

What to Study in Banking

नेपालको बैंकिङ तथा वित्तीय प्रणालीको विकासक्रम तथा स्वरूप

(Nepalese Banking and Financial System : Development and Structure)

नेपाल राष्ट्र बैंकको संगठनात्मक स्वरूप, काम, कर्तव्य र अधिकारहरू

(NRB- organizational structure, functions, duties and rights)

बैंक तथा वित्तीय संस्थाहरूको काम, कर्तव्य, अधिकारहरू । (Functions, Duties and Rights of Bank and Financial Institutions)

बैंक तथा वित्तीय संस्थाले प्रदान गर्ने बैंकिङ सेवाहरू (Banking Services) Deposit, Credit, LC, Bank Guarantee, SWIFT, ABBS, Cheque Clearing, Remittance, Foreign Exchange

वित्तीय साक्षरता, वित्तीय समावेशीकरण (Financial Literacy, Financial Inclusion)

मुद्रा बजार र पुँजी बजार (Money market and capital market)

Concept of Loan

Loan or Credit Services:

- Loan in simplest terms can be explained as a thing that borrowed, especially a sum of money that is expected to be paid back with interest. The act of giving money, property or other material goods to a party in exchange for future repayment of the principal amount along with interest or other financial charges is called loan. A loan may be for a specific, one-time amount or can be available as open-ended credit up to a specified ceiling amount.
- A loan is a financial transaction, in which the lender provides a specific amount of money to a borrower, who agrees to repay the loan along with interest over a predetermined period.
- Loan can be used for variety of purpose, such as purchasing a home, funding education, operating business, covering various expenses and so on. The terms of the loan, including interest rates and repayment schedules are agreed upon before the funds are disbursed.
- Loan plays a crucial role in personal and business transaction, facilitating access to capital for achieving financial goal.

कर्जा

- साधारण अर्थमा भन्ने हो भने, सापटि लिईएको रकमलाई कर्जा भनिन्छ जसको निश्चित समय पश्चात भुक्तानी अनिवार्य रहन्छ । भविष्यमा पाईने प्रतिफलका लागि कुनै ब्यक्ति वा संस्थालाई सापटी दिएको रकमलाई कर्जा भनिन्छ ।
- कर्जा लिने पक्षका लागि कर्जा दायीत्व हो भने कर्जा दिने पक्षका लागि कर्जा सम्पति हो ।
- कुनै ब्यक्ति वा संस्थालाई निश्चित उद्देश्यका लागि प्रतिफल वा ब्याज सहित केहि निश्चित समय सिमा भित्र भुक्तानी गर्नुपर्ने सर्त सहित दिईएको रकमलाई कर्जा भनिन्छ ।
- कर्जा एक बित्तिय कारोवार हो जसमा साहूले रिणीलाई निश्चित समयका लागि केहि रकम सापटि स्वरुप दिन्छन भने रिणीले उक्त रकम ब्याज सहित साहूलाई फिर्ता गर्ने सहमत रहन्छन । यसरी कर्जा प्रवाह गर्दा साहूले धितो स्वरुप चल अचल सम्पती , जमानत वा दूबै समेत लिन सक्दछन ।
- रिणीले कर्जा रकम बिभिन्न प्रयोजनका लागि उपयोग गर्न सक्दछन जस्तै ब्यापार गर्न, उधोग खोल्न, गाडी किन्न, अध्ययन गर्न तथा अन्य बिबिध ।
- आजको बित्तिय युगमा आर्थिक क्रीयाकलाप बढाउन तथा रकमको अल्पकालिन र दिर्घकालिन आवश्यकता पुरा गर्न कर्जाले महत्वपुर्ण भूमिका खेलेको हुन्छ ।

Concept of Loan

Loan or Credit Services:

- There are different types credit/loan products available to the customers. The type of loan differs in terms of purpose, terms, interest rate, collateral and others.
- Some loans are provided for business purpose and other may be for personal purpose.
- Loan can be collateral based or based on personal guarantee.
- Some loans are provided for 10-15 years while others may be provided for one year (renewable).

Concept of Loan

कर्जा

- ग्राहकको आवश्यकता बमोजिम बैंक तथा वित्तीय संस्थाले धेरै प्रकारका कर्जाहरु प्रवाह गर्दछन । कर्जाहरु उद्देश्य, भुक्तानीको समय सिमा, धितोको आवश्यकता आदिको आधारमा विभिन्न प्रकारका रहन्छन ।
- केहि कर्जा ब्यावसायीक प्रयोजनका लागि दिईन्छ भने केहि कर्जा ब्यक्तिगत प्रयोजनका लागि
- कूनै कर्जामा धितो आवश्यक रहन्छ भने कूनै कर्जामा धितोको आवश्यकता रहेन ।
- केहि कर्जा छोटो समयका लागि दिईन्छ भने केहि कर्जा लामो समय अबधिका लागि प्रवाह गरिन्छ ।

Component of Loan

Compulsory Component

- Principle is the borrowed amount
- Rate of Interest is the return on loan so invested. It is earning to the bank and expenses to the customer
- Tenure is the time frame in which principle or interest or both need to be repaid.

Additional Component

- Collateral is the hard/tangible security for granting loan
- Guarantee is the soft/intangible security for granting loan
- Charges is the amount charged by BFIs to the customer in course of processing loan.

Component of Loan

कर्जाका तत्वहरु

प्राथमिक तत्वहरु

- सांवा: कर्जा लिईएको रकम
- ब्याज वा ब्याजदर: कर्जामा दिईने वा लिईने प्रतिफल हो । यो ग्राहकको लागि खर्च र बैंकको लागि आम्दानी हो ।
- समय सिमा: कर्जा भूक्तानी गर्नु पर्ने अवधि

सहायक तत्वहरु

- धितो: जसको माध्यमबाट कर्जालाई सुरक्षित गराईएको हुन्छ ।
- जमानी: कर्जा सुरक्षाको अदृश्य माध्यम
- शुल्क: कर्जा संग सम्बन्धीत अन्य खर्चहरु

Features of Loan

- **It is a temporary supply of fund which must be repaid**
- **The loan comes with certain interest**
- **The loan has a fix tenure within which it must be repaid**
- **Most of the loan call for collateral as a security**
- **The loan may be granted for specific purpose**
- **It is governed by the loan deed**
- **It ensures smooth supply of fund to needy**
- **It is subject to terms and condition agreed by the lender and borrower.**

Features of Loan

- कर्जा भन्नाले निश्चित समयका लागि प्रदान गरिने रकम हो जसको भूक्तानी अनिवार्य रहन्छ ।
- कर्जाहरुमा प्रतिफलको रुपमा ब्याज लिईन्छ ।
- कर्जा निश्चित समयका लागि प्रवाह गरिने भएकाले उक्त समय सिमा पश्चात भूक्तानी गर्नु पर्दछ ।
- प्रायजसो कर्जा प्रवाह गर्दा धितोको आवश्यकता पर्दछ ।
- कर्जा विशेष प्रयोजनका लागि प्रवाह गरिन्छ ।
- कर्जा सम्बन्धी सम्पूर्ण कार्यहरु कर्जा सम्झौता बमोजिम हुन्छन ।
- कर्जाको माध्यमबाट आवश्यक क्षेत्रमा कोषको उपलब्धता हुन्छ ।
- कर्जा, कर्जा सम्बन्धी बिभिन्न शर्तहरुको आधारमा प्रवाह गरिन्छ ।

Types of Loan - Based on Collateral/Security

1. Secured Loan

- Backed by some collateral property
- In the even of default, the lender can take possession of the asses and use it to cover the repayment of loan.
- Interest rates for secured loans may be lower than those for unsecured loans.
- Less risky compared to unsecured loans
- The asset may need to be appraised before one can borrow a secured loan.

1. Unsecured Loan

- No collateral backup
- High risk thus higher interest rate.
- Basis for Loan: Credit History, Income, Quality of Income, and other subjective matters.
- Credit Card, Personal Loan(without collateral) etc.

Types of Loan - Based on Collateral/Security

१। सूरक्षीत कर्जा वा धितोमा प्रदान गरिने कर्जा

- कर्जालाई धितोले सूरक्षित गरिएको हुन्छ ।
- कर्जा चूक्ता नभएको अवस्थामा बैंक तथा वित्तिय संस्थाले धितो लिलाम गर्न सक्दछ ।
- धितोमा प्रदान गरिने कर्जाको ब्याजदर बिना धितो कर्जा भन्दा कम हुन सक्दछ ।
- बिना धितो कर्जा भन्दा कम जोखिमपूर्ण
- कर्जा प्रवाह गर्न अघि धितोको मूल्यांकन गर्नु पर्दछ ।

१। असूरक्षित कर्जा वा बिना धितो प्रवाह गरिने कर्जा

- यस्ता कर्जा प्रवाह गर्न धितोको आवश्यकता पर्दैन
- अधिक जोखिम तसर्थ उच्च ब्याजदर
- कर्जा प्रवाहका आधारहरु: कर्जा भुक्तानीको ईतिहास, आयको गुणस्तर, अन्य तथ्यहरु
- उदाहरणका रुपमा क्रेडिट कार्ड कर्जा, बिना धितो प्रवाह भएका ब्यक्तिगत प्रकृतिका कर्जाहरु

Types of Loan

Loan based on Duration/Time Frame

1. Short Term Loan / OD Loan

Short term loans are called such because of how quickly the loan needs to be paid off. In most cases, it must be paid off within six months to a year. A short term loan is a type of loan that is obtained to support a temporary personal or business capital need. As it is a type of credit facilities, it involves repaying the principle amount with interest by a given due date, which is usually within a year from getting the loan.

- **Merchant Cash Credit:** Based on OD, additional loan is granted to be paid through the lines of credit.
- **Lines of Credit:** Overdraft facilities or Business Overdraft
- **Invoice Financing:** Receivable financing

Types of Loan

Loan based on Duration/Time Frame

१। अल्पकालिन कर्जा वा अधिबिकर्ष कर्जा

व्यक्ति तथा संस्थाको अल्पकालिन अभावलाई पुरा गर्ने हेतूले प्रदान गरिने कर्जालाई अल्पकालिन कर्जा भनिन्छ । यस प्रकारका कर्जाहरु एक वर्ष समयका लागि प्रदान गरिन्छ, भने उक्त समय सिमामा कर्जाको सम्पूर्ण सावा र ब्याज रकम भूक्तानी गर्नु पर्दछ ।

- Merchant Cash Credit: अधिबिकर्ष कर्जाको आधारमा दिईन्छ, अधिबिकर्ष कर्जा वाट भूक्तानी हुने गरि अल्पकालका लागि दिईएका कर्जाहरु
- Lines of Credit: व्यक्तिगत तथा ब्यवसायीक अधिबिकर्ष कर्जा
- Invoice Financing: रिसीवेवलका लागि दिईएका कर्जाहरु

Types of Loan

Loan based on Duration/Time Frame

1. Long Term /Term Loan

A long-term loan is a type of credit paid over a considerable period, usually more than 3 years. This loan tenure can be somewhere between 3-30 years.

- Home loans,
- car loans,
- personal Term loans
- Business Term Loan
- Project Loan

Types of Loan

Loan based on Duration/Time Frame

१। दिर्घकालिन कर्जा तथा आवधिक कर्जाहरु

आवधिक कर्जाहरु त्यस्ता प्रकारका कर्जाहून जसमा कर्जाको सावा र ब्याजको भूतानी एक लामो समय सम्म गरिन्छ । साधारण तया ३ बर्ष भन्दा अधिक समयावधि भएका कर्जा लाई आवधिक कर्जा भनेर भन्न सकिन्छ ।

- घर कर्जा
- गाडी कर्जा
- ब्यक्तिगत आवधिक कर्जा
- ब्यवसायीक आवधिक कर्जा
- परियोजना कर्जाहरु

Types of Loan

Loan based on Flexibility

1. Open Ended Loan

Open ended loans are loans that you can borrow over and over. Credit cards and line of credit are the most common types of open-ended loans. With both of these loans, you have a credit limit that you can purchase against. In this type of loan each purchase decreases the credit limit and each payments adds to the credit limit. OD loans, Credit Card Limits etc are the open ended loan.

2. Closed Ended Loan

Closed ended loans cannot be borrowed once they have been repaid. With payment of the closed-ended loans, the balance of the loan goes down, however that will not allow the credit line holder to reuse the loan once repaid. The closed ended loan holder need to re-apply for the loan after repayment of the previous loan. Common types of closed - ended loans are Mortgaged loan, Home Loan, Auto Loan and others.

Types of Loan

Loan based on Flexibility

१। खूलामूखि कर्जा

त्यस्तो कर्जा जसमा ग्राहकलाई निश्चित समयको लागि कर्जा सिमा दिईएको हुन्छ, जसमा कर्जाको सिमा समाप्त नहुन्जेल सम्म ग्राहकले बिभिन्न समयमा कर्जा प्रयोग गर्न पाउँदछ, भने कर्जा रकम भूक्तानी गरेपश्चात पुन कर्जा सिमा प्रयोग गर्न पाउँदछ, भने त्यस्तो कर्जालाई खूलामूखि कर्जा भनिन्छ । क्रेडीट कार्ड, अधिबिकर्ष कर्जा आदि यसका उदाहरण हुन ।

2. बन्दमूखि कर्जा

कर्जा ग्राहकले एक पटक कर्जा चूक्ता गरे पश्चात पुन कर्जा उपभोग गर्न नपाउने वा पुन कर्जा स्वीकृत गराउनू पने प्रकृतिका कर्जालाई बन्दमूखि कर्जा भनिन्छ । यसका उदाहरणको रुपमा घर कर्जा, गाडी कर्जा आबधिक कर्जा आदि लाई लिन सकिन्छ ।

Types of Loan

Loan based on Purpose

1. Business Loan

Credit Facilities to support the short term and long term funding need of any business is known as Business Loan. The business loan is either used for starting, or operating or expanding the business activities.

- **Hypothecation Loan**
- **Business Overdraft**
- **Project Financing**
- **Hire Purchase Loan**

Types of Loan

कर्जाको उद्देश्यको आधारमा

१। ब्यावसायिक कर्जा:

ब्यापारिक उद्देश्य हासील गर्नका लागि ब्यापारी तथा उधोगि हरुलाई प्रवाह गरिने कर्जालाई ब्यावसायिक कर्जा भनिन्छ । ब्यावसायिक कर्जा ब्यावसाय सुरू गर्न, संचालन गर्न वा बिस्तार गर्नका लागि दिन सकिन्छ ।

- हाईपोथिकेसन कर्जा
- ब्यावसायिक अधिबिकर्ष कर्जा
- परियोजना कर्जा
- हायर पर्चेज कर्जा

Types of Loan

Loan based on Purpose

1. Consumer Loan

A consumer loan is any type of loan made to a consumer by a creditor. The loan can be secured (backed by the assets of the borrower) or unsecured (not backed by the assets of the borrower).

- **Mortgages:** Used by consumers to finance the purchase of a house
- **Credit cards:** Used by consumers to finance everyday purchases
- **Auto loans:** Used by consumers to finance the purchase of a vehicle
- **Student loans:** Used by consumers to finance education
- **Personal loans:** Used by consumers for personal purposes

कर्जाका प्रकार

कर्जाको उद्देश्यको आधारमा

१। उपभोक्ता कर्जा

उपभोक्ताहरुलाई आफ्ना आवश्यकता पुरा गर्न नपूग रकम कर्जाको रुपमा दिईन्छ, भने त्यस्तो प्रकारको कर्जालाई उपभोक्ता कर्जा भनिन्छ । यस्ता कर्जा कर्जा ग्राहकको प्रकृति, बैंकको निति अनूसार धीतो वा बिना धितोमा समेत दिईन्छ ।

- **Mortgages:** ग्राहकले घर बनाउन वा खरिद गर्नका लागि लिने कर्जा
- **Credit cards:** ग्राहकको दैनिक उपभोग्य बस्तू खरिदका लागि दिईने कर्जा
- **गाडि कर्जा:** ग्राहकले गाडि खरिद गर्ने प्रयोजनका लागि लिने कर्जा
- **शैक्षिक कर्जा वा बिधार्थि कर्जा:** शैक्षिक प्रयोजनका लागि दिईने ।
- **ब्यक्तिगत कर्जा:** ब्यक्तिगत प्रयोजनका लागि दिईने

Types of Loan

Loan based on Quality

1. Performing Loan

Performing Loan is a debt on which the borrower has historically made payments on time. For example, if a person takes home loan out a mortgage and pays his installment faithfully each month, then this loan is considered as performing loan. For Performing Loan 90 days benchmark is considered.

1. Non Performing Loan

Non Performing Loan is a debt on which the borrower is late on making payments or is in danger of missing payments. Loans where the borrower is more than 90 days late on payments are considered non-performing, but any loan in default or near default may also be called non-performing. Lenders take a variety of steps to avoid and mitigate the impact of non-performing loans, such as denying loans to especially risky borrowers and charging higher interest rates to borrowers with lower credit scores.

कर्जाका प्रकारहरु

कर्जाको गुणस्तरका आधारमा

१। सक्रिय कर्जा

कर्जाको सावा र ब्याज समयमा नै भूक्तानी गरिएका कर्जालाई सक्रिय बर्गका कर्जाको रुपमा लिईन्छ । यस बर्गमा वर्गिकरण गरिएका कर्जाको सावा र ब्याज समयमा नै भूक्तानी भएका हुन्छन वा ९० दिन भन्दा कम समयका लागि बक्यौता रहेका हुन्छन ।

१। निष्क्रीय कर्जा

कर्जाको सावा र ब्याज समयमा नै भूक्तानी भएका छैनन भने त्यस्ता कर्जालाई निष्कृत्य कर्जाको रुपमा वर्गिकरण गरिन्छ । ९० दिन भन्दा बढि समयका लागि कर्जाको सावा र ब्याज बक्यौता रहेको खण्डमा कर्जालाई निष्कृत्य कर्जा मा गणना गरिन्छ ।

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

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 सम्पती वाट घटाउनुलाई जनाउदछ । कर्जा अपलेखन कर्जा भूक्तानी नहुने सम्भावना बढ्दै गए पश्चात निश्चित कार्यविधि मार्फत गरिन्छ भने कर्जा अपलेखन पश्चात पनि कर्जा भूक्तानीको सम्भावना र बैंकको अधिकार कायम नै रहन्छ ।
- साधारण तथा कर्जा अपलेखन बैंक तथा वित्तिय संस्थाका निष्क्रीय कर्जाका हकमा गरिन्छ ।
- कर्जा अपलेखन त्यस्तो कर्जालाई गरिन्छ जसको भूक्तानीको 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 र NPA कम हुनेछ
- करको दायित्व कम गर्न
- कर्जाको गुणस्तर अनुसारको जगेडा राख्न नपर्ने
- निष्कृया कर्जाकालागि मात्र अपलेखन गरिन्छ, जसको माध्यमबाट NPA/NPL कम देखिन्छ ।

जब कर्जाहरु अपलेखन गरिन्छ, तिनिहरु बासलात वाट हटाईन्छ किनभने बैंकले उक्त कर्जा भुक्तानी तथा असुलिको सम्भावना न्युन देख्दछ । यसरी कर्जा भुक्तानीको आसो न्युन भएका कर्जालाई अपलेखन गर्न सम्पत्ति वाट हटाईन्छ भन्ने उक्त आ.व.को नाफा नोक्सान खातामा खर्च वा नोक्सानी देखाईन्छ ।

Why?

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

किन

कर्जा अपलेखन किन

- कर्जा ग्राहकले कर्जा चूकता गरेको छैन
- कर्जा भूक्तानीको सम्भावना न्युन रहेको छ ।
- कमसल र खराव कर्जा बढ्दा बैंकको बित्तिय विवरण कमजोर देखिन्छ ।
- खराव कर्जालाई बित्तिय 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 ।