

CERTIFICATE COURSE CREDIT MANAGEMENT

DATE:

09 May to 14 June , 2025

COURSE FEE:

39,000 + VAT Per Participant

DURATION:

48 Hour Teaching

(Physical and Online)

ELIGIBILITY CRITERIA:

Minimum Graduate Degree

EXAMINATION:

Objective Examination, Group Presentation
& Final Project Report Submission

FACULTY :

Experienced and Seasoned Bankers, Senior
Professor from CUTM and Other Professionals

COURSE DESCRIPTION

The Certificate Course in Credit Management (CCCM), offered by the Banking Finance and Insurance Institute of Nepal (BFIN) in collaboration with Centurion University (CUTM), is designed to provide a comprehensive understanding of credit management principles, strategies, and best practices. This structured program aims to enhance the knowledge and expertise of professionals, particularly Credit Officer and Managers, by strengthening their capabilities in credit appraisal, risk assessment, loan management and administration.

The course consists of 15 in-depth modules covering various aspects of credit management, including credit underwriting, credit rating and application, borrowing cause analysis, project appraisal techniques, risk assessment, loan monitoring, and recovery strategies. Through a combination of theoretical insights and practical applications, participants will develop the necessary skills to navigate the complexities of credit management, ensuring sound financial decision-making and compliance with regulatory frameworks.

By the end of the program, participants will be equipped with the expertise required to effectively assess credit risks, implement robust credit policies, and enhance the overall credit portfolio of their institutions.

COURSE OBJECTIVE

- Provide a comprehensive understanding of credit management principles.
- Develop skills in credit assessment, risk mitigation, and loan management.
- Equip participants with knowledge of regulatory frameworks and compliance.
- Enhance credit marketing, monitoring, and administration capabilities.
- Integrate practical case studies to strengthen decision-making in credit operations.

TARGET PARTICIPANTS

This course is exclusively designed for Officers and Managers and other personnel from Credit Department, Risks Department, Compliance Department, and Branch Managers of Banks and Financial Institutions, including cooperatives and micro credit institutions.

LEARNING OUTCOMES

- Understand fundamental credit principles and their application in BFIS sectors.
- Assess credit risk using financial statements, non-financial data, and credit scoring models.
- Interpret NRB directives and ensure compliance in credit operations.
- Strengthen credit monitoring, loan administration, and recovery strategies.
- Analyze real-world credit scenarios through case studies and discussions.

COURSE CONTENTS

Module 1: Introduction to Credit and Credit Management (Fundamental Principles of Credit)

- Importance of Credit Management
- Basic Principles of Credit: Purpose, Safety, Liquidity, Profitability, Risk Diversification
- The 5 Cs of Credit
- Guiding Principles: Prudence, Compliance, Ethical Lending, Monitoring & Supervision
- Ethical Considerations in Credit Management
- Organizational Structure for Credit Management

Module 2: Credit Marketing

- Identifying business prospects for Credit Marketing: An Overview of the Credit market, Macroeconomic environmental analysis, Industry Analysis etc.
- Data collection and relationship establishment
- Identification of the Borrowers
- Types of credit facilities and matching with the borrowers
- Initial screening of credit applications
- Customer retention strategies in a competitive banking environment

Module 3: Role of Credit Department/Credit Officers/Relationship Managers

- Optimization of Credit Relationship
- Credit Portfolio Management for optimized performance
- Functioning as bridging element between Bank Management and Credit Customers
- Understanding of Industry Risk Profiles
- Functions and roles of the various departments and managers involved in credit functions

Module 4: Understanding of Corporate Credit, SME Credit, Retail Credit and their Products

- Product Segmentation and Market Segmentation
- Differentiation between Corporate/SME/Retail
- Understanding characteristics of the different segments
 - SME Credit
 - Retail Credit
 - Micro/Macro Credit
- Understanding of Project Financing Concepts

Module 5: Credit Analysis and Appraisal

- Borrowing Cause Analysis for Business
- Credit Risk Assessment Through Financial Statements, Payback Period, Net Present Value (NPV), and Internal Rate of Return (IRR), Profitability Index, Discounted cash flow method, etc.
- Credit Risk Assessment Through Non- Financial Information (Economic, technical, commercial and marketing, legal and organizational and managerial analysis), among others.

Module 6: Credit Underwriting – Analysis and Assessment

- Management Assessment
- Industry Analysis
- Financial Analysis
- Debt Servicing
- Sensibility Analysis
- Working Capital Management
- Trade Financing Needs

Module 7: Working Capital Management and Regulatory Guidelines

- Understanding Assets Conversion Cycle and Working Capital
- Borrowing Need and Variance Analysis
- Structuring Working Capital Facilities as envisaged by NRB Guidelines
- Working Capital Loan Monitoring and Drawing Power Assessment

Module 8: Credit Risk Management

- Basics of Credit Risk Management
- Basel Principles of Credit Risk Management
- Maintaining an appropriate credit administration, measurement and monitoring process
- System for early remedial action on deteriorating credits, managing problem credits
- Credit Risk Management Process at Origination (Borrower Level)
- Environment and Social Risk Management for Project Financing

Module 9: Concept of Credit Rating and Application

- Concept of Credit Scoring and Credit Rating
- Different Components of Credit Rating
- Application of Credit Rating

Module 10: Credit Pricing

- Understanding Risk Vs Pricing Structure in Credit
- Different Approaches of Pricing Strategy
- Concept of Interest rate applicability – Fixed and Fluctuating
- Pricing Risks and Mitigating plans

Module 11: Directed Lending and other Regulatory Provisions (NRB Directives on Lending)

- Different Directed Lending Portfolio
 - i. Priority Sector Lending
 - ii. Deprived Sector Lending
- Discouraged Sector of Lending
- Restricted Sector of Lending
- Importance of directed lending portfolio

Module 12: Legal Aspects & Fundamental of Collateral Valuation

- Legal Provision Related to property in Banking
- Documentation and Its Significance
- Fundamental of Execution & Collateral Valuation
- Issues Related to Collateral/Securities
- Challenges

Module 13: Managing Credit Administration

- **Loan Documentation and Disbursement**
 - Loan Documentation required for different types of Loans (e.g., commercial loans, consumer loans).
 - Accurate and complete documentation for legal Compliance and risk management.
 - Clauses and terms in loan agreements (e.g., interest Rates, repayment schedules, default provisions).
 - Reviewing and updating loan documentation as necessary.
- **Credit Control**
 - Inspection, valuation, revaluation, Insurance and DP monitoring.
 - Understanding Issues on Hypothecation, Pledges and mortgages.
 - CIC synchronization
 - Understanding issues on Loan Classification and Provisioning.
 - Dos and don'ts in Credit Administration.

Module 14: Credit Monitoring and Recovery

- Link to Loan Disbursement
- Post Disbursement Relationship
- Early Warning Signals Effective Monitoring of Credit
- Approaches in Credit Recovery
- Handling Potential Default Account
- Legal approach of Loan recovery
- Assessment of Willful and Non willful Defaults.
- Restructuring and rescheduling
- NPA and NBA Management
- Blacklisting and Legal Recovery

Module 15: Case Studies Discussion and Evaluation

ELIGIBILITY CRITERIA FOR CERTIFICATE

To receive the 3 hours credit equivalent Certificate in Credit Management, participants must fulfill the following requirements:

- A minimum attendance requirement of 80%.
- Successful completion of the examination with a minimum score of 50%.

The examination consists of:

- Examination: 50%
 - Objective Examination: 40%
 - Class Presentation: 60%
- Final Report: 50%



ABOUT BFIN

Banking, Finance and Insurance Institute of Nepal Limited (BFIN) was established under Company Act 2063 on August 14, 2018 (2075 Shrawan 29). The main objectives of this Institute are to offer training, workshop and seminar and enhance the knowledge, skills and capabilities of the employees of financial sector and other stakeholders, conduct research and consulting to strengthen the financial sector, offer specific accredited courses and creating data bank for the use of banking community and help strengthen the financial systems in Nepal.

ABOUT CUTM

Centurion University of Technology and Management, India's First and Best Skill University with NAAC A+ accreditation has consciously invested in multiple nano- Enterprises as well as conducted research that has given it an unparalleled understanding and position the entrepreneurial eco-system in multiple locations across India. Centurion University is duly recognized as a pioneer in 'Skill Integrated Higher Education'. Its unique model lays specific emphasis on creating sustainable livelihoods on a national scale in challenging geographies through education that results in employability and sparks entrepreneurship. This model has been recognized by multiple Governments (Central and State), International Organizations such as UNESCO and the World Bank as well as Policy Think-tanks such as the Niti Ayog. Recently, Centurion University's School of Vocational Education and Training has been recognized as a Center of Excellence by Ministry of Skill Development and Entrepreneurship, Government of India. It is the only University in India to be recognized as such. We have continually strived to be a best in class human resource development hub that builds employable, enterprising and society centric youth through industry relevant education, skill development, new ventures, production, and technology development.

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