credit and SHG.
- 8) Opening, operation and closing of deposit accounts Different deposit products - cost, core portion and Interest rate risk - Time and Demand Deposit
- 9) Know your customer Norms, AML and CFT
- 10) Bankers right of lien set off and appropriation indemnities and bank guarantees -Mandate and Power of Attorney - Creation of charge and satisfaction of charge.
- 11) laws relating to securities - Valuation of securities modes of charging securities - Lien, Pledge Mortgage, Hypothecation.
- 12) Credit management - Loans and advances -Concepts terms and conditions, refinance, exposure limits appraisal standards - Demand Loan and Term Loan Documentation - Gehan -Loan Policy and Procedure Personal Loans.
- 13) Recovery Management
- 14) Investment Management
- 15) Supervision and regulation - Opening of branches
- 16) Supervisory and Regulatory control
- 17) Branch Profitability - Gross financial Margin Risk cost. Net Financial Margin, Income Management Cost, NCT Margin.
- 18) SWOT Analysis
- 19) Internal Check and Internal Audit
- 20) Role of RCS and Director of Audit
- 21) Distribution of profit - Statutory reserve and Free reserve. reserves and provision
- 22) Income Tax Act. Goods and sales Tax Act
- 23) Central Bank - Functions-Monetary and Credit Policy - Supervision and Regulation, Financial Stability - Bank Rate, Repo Rate, Reverse Repo Rate
- 24) Guidelines / Circulars of Registrar of Co-operative Societies.

#### **IV Software Applications**

(Marks - 15)

- 1) Introduction to information Technology, Information system and Technology, Banking Technology, Applications and Management
- 2) Information system, Security controls and audit, Introduction to Software, Networking system, Data Base Management System - Data warehousing and Data Mining
- 3) Desk operating Systems, Microsoft Windows, Linux, Word Processing, Virtual, Basic fundamentals, Applications, Tally.
- 4) Electronic clearing and settlement system, Placing Money, RTGS, NEFT.
- 5) Computer Security and Communication Security
- 6) Information System Audit, Disaster Management.

#### **V Other Allied Subjects**

(Marks - 5)

- 1) Deposit Insurance and credit Guarantee Co-operation: Deposit Guarantee Scheme.
- 2) Risk Fund Scheme, Member Relief fund Scheme.
- 3) Co-operative Societies Employees self-Financing Pension Scheme 1994, Pension fund, Pension
- 4) Kerala Co-operative Ombudsman Scheme
- 5) Banking Ombudsman
- 6) LIC Linked Group Gratuity Scheme
- 7) Kerala Co-operative Welfare and Development Scheme
- 8) Kerala State Co-operative Agents Welfare Scheme 2001
- 9) Multi State Co-operative Societies Act
- 10) 97<sup>th</sup> Constitutional Amendment
- 11) Co-operative Employees Welfare Board.
- 12) Depositors Awareness Fund.
- 13) Kerala State Co-operative Agricultural and Rural Development Bank Act 1984
- 14) KIMB, KICMA, CAPE, ICM, ACSTI
- 15) GST, Income Tax Act, TDS

#### **VI. Kerala Co-operative Societies Act and Rules and other Laws**

(Marks - 20)

1. By Laws - Amendment of Bye-Laws
2. Membership in societies, qualification and disqualifications, removal and expulsion from membership, rights and privileges of members.
3. Management of Co-operative societies, General Body meetings, Election and removal of president, super session and constitutional break down, administrator and administrative committee.

**ANNEXURE TO G.O (RT)No.249/2021/Co-op DATED 13/04/2021**

4. Privileges of Co-operative Societies, first charge of societies, charge on land, movable and immovable properties, deduction from salary, exemption from certain taxes, fees duties and compulsory registration
5. State aid to Co-operatives
6. Properties and funds, disposal of net profit, statutory and free reserves. Reserves and provisions, own fund and borrowed funds, working fund and working capital, provident fund, gratuity etc.
7. Audit, Inspection and inquiry, Surcharge, attachment before award and Judgement.
8. Settlement of disputes - Execution of awards
9. Insured Co-operative Banks
10. Establishment, KSR applicable to Co-operatives
11. Appeals, Revision, Review by Tribunal, Appeal and Revision by RCS and Govt.
12. Offense and Penalties
13. Co-operative Unions, Co-operative Service Examination Board.

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**QUALIFYING EXAMINATION FOR PROMOTION TO THE POST  
OF ACCOUNTS OFFICER IN KERALA STATE CO-OPERATIVE  
BANK BRANCH MANAGER AND EQUIVALENT POST IN DC CB  
AND DEPUTY MANAGER/AGRICULTURAL DEVELOPMENT  
OFFICER IN KSCARDB AND ASSISTANT SECRETARY/  
MANAGER IN URBAN BANK**

**I. General Administration**

(Marks 15)

- 1) Co-operative Governance
- 2) Rural Economics and rural development
- 3) Good Governance - Concept and application
- 4) Process and techniques of decision making
- 5) Communication
- 6) Morale
- 7) Motivation; Motivation Theories
- 8) Leadership and supervision - Style and functions of leaders:
- 9) Importance of Human Resource Development, Recruitment, training, career advancement position classification, discipline;
- 10) Administration of Co-operatives, Departmental set up at State, District and Taluk levels.
- 11) Role of NCUI, KSCU and Circle Co-operative Unions NCCT and NCCF
- 12) Office administration - Manual of office Procedures
- 13) Types of Co-operative Societies
- 14) Three Tier Vs Two tier Co-operative credit structure

**II. Management and Accounting**

Marks 20

1. Co-operative Management:- Concept meaning definition, unique features, structure of Co-operative organization and management - Essential Management functions - Planning organizing, directing and controlling, its applicability in Co-operatives, Democracy direct and indirect democracy.
2. Decision making - Types of decisions, steps in decision making
3. Management structure - Role and Responsibilities of General Body, Board of Directors: Role of President, Chief Executive Officer
4. Rural Economics and Rural Development
5. Organizational Behaviour - Conceptual model of organizational behaviour, the individual process - Personality, values and attitude, perception, motivation - work stress and stress management
6. Human Resource management - HR challenges, HRM function, strategic management of HR, HR planning performance management
7. Accounting for decision making

8. Vertical and horizontal Co-operative organization structure
9. Financial management, Cash management
10. Personal management
11. Communication
12. Fund management and Risk management
13. Asset Liability Management
14. Accounting and Auditing of Co-operative Banks, Preparation of Final Accounts
15. CAMELS and CAMELSC Rating of Co-operative Banks
16. Recovery Management
17. Prudential Norms
18. Customer Relationship Management
19. Accounting and Auditing of Co-operatives - Books and Registers to be maintained, closing of accounts, Power of Registrar to Direct accounts and books to be written up - statements and returns to be filed, posting in ledgers, general ledger, trial balance, transfer entries, Adjustments and closing of nominal accounts, outstanding accounts, Interest receivable and payable, expenses pre-paid, deferred revenue expenditure, profit and loss account, Principles governing its preparation, Revenue account and Income and Expenditure account.  
Preparation of Balance Sheet, Verification of assets and liabilities, Valuation of assets form of Balance Sheet, fixed assets, floating/current asset, wasting asset, valuation of goodwill, Patents, trademarks, copy right, Plant and Machinery, free hold land lease hold property, motor vehicle, Furniture and Fixtures - Verification and Valuation of current assets, Verification of mortgage deeds and time barred cases, stock in trade sundry debtors, Loans outstanding.
20. Preparation of financial ratios - Current ratio, acid test ratio, Proprietary ratio, Capital employed ratio stock-turnover ratio, debtors turn over ratio, creditors ratio, gross profit ratio, Net profit ratio.
21. Investment Management - fluid resources, Cash Management, cash in transit, current account balance, Demand and time liabilities, Net demand and time liabilities.
22. Asset Liability Management, Liquidity Management, spread management - Maximizing the spread by reducing the exposure to cyclical rates and stabilize earnings, Gap Management Balancing the Gap between interest sensitive assets and interest sensitive liabilities by distributing the assets and liabilities into various time buckets.
23. NABARD'S CAMELS, Credit rating of Co-operative Banks
24. Risk Management - Credit risk liquidity risk and interest rate risk cost.
25. Cash and fund management to maximise spread
26. Leadership styles and functions
27. Communication
28. Team Building, Motivation, Time and Stress Management
29. Organization behaviour - Individual Behaviour
30. Group dynamics and leadership



**(Marks 25)**

**III. Banking**

- a. Legal Aspects of Banking Operations, BR Act, N.I.Act, RBI Act, Income Tax Act, AML Act
- b. Different Deposit Products, Deposit Policy Credit Management, Loans and Advances, Priority Sector lending, MSME Financing, Personal Finance, Banker Customer Relation Garnishee Orders, and attachment orders, Bankers right of ties, set off and appropriation, Indemnities and Bank guarantee, Loan Policy, Management of NPA, Investment management CRR, SLR management, Financial markets-guidelines of RBI/NABARD in regard to Investment, money market, Call money, Repos, Reverse Repos., Foreign Exchange Market Debt market, Bank assurance, Investment Policy Technology Banking - Electronic Payment System, Core Banking Solution, Electronic Fund Transfer System – RTGS, NEFT, Risk Management, Exposure limits, ALM CRAR, BASEL Norms, Profit and Profitability, Effects of NPA or Profitability, Profitability model.
- c. Supervisory and Regulatory Aspects Role of RBI / NABARD, Supervision and control Branch licensing, Inspection and Audit Statutory Reserve requirements - RBI guidelines on deposits, advance Priority Sector lending weaker sector lending control returns.
- d. Recommendations of Marathe Committee, Madhav Ran Committee and vaidhyathan Committee
- e. Credit Management
- f. Dealing with credit Defaults, Stressed Assets, SARFAESI Act, NPAs Recovery options, write offs, Disclosure of the list of defaulters
- g. Retail Banking - Retail Products - overview customer requirement, Product development process, liabilities and assets products approval process for retail loans important asset products - Home loans, Auto/Vehicle Loans, Personal Loans, Education Loans
- h. Marketing Selling retail products
- I. Long term loans for Agriculture and Rural Development, NABARD assistance
- j. Business Correspondents / Facilitators

**IV. Kerala Co-operative Societies Act and Rules and other Laws (Marks - 20)**

1. By Laws - Amendment of Bye-Laws
2. Membership in societies, qualification and disqualifications, removal and expulsion from membership, rights and privileges of members.
3. Management of Co-operative societies, General Body meetings, Election and removal of president, supersession and constitutional break down, administrator and administrative committee.
4. Privileges of Co-operative Societies, first charge of societies, charge on land, movable and immovable properties, deduction from salary, exemption from certain taxes, fees duties and compulsory registration
5. State aid to Co-operatives
6. Properties and funds, disposal of net profit, statutory and free reserves, Reserves and provisions, own fund and borrowed funds, working fund and working capital, provident fund, gratuity etc.
7. Audit, Inspection and inquiry, Surcharge, attachment before award and Judgement.

8. Settlement of disputes - Execution of awards
9. Insured Co-operative Banks
10. Establishment, KSR applicable to Co-operatives
11. Appeals, Revision, Review by Tribunal, Appeal and Revision by RCS and Govt.
12. Offense and Penalties
13. Co-operative Unions, Co-operative Service Examination Board.

**V. Software Application**

(Marks 15)

1. Impact of IT on Banking, System software Application Software
2. Computer networks, Network equipment data communication, Max / Network / Security equipment
3. Systems design & Analysis. Software development life cycle.
4. Tool System Architecture. Data warehousing
5. MIS and Organization support System
6. Centralized Banking System. Delivery Channels. ATM. EFT POS. Phone banking
7. E – Commerce
8. Threats to Information System
9. IT Service Delivery & Support

**VI Other Allied Subjects**

(Marks - 5)

1. Deposit Insurance and credit Guarantee Co-operation: Deposit Guarantee Scheme.
2. Risk Fund Scheme, Member Relief fund Scheme.
3. Co-operative Societies Employees self-Financing Pension Scheme 1994, Pension fund, Pension
4. Kerala Co-operative Ombudsman Scheme
5. Banking Ombudsman
6. LIC Linked Group Gratuity Scheme
7. Kerala Co-operative Welfare and Development Scheme
8. Kerala State Co-operative Agents Welfare Scheme 2001
9. Multi State Co-operative Societies Act
10. 97<sup>th</sup> Constitutional Amendment
11. Co-operative Employees Welfare Board.
12. Depositors Awareness Fund.
13. Kerala State Co-operative Agricultural and Rural Development Bank Act 1984
14. KIMB, KICMA, CAPE, ICM. ACSTI
15. GST, Income Tax Act, TDS

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**QUALIFYING EXAMINATION FOR THE POST OF MANAGER/ PA TO MD OF KSCB, EXECUTIVE OFFICER/SENIOR MANAGER/I.OB OF DC B/FINANCE MANAGER I & II/ AGRICULTURE DEVELOPMENT MANAGER/CORE FACULTY OF KERALA STATE CO-OPERATIVE AGRICULTURAL AND RURAL DEVELOPMENT BANK.**

**I. General Administration**

(Marks - 10)

- 1) Co-operative Governance - Policy Governance positive and effective relationship with CEO -Four pillars of Co-operative Governance - Teaming, Accountable empowerment.
- 2) Strategic leadership and Democracy Budgeting and Budgetary control.
- 3) Administration and Management

Administration of Co-operative Department. Departmental setup at State, District and Taluk levels. Co-operative Education and Training - Identification of Training needs - Role of NCUI, KSCU, Circle Union, NCCT and NCCE.

**II. Co-operative Management**

(Marks - 20)

Concept, Meaning-definition-unique features. Structure of Co-operative organization and management essential- management functions. Planning, organizing, directing and controlling its applicability to Co-operative democracy- direct & indirect democracy, decision making in Co-operatives, types of decision- steps in decision making

Management structure - Role and responsibilities of General Body, Role of directors, Role of President, Role of CEO.

**Functions and Duties**

1. Principles and practice of Co-operation
2. Rural Economics and Rural Development
3. Human Resource, Management, Team Building, Motivation, Time & Stress management.
4. Accounting for decision making
5. Functional Management in Co-operatives
6. Core skills in management and Supervision, problem solving and decision making, planning, Delegation, Basics of internal communications, meetings management, managing oneself.
7. Designing the organization and staff employee, performance managements setting goals, supporting employee motivation, observing and giving feedback, conducting performance appraisal.
8. Personal Policies
9. Types of Co-operative structure vertical & horizontal Co-operative organization structure.
10. Relevance of professional management in Co-operatives.
11. Major tasks and Issues in Co-operative Management
12. Financial Management
13. Personal Management

14. Office Administration - Manual of office procedures
15. Three Tier Vs Two Tier structure of Co-operative credit.
16. Leadership and supervision - Style and functions of a leader
17. Communication
18. Asset Liability Management
19. Risk Management
20. Cash Management, Fund Management
21. Organisation Behaviour - Individual and group behaviour – Motivation
22. Group Dynamics and leadership - Conflict Resolutions
23. Human Resource Management - Development functions, compensation function, maintenance and integration function.

### **III. Banking**

(Marks - 30)

- 1) Banking and Financial Services. Balance sheet management
- 2) Regulation in Banking - Regulatory and Supervisory Authorities RBI, NABARD;
- 3) Risk Management - Risk in Banking business. Market Risk, Credit Risk, Liquidity Risk, Interest rate risk and various other risks. Financial feature, options, swap and other hedging tools.
- 4) Asset - Liability Management and duration techniques.
- 5) Asset backed securities Loan, sales, credit standbys and credit derivatives.
- 6) Treasury Management sectors
- 7) Foreign Exchange business - Exchange rates basics of foreign exchange derivatives
- 8) Business facilitators and business correspondent
- 9) Organization and structure of banking and financial services industry.
- 10) Financial Statements - Analysis of Financial Statements -Measuring and Evaluating the performance of Banks.
- 11) Sources of funds (Liabilities) and uses of funds (Assets) - Managing Investment portfolio and liquidity position - Liquidity and Reserves Management - Strategies and policies.
- 12) Pricing of Deposits and Loans.
- 13) Fee based non - Interest Income.
- 14) NRI Accounts and role of ECGC, FEMA and FEDAI
- 15) Lending policies and procedures - Exposure norms, credit monitoring, Arrangement project, lending, credit management - Ratio Analysis.
- 16) Rural Banking Operations different dimensions in Rural Banking. Various Schemes and programmes introduced for rural development - priority sector lending. K.C.C., Micro Credit and SHG Financing of small business retail trade. Professional and self-employed persons, SSI, Tiny sector units, Housing Loans.
- 17) Income Recognition Assets classification and provisioning norms.

**ANNEXURE TO G.O (RT)No.249/2021/Co-op DATED 13/04/2021**

- 18) Capital to Risk weighted Assets Ratio
  - 19) Non - Performing Assets and its management.
  - 20) Profit, profitability and profit planning Profitability, Productivity and efficiency Ratios
  - 21) SLR Management, Financial markets instruments, approved instruments Guidelines of RBI, Money market, call money market, commercial papers, commercial Bills, certificate of deposits, Mutual funds.
  - 22) Bank Rate, Repo Rate, Reverse Repo Rate, Inter Bank Repos.
  - 23) Treasury Bills operations in primary and markets.
  - 24) Insurance Companies, SEBI, AMFI, IRDA
  - 25) Essentials of Book keeping and Accounting, Accounting concepts and conventions - Journal and ledgers, cash book, Types of Trial Balance, Accounting errors
  - 26) Business correspondent, business facilitators.
  - 27) Long term Laws and NABARD refinance Laws
  - 28) Retail Banking - different strategies, services, business silos, channels, products and services people and technology, floating and fixed rate of interest.
- Other Laws - N.I. Act, B.R. Act, RBI Act, Income Tax Act, Limitation Act, Consumer Protection Act, AML Act, Indian Contract Act, Transfer of Property Act.

**IV Kerala Co-operative Societies Act & Rules and other Laws** **(Marks 20)**

- 1) Amendment of Bye-Laws, affiliation to apex society amalgamation, transfer of assets and liabilities and division of society, cancellation of registration of a society.
- 2) Persons who may become members of a society, removal and expulsion from membership regular, nominal and associate members, Rights and privileges of members restriction on holding withdrawal and transfer of shares.
- 3) Final authority in a society, Annual general body meeting, special general body meeting and extra ordinary general body meetings, powers of the General Body and Board of directors, reservation for women, SC/ST, depositors and experts Election and removal of president, Govt. nominees in the Board, Supersession and constitutional breakdown, administrator and administrative committee.
- 4) First Charge of society on certain assets charges on movable and immovable properties of borrowers by creating Gehan, Deduction from salary, exemption from taxes, fees and duties.
- 5) Direct and Indirect partnership by Govt. Principal and subsidiary state partnership fund.
- 6) Properties and funds of societies own funds and borrowed funds, disposal of net profit
- 7) Co-operative Audit, Audit Director, Statutory, concurrent and Administrative audit
- 8) Inquiry, Inspection, Supervision, Surcharge, vigilance officer.

- 9) Settlement of disputes, Co-operative Arbitration court award on disputes. Execution of orders award and decrees, attachment of property before award.
- 10) Insured Co-operative banks
- 11) Appeals, Revision and Review by Tribunal, Appeal and Revision by RCS and Govt.
- 12) Establishment, TA and leave Rules offenses and penalties
- 13) Co-operatives Unions, Co-operative Service Examination Board
- 14) Kerala Agriculture and Rural Development Bank Act.  
SERFAESI Act, BR as applicable to Co-operatives Act, NI Act, RBI Act, NABARD Act, Consumer protection Act, KYC, AML, CFT, Indian Contract Act, Transfer of Property Act, Bankers Book, Evidence Act, Multi State Co-operative Societies Act, GST Act, Income Tax Act.

## V Software Applications

(Marks 15)

1. Introduction to information Technology impact of IT on banking, changing financial environment and IT as strategic response. Hardware, Software, System software, operating systems, Windows, Unix computer language 1<sup>st</sup> generation language, 2<sup>nd</sup> generation, 3<sup>rd</sup> generation and 4<sup>th</sup> generation languages.
2. Database management system and Relational database management systems.
3. Application services, Web services, Web browsers, Application software, packaged software, custom built software, etc.
4. Computer networks.
5. Equipments and data communication systems and design software development Data warehousing, Data mining tools, MIS and organization support system. Application in banking- centralized Banking system, Core Banking System, System Administration, Data Base Administration, Application server and Application Administration, Network Administration Domains, ISPS, Hosting, Data Downloads/uploads, Data centre, Data storage devices, Data backups, Restoration, Disaster Recovery centre
6. Delivery channels - ATM, EFT POS, Phone banking, Internet banking, SMS banking Mobile Banking, Credit / Debit cards, Smart cards
7. E-mails, SMS alerts
8. E-commerce-Secure Electronic Transfer (SET) Payment gateways
9. Threats of Information system

## VI Other Allied Subjects

(Marks - 5)

- 1) Deposit Insurance and credit Guarantee co-operation
- 2) Risk Fund Scheme

**ANNEXURE TO G.O (RT)No.249/2021/Co-op DATED 13/04/2021**

- 3) Deposit Guarantee Scheme, Member Relief fund Scheme
- 4) Employees Self Financing Pension scheme 1994, Pension Fund , Pension
- 5) Kerala Co-operative Ombudsman Scheme
- 6) Banking Ombudsman
- 7) LIC linked group gratuity Scheme
- 8) Kerala Co-operative Welfare and Development Scheme
- 9) Kerala Co-operative Agents Welfare Scheme 2001
- 10) Co-operative Employees Welfare Board
- 11) Depositors awareness fund
- 12) Gehan Scheme
- 13) KIMB, KICMA, CAPE, ACSTI, etc.

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**PROMOTION TO THE POST OF SENIOR MANAGER OF  
KERALA STATE CO-OPERATIVE BANK AND REGIONAL  
MANAGER OF KERALA STATE CO-OPERATIVE  
AGRICULTURAL AND RURAL DEVELOPMENT BANK**

**I. General Administration**

Marks 10

- Co-operative Governance - four Pillars of Co-operative Governance - Teaming Accountable Empowerment, Strategic leadership and democracy.
- Administration of Co-operative, Co-operative Department set up
- Employees performance management, setting goals, promoting employee motivation observing and giving feed back, performance appraisal
- Decision making - Process and techniques communication, morale motivation theories
- Theories of leadership
- Accountability and control
- Personal Administration - Importance of HRD - Recruitment, training, career advancement Discipline, Performance appraisal, Promotion, Employer - Employee relations, grievance redressal mechanism, code of conduct, Administrative ethics
- Professional management and Appraisal System
- Budget and Budgetary control
- Office Administration Manual of office Procedure
- Role of NCUI, KSCU, Circle Co-op Union NCCT and NCCF
- Motivation and Skill development

(Marks 20)

**II. Management**

- Scientific Management
- Co-operative Management
- Essential Management functions
- Democracy - Direct and Indirect
- Management Structure - General Body, Board of Directors, Chairman, CEO.
- Organizational Behaviour
- Concept of Time Value of Money
- Sampling Methods, Presentation of data Analysis and Interpretation of sample data Fundamentals of HRM, Structure and functions of HRD
- HRM and Information Technology
- Credit Management - Credit Appraisal
- Appraisal methodology for different type of clients



- Risk management - Risk identification, market Risk
- Treasury Management
- Financial Management, Cash management and Fund Management
- Management of Sources and uses of funds
- Liquidity Management - CRR / RTGS
- Risk Management
- Basel I and Basel II
- Rural Economics and Rural Development
- Preparation of final accounts
- CAMELSC Rating
- IRAC Norms - CRAR
- Time and Stress Management

### **III. Banking**

(Marks 30)

- Deposit Policy, Deposit Product, Deposit Mix, Cost of Deposit
- Credit Management, Loans and advances Priority sector, MSME financing Personal finance
- Banker - Customer Relationship - Debtor creditor, pledger - Pledgee, Licensor - Licensee, bailor - bailee, hypothecator and hypothecatee, Trustee and beneficiary, Agent and Principal, Advisor and Client
- Garnishee orders and attachment orders
- Bankers right of lien set off and appropriation
- Indemnities and Bank Guarantee
- Loan Policy, Management, NPA
- Investment management CRR, SLR
- Financial Market - Guidelines of RBI / NABARD in regard to investment Management
- Call money, Repos and Reverse Repos, Foreign Exchange Market, Debt Market
- Technology Banking - Electronic Fund Transfer System, RTGS
- Profit and Profitability - Approach of Banks to Profitability, Effects of NPA on profitability
- Supervisory and Regulatory Aspects BR Act (A ACS) Role of RBI, Supervision and Control Branch licensing; Inspection
- Bank Financial Management - Basics of Forex derivatives - Forward Exchange Rate contracts, options, SWAPs, Correspondent Banking, NRI Accounts, Role of RBI and Exchange control Regulation in India, Role and Rules of FEDAI, FEMA
- Risk Management - Risk Concept, Risk in Banks Risk Management Framework, Organizational structure, Risk Identification Risk measurement Sensitivity, Basis Point Value (BPV) Value at risk - Basic testing, Stress Testing, Risk Monitoring and control, Risk Reporting Market Risk - Identification, Measurement and Management, Credit Risk - rating methodology Risk weight risk mitigation counter party risk, Credit exposures Risk

**ANNEXURE TO G.O (RT)No.249/2021/Co-op DATED 13/04/2021**

- mitigation technique, operational and Integrated risk management, Risk management and capital management, BASEL Norms.
- Treasury Management - Investments in the Treasury market development of new financial products - Control and supervision of Treasury Management-interest Rate Risk pricing of Assets and liabilities, on Balance Sheet Investment and Funding Strategies Treasury Bills, Money market Instruments such as CDs, CPs, IBPs
  - Balance Sheet Management - Prudential Norms Capital Adequacy, Components of liabilities and assets, ALM Implementation RBI guidelines Gap Analysis
  - Business Strategies, Profit and Profitability Analysis, Asset classification - Provisioning Profit Planning, measures to Increase Profitability.
  - Central Banking - Functions of Central Bank, Banker to Govt, Banker to Banks Monetary Policy, Currency Issue and Management, Payment system functions, maintaining value of currency Promoting functions.  
RBI Act, BR Act, FEMA, Banking Ombudsman
  - Monetary Policy and Credit Policy
  - Retail Banking - Retail Products - eligibility purpose, amounts, margins security, disbursement, moratorium, Repayment schedule EMI, Credit / Debit Cards
  - Customer Relationship Management

**IV. Software Application**

**(Marks 15)**

- Impact of IT on Banking, Changing financial environment and IT
- Hardware - Software
- Operating Systems - (Desktop OS /Servers) Windows, UNIX, Sun Solaris, Linux
- Computer Languages - First generation Language (Assembly) 2<sup>nd</sup> generation (FORTRAN, ALGOL, COBOL) 3<sup>rd</sup> generation (C, C++, C# and JAVA) 4<sup>th</sup> generation Language (Elipper, Power Builder, SQL etc) and 5<sup>th</sup> generation Languages (Logic Programming Languages)
- Data Base Management system and Relational Data Base Management Systems (oracle 10g MS SQL - 2005 MYSOL)
- Application servers (Oracle 10 AS, Be Weblogic Webshare) Web Servers ( IIS, Apache etc) Web Browsers (LE 7.0, Firefox etc)
- Application Software : Packaged software custom Built software etc. - Computer Networks Equipments & Data Communication, Computer Networks
- Systems and Design - System design & Analysis Data Modeling Software Development Life Cycle, Software Project Management, System Architecture
- Data warehousing, MIS and organization Support System
- Application in Banking - Centralized Banking System, Core Banking System, System administration, Data Base, Administration, Net work administration - Data Down Loads, Uploads, Data Centre, Data Storage Devices Data Backups, Disaster Recovery Centre

- E-Mails, SMS Alerts, E - Commerce
- Security, Controls and guidelines

#### **V. Kerala Co-operative Societies Act & Rules**

(Marks - 20)

1. Affiliation to apex societies, change of name and amendment of by-laws Amalgamation transfer of assets and liabilities and division of societies.
2. Membership - regular and nominal members
3. Restriction on holding shares, transfer and withdrawal of shares
4. Final authority in a society appointment of committee. Reservation of women, SC/ST depositors representative and persons with banking experience or professional qualification, Government Nominees.
5. Election and removal of president, State Co-operative election commission 28B
6. Annual and special General Body Meetings
7. Supersession of committee, and constitutional dead lock. Appointment of administrator and administrative committee.
8. Deduction from salary to meet banks claim
9. Direct and Indirect partnership of Government in societies Principal state partnership fund and subsidiary state partnership fund.
10. Appropriation of profit, Investment of funds - Statutory and free reserves. Allocable surplus.
11. Co-operative Audit, statutory and concurrent audit, Administrative audit
12. Inquiry, supervision Investigation and surcharge, vigilance officer
13. Settlement of Disputes Monetary and Non-monetary Co-operative arbitration court and Registrar
14. Insured Co-operative Banks
15. Enforcement of charges, Execution of orders awards and decrees, attachment of property before award
16. Appeals, Revision and Review by Tribunal, Appeal and Revision by RCS and Govt.
17. Co-operative Service Examination Board S 80B, R 182 A, B, C
18. Offense and Penalties
19. Co-operative Unions
20. Establishment
21. Copy of Act, Rules and Bye Laws to be open to inspection
22. Bar on jurisdiction of court, power to exempt societies, service of notice, Registrar's power to rescind resolutions, use of premises, power to exempt from Rules.

VI. Other Allied Subjects

(Marks - 5)

- 1) Deposit insurance and credit guarantee Co-operation
- 2) Risk Fund Scheme. Member Relief fund Scheme. Consortium lending and Deposit guarantee scheme.
- 3) Employees self financing pension scheme 1994, Pension fund, Pension
- 4) Kerala Co-operative Ombudsman Scheme
- 5) Banking Ombudsman
- 6) LIC linked Group Gratuity Scheme
- 7) Kerala Co-operative Welfare and Development Scheme
- 8) Kerala Co-operative Agents Welfare Scheme 2001
- 9) Co-operative Employees Welfare Board
- 10) Depositors Awareness fund
- 11) Gehan Scheme
- 12) Kerala Co-operative Agriculture and Rural Development Bank Act 1984
- 13) KIMB, KICMA, CAPE, ACSTI etc.
- 14) Income Tax Act, Goods and Sales Tax Act
- 15) Consumer Protection Act.
- 16) Oral and documentary Evidence
- 17) Fraud, Misappropriation of funds, Forgery, Breach of trust, falsification of accounts.
- 18) Contract - Indemnity and guarantee, pledge, hypothecation mortgage.

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**QUALIFYING EXAMINATION FOR THE POST OF DEPUTY  
GENERAL MANAGER IN KERALA STATE CO-OPERATIVE  
BANK AND ADMINISTRATIVE OFFICER AND EQUIVALENT  
POSTS OF KERALA STATE CO-OPERATIVE AGRICULTURAL  
AND RURAL DEVELOPMENT BANK AND DGM IN D.F.CB.**

**I General Administration**

(Marks –  
10)

1. Co-operative Governance - Policy Governance four Pillars of Co-operative Governance Teaming, Accountable, empowerment, strategic leadership and democracy.
2. Rural economics and rural development.
3. Administration of Co-operative Department set up at State, District and Taluk levels.
4. Designing the organization and staff, Employee performance management, setting goals supporting employee motivation, observing and giving feed back, conducting performance appraisal.
5. Decision making - Steps in decision making process, Problem solving and decision making.
- 6.Planning, delegation, basics of internal communications.
- 7.Personal policies, Personal management
- 8.Office Administration, manual of office procedures
- 9.Types of Co-operative Structures - vertical vs. horizontal Co-operative organization structure
- 10.Relevance of professional management
- 11.Budget, Budgeting and Budgetary control
- 12.Co-operative Education and Training, Identification of Training needs, Rate of NCUI, KSCU, circle unions, NCCT and NCCE

**II. Management**

(Marks - 15)

- 1) Co-operative Management concept meaning definition unique features, structure of Co-operative organization and management. Essential management functions - Planning organizing, directing and controlling its applicability in Co-operatives.  
Democracy - direct and indirect democracy Decision making in Co-operatives
- 2) Management structure - role and responsibilities of General body, Role of directors, President and chief Executive Officer - Functions and duties.
- 3) Principles and Practice of Co-operation
- 4) Rural Economics and rural development
- 5) Human Resource Management
- 6) Accounting for decision making
- 7) Functional Management in Co-operatives

- 8) Core skills in management and supervision, Problem solving and decision making . planning , delegation, basics of internal communications. management of meetings managing oneself.
- 9) Relevance of professional management in Co-operatives
- 10) Major tasks and Issues in Co-operative management
- 11) Financial Management and personal management
- 12) Leadership and supervision - style and functions of leader.
- 13) Communication
- 14) Asset Liability Management
- 15) Banking Risks and Risk Management
- 16) Organization Behaviour - Individual and Group Behaviour - Motivation
- 17) Group - Dynamics and leadership - Conflict resolutions.

### **III. Banking**

**(Marks - 30)**

1. Credit Management - Credit appraisal, Analyzing Financial performance - Relationship between items in balance sheet and profit and loss account. Trend analysis. comparative statement -Preparation of projected financial statements - Ratio analysis - Interpretation and analysis of different ratios - statement of the sources and uses of funds.  
Structuring a credit proposal - Working capital concept and management appraisal techniques - trade cycle - credit rating technical and economic feasibility studies - credit rating - rating methodology - Term lending - Debt service coverage ratio - cash flow analysis - Cash budget. Bill finance. Deferred payment Guarantee - Credit scoring credit delivery system-Documentation - Post sanction supervision. control and monitoring of credit, consortium finance - Multiple banking Infrastructure financing.  
Dealing with credit defaults, stressed. assets corporate debt restructuring. SARFAESI. NPAS recovery options, write off appraisal methods for different types of clients / products.
2. Risk Management - Risk concept. Risk in banks. Risk management framework. Organizational structure, Risk identification, Risk Management - Sensitivity. Basis Points Value (BPV), Duration downside potential - value at risk, Back testing risk monitoring and control - Risk reporting market risk identification. measurement and management. credit risk, rating methodology risk weight eligible collateral for mitigation guarantees credit rating, transaction matrices counter party risk. credit exposures. recovery rates. risk mitigation techniques. operational and integrated risk management. Risk management and capital management - Basel Norms.
3. Treasury Management - Concept and function Instruments in the treasury market. development of new financial products, control and supervision of treasury management. linkage of domestic operations with foreign operations.  
Interest rate Risk - Interest Rate futures  
Mix/Pricing of assets and Liabilities - On balance Sheet investment and funding strategies, stock options, debt Instruments bond portfolio strategy. risk control and hedging instruments - Investments - Treasury Bills, money market instruments such as CDs, CPs, IBPs.  
Derivatives - credit default swaps/options.

**4. Balance Sheet Management**

Prudential Norms, Capital Adequacy Implementation of basel Norms, guidelines, RBI guidelines - Banks Balance Sheet - Components of Assets / Liabilities / ALM implementation. RBI guidelines, Gap analysis - Mechanics, Assumptions and Limitations - The relationship between Gap and become statement - finding liquidity managing liquidity - Business strategies - profit and Profitability analysis. Asset classification - Provisioning - effect of NPA on profitability - Profit planning, measures to improve profitability disclosure guidelines -CRAR -Capital funds Risk weighted Assets.

**5. Central Banking - Evolution and functions of Central Banking - Functions of Central Bank. Banker to Government. Banker to Banks, monetary policy, Functions, Currency issue and management Payment system function, Maintaining internal and external value of currency, Regulation, Facilitation and supervision of financial system, Promotional functions to support growth and other national objectives development of financial markets.**

RBI - BR Act, FEMA, Banking Ombudsman Scheme - Financial section reform, Institutions set up by RBI, NABARD, IDBI, DFHI, IRBI, UTI.

**6. Monetary Policy and credit policy**

**7. Rural Banking**

**8. Foreign Exchange Business**

**9. Priority sectors financing and Government initiatives**

**10. Taxation - Income Tax Law - Income Tax Return - Tax deduction at source**

**11. Retail Banking**

**12. Treasury Management.**

**IV Software Applications**

**(Marks - 15)**

- Introduction to IT, impact of IT on Banking changing financial environment and IT as a strategic response - Hardware, software - System software -operating system (Desk Top OS/Servers) windows (Desktop, server), Unix computer language - 1<sup>st</sup> generation language, 2<sup>nd</sup> generation, 3<sup>rd</sup> generation and 4<sup>th</sup> generation languages.
- Database Management Systems (Oracle log MS SRL 2005, My SQL)
- Application servers, web servers, web browsers, Application software, packaged software custom built software etc., computer networks
- Equipment and Data communication System and design
- Software Development
- Data warehousing, Data mining tools MIS and organization support system
- Application in Banking - Centralized Banking system - Core Banking System/System administration Data Base administration, application server and application administration, Network administration domains, ISPS, Hosting, Data Downloads / Uploads Data Centre, Data storage Devices, Data backups restoration, Disaster recovery centre.

- Delivery channels - ATM, EFTPOS, Phone Banking Internet Banking, SMS Banking, Mobile Banking Credit / Debit cards, smart cards
- E-mails, SMS Alert's
- E-commerce - Secure Electronic Transfer (SET) Payment Gateways Threats of Information System.

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