



PRESENTS

LEGAL RISK EVALUATION AND MANAGEMENT
IN CREDIT PROCESS



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.

NATIONAL BANKING INSTITUTE LTD.

Central Plaza, 6th Floor, Narayanchour, Naxal, Kathmandu, Nepal.

T : 977-1-4415903/905, 4436001 • F: 977-1-4441351

info@nbi.com.np • www.nbi.com.np

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 Documenta-tion
Program delivery	Via Microsoft Team
Date & Time	6th November 2020: (3:00pm to 6:15pm) with 15mins break in between every session 7th November 2020: (9:00am to 12:15pm) with 15mins break in between every session
Fee	3,500 + VAT (10% discount for individuals)
Facilitator	Mr. Bhol Nath Dhungana 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.

Session	Particulars
Session I	Understanding Banking law and business ⇒ Fundamentals Banking law ⇒ Major laws relating to Banking business ⇒ Banker-customer relationship
Session II	Legal Risk Rating in credit assessment process ⇒ Clint's legal status and identification tools ⇒ Legal risk evaluation ⇒ Dos and don'ts by banks ⇒ credit fraud and control, restriction list
Session III	Securitization of loan and advances ⇒ Legal aspect of securities ⇒ Validity testing of proposed collateral, cooling period and family consent ⇒ Field visit and property verification, genuineness check
Session IV	Legal aspect of credit documentations ⇒ creation of security interest over fixed assets and current assets ⇒ Guidelines for drafting and documentation ⇒ Execution of credit documents