



PRESENTS

# RETAIL LENDING

## Banking for Customer Base Enhancement, Profit Maximization and Risk Diversification

Bank and Financial Institutions have been giving extra focus in growing Retail/ Consumer Lending in the recent days as it contributes in diversifying the risks and enhancing the customer base. Due to comparatively low risk weight-age on retail loans, exception a few products, retail loans have been enabling the BFIs to enhance more loans with the limited available capital, which has been further helping them to maximize profitability.

The related officers of BFIs can further maximize the sales, monitor the accounts more closely and avert the possible default risks if their skills are further honed. Taking this point into account, National Banking Institute has designed one day Training on Retail / Consumer Lending.

### Program Details

Duration	: 2 Days
Target Audience	: Branch/Relationship Managers/Credit Analyst/Supervisors
Methodology	: Presentation, Exercise, Discussion and Practical
Venue	: Hotel Royal Century, Narayanghat.
Date & Time:	: 28th (9:30am to 5:00pm)& 29th (7:00am to 1:30pm) November, 2015.

### Program Takeaways

1. Understanding Retail loan products, its analysis, types of risks under the Retail Loans and mitigating tools.
2. Defining & Differentiating Retail Banking and Retail /Consumer Lending .

### NBI Terms and Conditions

Fee/ Charges : Cancellation/ withdrawal of participants must be done 24 hours prior to start of the program. If participants does not attend the program without cancellation, full charge should be levied to the client.

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# Course Outlines

1.	<ul style="list-style-type: none"> <li>Understanding Credit Risks Weightage and Capital Requirements as per BASEL – II               <ul style="list-style-type: none"> <li>Home Loan</li> <li>Auto Loan</li> <li>Hire purchase loan</li> <li>Education Loan</li> <li>Personal Loan</li> </ul> </li> </ul>
2.	<ul style="list-style-type: none"> <li>Understanding Advantages and Disadvantages of Retail Lending / Consumer Lending</li> </ul>
3.	<ul style="list-style-type: none"> <li>Understanding Advantages and Disadvantages of Terminating and Revolving Loan</li> </ul>
4.	<ul style="list-style-type: none"> <li>Guiding Principles in Extending Loans</li> </ul>
5.	<ul style="list-style-type: none"> <li>Understanding Borrowing Cause, Risks and Mitigants and Assessing Credit Proposals:               <ul style="list-style-type: none"> <li>Home Loan:                   <ul style="list-style-type: none"> <li>Purchasing Land</li> <li>Purchasing Land and Constructing the home thereon</li> <li>Renovation and refurbishment on the existing home</li> <li>Purchasing of readymade home</li> <li>Purchasing Apartments / Flats</li> <li>Refinancing the Existing Land / Land &amp;Home</li> </ul> </li> <li>Auto Loan                   <ul style="list-style-type: none"> <li>Purchasing New Vehicle (Personal &amp; Commercial)</li> <li>Purchasing Secondhand Vehicle (Personal &amp; Commercial)</li> <li>Refinancing the Existing Vehicle (Personal &amp; Commercial)</li> </ul> </li> <li>Hire purchase loan                   <ul style="list-style-type: none"> <li>Purchasing equipment/furniture and household goods</li> </ul> </li> <li>Education Loan</li> <li>Personal Loan</li> <li>Loan Against Personal Guarantee</li> <li>Margin Lending                   <ul style="list-style-type: none"> <li>Against Pledge of Promoters Shares / Public Shares</li> <li>Against Pledge of Bullions</li> </ul> </li> </ul> </li> </ul>
6.	<ul style="list-style-type: none"> <li>Managing Collateral Securities:               <ul style="list-style-type: none"> <li>Reviewing the Documents relating to the Collaterals and Insuring its sufficiency</li> <li>Inspecting the Collateral Securities and Preparing Collateral Site Visit Report</li> <li>Getting Valuation of the Collateral and Review of the Report</li> <li>Inspecting the Collaterals Periodically</li> <li>Getting Insurance of the Collaterals</li> </ul> </li> </ul>
7.	<ul style="list-style-type: none"> <li>Recognizing Early Warning Signals and Setting Recovery Strategy</li> </ul>
8.	<ul style="list-style-type: none"> <li>Reporting Risk Events with Action Plans</li> </ul>
9.	<ul style="list-style-type: none"> <li>Understanding Legal Consequences Including the Provisions in Banking Offense Act</li> </ul>

# Facilitator

Mr. BN Gharti, an MBA, having more than 18 years of banking experience, is the former Acting Chief Executive Officer of Kist Bank. Mr. Gharti started his banking career from Nepal Bangladesh Bank where he worked at Marketing and Credit Departments. Before joining the banking sector Mr. Gharti had worked in the government, private and social organizations for 9 years.

Mr. Gharti, who served 10 years at NIC Bank, was head of Marketing and Transaction Banking there before joining Kist Bank in the Capacity of Chief Business Officer in April 2009. He was the first employee who received **“Excellent” rating in the history of NIC Bank and was awarded with many awards including “Excellence Award” and “Best Branch Award”**. He was the Member of Human Resources Committee, Management Committee and Asset and Liability Management Committee. He had developed deposits and transaction banking products and prepared standard operating procedures for those products operations. He had driven the marketing department growing the customer base by three-fold during a period of 2 years and slashing the concentration risks considerably.

He was instrumental in inculcating commercial banking and risk management culture at Kist Bank. Mr. Gharti played a key role in formulating about 20 policies including Credit Policy and Deposit Management Policy, about 30 standard operating procedures including Credit Risk Management Manual and Deposit Management Manual, about 25 product papers including deposit product having features of both savings and fixed deposit, a path-breaking deposit product and SME Loan Product and about 15 Plans including Strategic Plan and Risk Diversification Plan in order to build up a strong systemic infrastructure. On account of which, Kist Bank was having highest savings and retail deposits in the industry with a customer base of about four hundred thousands, which was 7<sup>th</sup> position in the industry. **Due to timely formulation of ‘Risk Diversification Plan’, ‘Liquidity Management Plan’ and ‘NPA & Watch-list Accounts Management Plan’, in his initiation, Kist Bank was successful to slash Real State Loan below 15% from more than 50%, have liquidity ratio above 30% from as low as 10% and recover NPA loans sizably, which rescued Kist Bank from near to failure.** Mr. Gharti therefore shares his practical experience in sales maximization, risks diversification and overall risks management.

**Mr. Gharti has taken much training including various domestic and international trainings on “Train the Trainer”.** He has conducted 150 plus trainings on Credit Relationship Management, Sales and Marketing, Credit Risks Management and Operational Risk Management. Mr. Gharti, who has received many awards from various social organizations, has written many articles on Operational Risk Management and other banking issues on various national dailies and journals.



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