



PRESENTS BASIC CREDIT COURSE

Training Brief

It is necessary to appraise the credibility of the customer in order to mitigate the credit risk. Proper evaluation of the customer is performed which measures the financial condition and the ability of the customer to **repay back the loan in future. With this in mind NBTI brings to you “Basic Credit Course”**. This 3 days program aims to deliver the best course content with consultation with the industry experts.

Learning Outcomes

The program aims to equip participants with sound knowledge on banking operations. Upon the completion of the course the participants will gain knowledge and skills that are very essential to be efficient in their field of work. This program will help participants get an overall concept of a **bank's working procedures. The participants will be able to:**

- Create a solid base for a better future in Credit Department
- Understand Importance of Credit, Types (Corporate/Retail/SME/ Term Loans/Working Capital Loans/ Consortium Loans, Fund based and Non Fund based credit facilities etc.), Policy Guide, credit process
- Be able to use the knowledge and skills immediately
- Understand types of loan documents (Offer letter, loan deed, mortgage deed, hypothecation deed, assignments, pledge deed etc.)
- Work professionally
- Relevant directives from NRB and circulars



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Course Outline

Details

I) An Introduction to Credit

- Meaning, Definition, Importance of Credit, Types (Corporate/ Retail/SME/ Term Loans/Working Capital Loans/ Consortium Loans, Fund based and Non Fund based credit facilities etc.) Policy Guide, Credit Process

II) Credit Underwriting

- Meaning of Risk and Default Risk, Credit Analysis Process (Purpose, Amount, Information Gathering & Verification/First Way Out/Second Way Out-types of collateral, Credit Structuring, Credit Pricing, terms & condition etc.
- Introduction to Operating Cycle
- Financial Risk Analysis (Balance Sheet, P & L A/C, Cash Flow Statement, Key Ratios)

III) Loan Documentation & Execution

- Types of Loan Documents: Offer Letter, Loan Deed, Mortgage Deed, Hypothecation Deed, Assignments, Pledge Deed
- Execution & Perfection (In House/ Mortgage of FA/ Registration of Vehicles/ Pledge of shares etc.) Implementation of limits

IV) Credit Reviewing & Monitoring

- Why Review, what to review, Early Warning Signals

V) Some Relevant NRB Directives / Circulars

- Basel II
- Loan Loss provisioning, Grouping, Consortium, Black Listing & Others

VI) Relationship Management

- Traits / Role, Establishing New Relationship, Maintaining Relationships / Do's and don'ts of Relationship Management etc.

VII) Social Economical Ethical Risk

Trainer's Profile

Mr. Sumed Bhattarai & Team

Head Corporate Banking
Laxmi Bank Ltd.

Duration : 12 Sessions (7 to 8:30am during full working days, 3 to 6pm on Friday)
Date : 24th July to 4th August 2016
Target : Newly appointed MTs, ARMs /RMs in credit areas (having less than 1 year experience in the credit Areas) or someone who would be interested in building their career in lending units
Venue : NBI Hall, Narayanchaur, Naxal.