

write off loan

Write-off Loan

- Write off is the reduction in the value of the assets that were present in the books of accounts of the company on a particular period of time. It is recorded as bad debt expenses on account of payment not received or loss incurred.
- Loan write-off refers to the situation when the lender has moved a particular loan's pending dues out of the “Assets” column and has reported this amount as a loss. This happens after the borrower has defaulted on the loan repayment, and there is a low chance of recovery.
- It is usually applicable in the case of bad loans or non-performing assets of a BFIs.
- A bad loan is usually written-off when the chances of recovering the due amount are very less.
- It is a tool to clean up the balance sheet.

कर्जा अपलेखन

- अपलेखन भन्नाले कुनै निश्चित समयावधिमा कम्पनीको लेखा पुस्तकमा रहेको सम्पतिको भ्यालुमा कमि आउनु हो । यस अर्थमा कर्जाको अपलेखन भन्नाले कुनै एक अवधिमा कर्जा को भ्यालुलाई जानाजान कमि गर्नु हो । कर्जा अपलेखन बिग्रीएका तथा कर्जा भूक्तानी हुन नसक्ने अवस्था पश्चात गरिन्छ ।
- कर्जा अपलेखनले बैंक तथा वित्तिय संस्थाले निश्चित प्रकृतिका वा भूक्तानी हुन नसक्ने भनि ठहराएका कर्जालाई सम्पत्ती वाट घटाउनुलाई जनाउदछ । कर्जा अपलेखन कर्जा भूक्तानी नहुने सम्भावना बढ्दै गए पश्चात निश्चित कार्यविधि माफत गरिन्छ भने कर्जा अपलेखन पश्चात पनि कर्जा भूक्तानीको सम्भावना र बैंकको अधिकार कायम नै रहन्छ ।
- साधारण तया कर्जा अपलेखन बैंक तथा वित्तिय संस्थाका निष्क्रीय कर्जाका हकमा गरिन्छ ।
- कर्जा अपलेखन त्यस्तो कर्जालाई गरिन्छ जसको भूक्तनीको सम्भावना अत्यन्तै कम रहन्छ ।
- यो एक वासलात सफा गर्ने विधि समेत हो ।

Loan Write off

Write-off Loan

- **There is no possibility for recovering the loan, so it is kept outside balance sheet**
- **It is not counted as asset or loan**
- **NPL and NPA will get reduced**
- **Reduced Tax Liabilities**
- **Need not to keep provision against quality of loan**
- **Write off is carried out for the loans which are not non performing. In other words, NPA/NPL is written off.**
- **When loans are written off, they are removed as assets from the balance sheet because the bank does not expect to recover payment. The portion that the company does not expect to collect is written off. The company credits the accounts receivable account on the balance sheet and debits the bad debts expenses account on the income statement.**

कर्जा अपलेखन

Write-off Loan

- ऋण असुली हुने सम्भावना नरहेकोले ब्यालेन्स सिट बाहिर राखिएको छ
- यो सम्पत्ति वा ऋणको रूपमा गणना गरिएको छैन
- NPL कम हुनेछ
- करको दायित्व कम गर्न
- कर्जाको गुणस्तर अनुसारको जगेडा राख्नु नपर्ने
- निष्कृया कर्जाकालागि मात्र अपलेखन गरिन्छ, जसको माध्यमबाट NPL कम देखिन्छ ।

जव कर्जाहरु अपलेखन गरिन्छ, तिनिहरु बासलात वाट हटाईन्छ, किनभने बैंकले उक्त कर्जा भूक्तानी तथा असूलिको सम्भावना न्युन देख्दछ । यसरी कर्जा भूक्तानीको आसा न्युन भएका कर्जालाई अपलेखन गर्न सम्पत्ति वाट हटाईन्छ भने उक्त आ.व.को नाफा नोक्सान खातामा खर्च वा नोक्सानी देखाईन्छ ।

Other Loan

Write-off Loan - Why

- Loan is defaulted by the borrower
- There is very low chance for recovery
- With Bad Loans, the balance sheet becomes messy and heavy without any earning
- There will be continuous effort to recover the loan even after write-off and there is legal right to bank to do so.
- Reduce the tax liability
- Reduce the obligation to make provision

Other Loan

कर्जा अपलेखन किन

- कर्जा ग्राहकले कर्जा चुक्ता गरेको छैन
- कर्जा भूक्तानीको सम्भावना न्युन रहेको छ ।
- कमसल र खराव कर्जा बढ्दा बैंकको वित्तिय विवरण कमजोर देखिन्छ ।
- खराव कर्जालाई वित्तिय विवरणमा देखाउँदा जगेडा राखिराख्नु पर्ने हुन्छ ।
- कर्जा अपलेखन पश्चात समेत उक्त कर्जा भूक्तानीका लागि प्रयत्न गरिएको हुन्छ ।
- कर्जा अपलेखन पश्चात कर सम्बन्धी दायीत्व समेत कम हुन्छ ।

Loan Restructuring

- Although loans generally come with a specific repayment term, due to circumstances such as the ongoing pandemic, borrowers may find it difficult to repay their loan along with the interest rate.
- In such circumstances, rather than letting borrowers default on their payments, financial institutions with the help of the government can make changes that allow for easier repayments.
- Loan or debt restructuring simply refers to making changes in the existing loan terms to help the borrower manage the repayment of loan principal and interest due.
- Generally, providing the option for loan restructuring is preferred as it also prevents the loan from being classified as an NPA or non-performing asset which reduces the banks' profits.
- Additionally, it is also less expensive than allowing the defaulter to declare bankruptcy.

Changing the Terms and Condition, Loan Types etc

Loan Restructuring

- साधारणतया कर्जा निश्चित समयका लागि निश्चित ब्याजमा प्रदान गरिएता पनि विभिन्न कारणहरूले गर्दा ग्राहकलाई समस्या परेको हुन सक्छ ।
- ग्राहकलाई समस्या परि कर्जा भुक्तानी गर्न कठिनाई भएको अवस्थामा कर्जा लाई बिग्रिन दिनु भन्दा बैंक तथा बित्तिय संस्थाले ग्राहकको वास्तविक समस्या बुझेर कर्जा सम्बन्धी भएका सम्झौतामा परिवर्तन गरि ग्राहकलाई कर्जा भुक्तानीमा सहजता प्रदान गर्ने हेतूले गरिने कार्यलाई कर्जा पुनसंरचना वा पुनतालिकिकरण भनिन्छ ।
- यसका कारण कर्जा नतिर्ने सम्भावना कम भई निष्क्रीय कर्जामा कमि आउँछ ।

कर्जा संग सम्बन्धीत शर्त तथा सम्झौता आदी

Loan Rescheduling

- When a borrower finds it difficult in repaying the loan or an interest as per the prefixed schedule due to some of the circumstances, then bank may go for rescheduling the loan payment terms.
- Rescheduling of loans means to extend or add extra time to your existing loan tenure, resulting in a revision of your monthly instalment amount so that you may be able to pay a lesser amount each month.
- This can help the borrower buy some time to adjust the repayment plan and also not default on their loans.
- But this could result in the borrower paying more in interest as they will have to service the loan for a longer time.

Changing the Payment Terms to make it flexible etc

कर्जा पुनर्तालिकीकरण

- जब कर्जा ग्राहकले कर्जा भूक्तानीमा असहजता महसूस गर्दछ, त्यस्तो अवस्थामा त्यस्ता कर्जा ग्राहकहरुलाई कर्जा भूक्तानी गर्न सहजता दिनका लागि कर्जाको भूक्तानी समय, भूक्तानी संख्या वा किस्ता संख्या आदिमा परिवर्तन गरिन्छ, भने त्यसलाई कर्जा पुनर्तालिकीकरण भनिन्छ ।
- कर्जा भूक्तानीको समय बढाउने
- किस्ता संख्या बढाउने
- किस्ताको रकम घटाउने
- ग्राहकको नगद प्रवाहलाई सहज हुने गरि मासीक वा त्रैमासीक किस्ता बनाउने
- यसरी पुनर्तालिकीकरण गर्दा ग्राहकलाई तिर्न सहज भएता पनि बढी ब्याज खर्च पर्ने समेत हुन सक्छ ।

भूक्तानीको समयतालिकामा परिवर्तन

Loan Rescheduling

EMI CALCULATOR

Loan Amount

1000000

Interest Rates (%)

12

Term (Months)

60

Calculate

Monthly Payment(EMI)

22244.45

EMI CALCULATOR

Loan Amount

1000000

Interest Rates (%)

12

Term (Months)

120

Calculate

Monthly Payment(EMI)

14347.09

Loan Rescheduling/Restructuring

Loan Restructuring Methods

- Change in the repayment period which is usually extended
- Change in the repayable amount – pay only 75% of the interest
- Changes in the number of installments that were previously agreed upon
- A change in the rate of interest previously charged – Reduced
- Provision for additional loans – to strengthen the financial transaction of customer
- Increasing the settlement period

Loan Rescheduling/Restructuring

कर्जा पुनसंरचनाका तरिका वा बिधिहरु

- कर्जा भूक्तानीको समय सिमा परिवर्तन गरेर साधारणतया बढाईन्छ ।
- कर्जा भूक्तानीको रकममा छूट वा परिवर्तन गरेर जस्तै ब्याजको ७५ प्रतिशत मात्र भूक्तानी गर्ने आदि
- किस्ता संख्यामा परिवर्तन गरेर
- ब्याजदरमा परिवर्तन गरेर
- थप कर्जा प्रदान गरेर जसका कारण ग्राहकले ब्यवसाय राम्ररी संचालन गर्न सक्षम रहन्छन ।
- कर्जा भूक्तानीको समय सिमा परिवर्तन वा बढाएर