



PRESENTS

# LEGAL ASPECT OF CREDIT APPRAISAL & CREDIT ADMINISTRATION



## Background

Core function of the Bank and Financial Institutions (BFIs) is to collect deposit and from the public and extend the loan to meet different financial needs of the costumers. While providing loan that requires assessment of the costumers from different perspectives to ensure about proper utilization of loan in one hand and to make secure the Bank in distress situation. Legal risk should be one of the major aspect for BFI while credit appraisal.

Broadly, Bank and Financial Institutions Act (BAFIA) recommends securities based financing in Nepal. Further Banking Offences Act imposes sanctions if legal aspect breached during lending.

So, assessing legal aspect of credit appraisal, validity testing of collaterals, and proper credit documentation are crucial.

So, it would be beneficial to gather legal issues while apprising credit files and equally to know about proper legal documentations. This course is designed with objective to give legal view on credit appraisal and credit administration.

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## Course Outline

Level (Low/Mid/ Senior/High)	Senior Assistant, Supervisor, Junior Officer to Senior Officer level
Duration	One Day
Target Audience	Relationship assistant/officer, credit administration assistant/officer, legal officers, internal audit assistant/officer
Program Takeaways	Understanding Law and its application in Bank, Legal Risk Analysis while credit, Credit Documentation
Program delivery	Lecture, Discussion/interaction, Case Studies & Presentation
Date & Time	23rd March 2019, 7:30 am to 2:15 pm
Venue	Hotel Jal Mahal, Pokhara
Facilitator	<p>Mr. Bhol Nath Dhungana</p> <p>Mr. Dhungana has more than 15 years of experiences in corporate law field and banking. He started his banking career from RastriyaBanijya Bank Ltd. and presently has been working as Head of Legal and Company Secretary at Siddhartha Bank Ltd. since 2010.</p>

Session	Particulars
Session I (7:30am to 9:00am)	<ul style="list-style-type: none"> <li>• Introduction to Law and major legal provisions related to banking                             <ul style="list-style-type: none"> <li>⇒ Banking and law</li> <li>⇒ Major laws applicable to Banking business</li> </ul> </li> </ul>
Tea Break	
Session II (9:15am to 10:45am)	<ul style="list-style-type: none"> <li>• Legal requirement for availing credit facilities                             <ul style="list-style-type: none"> <li>⇒ Credit client and their identification</li> <li>⇒ Legal aspect of credit evaluation</li> </ul> </li> </ul>
Lunch Break	
Session III (11:15pm to 12:45pm)	<ul style="list-style-type: none"> <li>• Validity testing of securities                             <ul style="list-style-type: none"> <li>⇒ Legal aspect of securities</li> <li>⇒ Legal review of security documents</li> </ul> </li> </ul>
Tea Break	
Session IV (1:00pm to 2:15pm)	<ul style="list-style-type: none"> <li>• Legal aspect of credit documentations                             <ul style="list-style-type: none"> <li>⇒ Meaning of documentation</li> <li>⇒ Guidelines for drafting and documentation</li> <li>⇒ Execution of credit documents</li> </ul> </li> </ul>