



WORKING CAPITAL ASSESSMENT AS PER NEPAL RASTRA BANK GUIDELINES



Background

National Banking Institute (NBI) is pleased to present a one day program on Working Capital Assessment as per NRB Guidelines facilitated by the industry expert practitioner along with the regulator.

Working capital loans are a vital source of financing for businesses to meet their day-to-day operational needs. Loan is an asset to any financial institution. A bank normally maintains more than 60% of its loan portfolio under working capital. That is why it is very much necessary to ensure that a working capital loan does not become bad as it is normally not secured by other collateral security. These types of loans are secured by current assets and that are in the possession of the borrower themselves.

The recent draft guidelines issued by NRB on working capital also explains the need for making the working capital lending more transparent and effective on its purpose and utilization.

Program Details

Date & Time: 29th April, 2023 (7.30am – 2.45pm)

Duration: 4 sessions (6 hours)

Venue & Location: Hicola Heritage, Birtamode

Target Audience: Relationship Managers/Credit Officers/Risk Officers/Branch Managers and any other staffs who are directly being involved in doing appraisal and assessment of business loans and project loans.

Course Outline

Program Takeaways

- Gain Fundamental knowledge of working capital loans.
- Acquire rational knowledge on cash cycle and operating cycles of a business firm
- Able to analyze proper need assessment of different types of working capital loans
- Understand different models of working capital assessment
- Know various documentation process specific for working capital loans
- Understand process of drawing power verification and enforcement
- Be able to structure working capital loans properly
- Be able to provide working capital loans with regulatory compliance

Program Delivery Method: Slide Presentation, Discussion, Case Studies and Takeaway Review Test.

Program Content:

Sessions	Content	Trainer
Session 1	Projections and Structuring of Working Capital Loans 1. Understanding Operating Cycle and Cash Flow Cycle 2. Borrowing Cause vs. Borrowing Need 3. Borrowing Caused by Sales Growth <ul style="list-style-type: none">• Long Term Sales Growth• Short Term Sales Growth	Mr. Kumar Lamsal Chief Executive Officer National Banking Institute
Session 2	4. Borrowing Caused by Declining Efficiency of WC accounts 5. Sources of Payment of WC Loans 6. Structuring Working Capital Loans 7. Case Study on Working Capital Loan Structuring and Projection (covering seasonal, permanent and fluctuating WC)	

Course Outline

Session 3	Supervisory Perspective on Working Capital Loan	Executive from Nepal Rastra Bank
Session 3 Contin.	Supervisory Perspective on Working Capital Loan	
Wrap up with certificate and photo session		

Facilitator's Profile:

- **Mr. Mr. Sudeep Khanal**
Assistant CEO, NIC Asia Bank
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- **Executive from Nepal Rastra Bank**