Programme on

Management of Non-Performing Advances: Effective Strategies for Prevention, Restructuring and Recovery

November 27 – December 1, 2017

Coordinators
Dr Richa Verma Bajaj
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National Institute of Bank Management
Pune, India

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Management of Non-Performing Advances: Effective Strategies for Prevention, Restructuring and Recovery

A stable and sound banking system is required for a healthy growth of an economy. But ballooning non-performing assets problem is the biggest impediment to it. Management of these assets continue to be a biggest challenge for Indian banks given that the macroeconomic conditions are stable but appears to be a very slow recovery. In India, the pile of bad loans, or stressed assets, is close to Rs. 10 lakh crore ($154 billion) now, which is more than the GDP of at least 137 countries. The stressed assets, particularly, in the banking system have reached close to 12% of total advances. The unprecedented rise in NPAs is a matter of concern for banks who have to make higher provisions putting their profitability, and thereby Capital Adequacy, under stress.

During the high growth phase of the economy (2002-2010) banks rushed to give money to the corporate in all sectors without adequately assessing the demand and capacity requirements as well as the group leverages. The project appraisal process in banks appeared to be weak. With excess capacities, high leverages and a slow recovery in growth of the economy (both domestic and global) cash flows of companies were affected and they began to delay and later default on their dues to banks. Banks, in response, to cut down the deteriorating assets on their books, aggressively restructured them in the hope of improvement in underlying economic activity which continues to remain elusive. This has resulted in loans turning bad one by one. In March 2017, the average bad loans of public-sector banks (PSBs), which account for 70% of India's banking system, stood at 75% of their net worth. The Banking Stability indicator (BSI) worsened between September 2016 and March 2017 due to deterioration in asset quality and profitability. The macro stress test indicates that under the baseline scenario GNPAs of SCBs may rise from 9.6 % in March 2017 to 10.2 % by March 2018 (FSR, RBI, June 2017)

At the present juncture, Indian banks have to fight on two counts, viz. speedy recovery of bank dues from the existing NPAs and arresting further slippage in standard loan asset quality. In addition, the NPA portfolio needs to be analyzed to determine the reasons for loan default, which could be due to both, external and internal factors. Some of the significant internal factors include inadequate loan appraisal, weak post sanction credit monitoring, faulty documentation, poor efforts for recovery etc.

Given this background, there is a need to enhance knowledge and skills of branch managers of bigger branches and credit/recovery officers in controlling offices to arrest slippages and to recover NPA's.

Content

- Recent trends in NPAs and reasons for loan default
- Latest IRAC guidelines/SEBI Regulations/RBI directives
- Strategies for prevention of NPAs with emphasis on proper Appraisal & Due Diligence
- Post Sanction Supervision and Follow-up, highlighting annual reviews and Credit Monitoring
- Debt Restructuring and its impact on lending portfolios, role of Corporate Debt Restructuring (CDR), recent trends in Debt Restructuring including JLF/SDR/S4A/5:25
- Expediting recovery through legal process and functioning of Debt Recovery Tribunals
- Recovery strategies under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act: Procedural aspects
- Insolvency and Bankruptcy Code, 2016
- Sale of loan assets to Asset Reconstruction Company
- Negotiating skills for loan recovery
- Global Best Practices in NPA Management

Methodology

Lectures will be supplemented with Case studies, Group discussions, sharing of experiences and Best Practices in NPA Management by participants on the objectives enumerated above.

Target Group

Branch Managers, Credit Officers, Managers of Specialized Recovery Branches, credit monitoring department, and Law Officers in banks and financial institutions and executives in ARCs.

Dates

November 27 – December 1, 2017

The programme will commence on November 27th at 9.00 a.m. and conclude by 5.00 p.m. on December 01, 2017. Participants are requested to reach NIBM Campus by the evening of November 26th, 2017.

Venue

NIBM Campus, Kondhwe Khurd
Pune, India.

Accommodation

The programme is fully residential. Participants will be provided well- furnished single room AC accommodation in the Institute's hostel complex on the campus. However, they will not be permitted to bring their family members to stay on the campus. In case any Officer/Executive with physical/ medical disability is being nominated, kindly inform us in advance with particulars of disability to facilitate necessary arrangements.

The Institute has facilities for outdoor and indoor games and a large walking/jogging trail for physical fitness besides a yoga centre. Participants are therefore encouraged to bring appropriate clothes/gear.

Programme Coordinator

Dr Richa Verma Bajaj
Assistant Professor
(Finance Area Group)

Prof Deepak Narang
Visiting Faculty, EX-ED,
United Bank of India
(Finance Area Group)

Last Date for Receiving Nominations:

November 17, 2017

Last Date for Availing Early Bird Incentive of 5%:

November 11, 2017
(See fee structure on home page of the website)

Nominations and Enquiries

Please address your enquiries and nominations to:

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Prof Deepak Narang
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NIBM Post Office, Kondhwe Khurd
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Programme Fee *(per participant)*

US $ 2000 for foreign participant
(See fee structure on home page of the website for incentive)

	Fee	GST	Fee+ GST	TDS
Member Banks :	42000	7560	49560	4200
Non-Member Banks :	49200	8856	58056	4920

The fee includes the cost of tuition, board and lodging facilities, teaching material, etc. *(Goods and Services Tax (GST) @ 18%, and TDS @ 10%. Kindly send the TDS Certificate on priority to NIBM).*

Mode of Payment for Indian Participants

- The fee may preferably be transferred by RTGS/NEFT/ECS to our A/c No. 20002400021 with Bank of Maharashtra, NIBM Branch, Pune (IFSC Code MAHB0001124). NIBM PAN No. AAATN0040P and NIBM GSTIN No. 27AAATN0040P1ZJ.
- National Institute of Bank Management
  NIBM Post Office, Kondhwe Khurd, Pune 411 048, INDIA.

Mode of Payment for Foreign Participants

Mode of Remittance: SWIFT*

1. Name & Address of our Bankers	:	**Oriental Bank of Commerce C-2, Shop No. 4-5, Bramha Estate Kondhwe Khurd, Pune 411 048 Maharashtra, India**
2. Name of the Account	:	**National Institute of Bank Management**
3. NIBM's Bank Account No. with Oriental Bank of Commerce	:	**Current A/C 11281131004402**
4. Bank's Swift Code	:	**ORBCINBBFCP**
5. Oriental Bank of Commerce A/c No. with Correspondent Bank	:	**36152559**
6. Preferred currency	:	**USD**
7. Correspondent Bank	:	**CITIBANK N.A.**
8. Swift code for Citi Bank	:	**CITIUS33**

*** The Foreign Bank Charges/ SWIFT charges/Commission is to be borne by the remitter. The fees mentioned in the invoice/brochure is to be paid to NIBM, net of all bank charges.**

***Payments will be accepted only through electronic mode. Cheques/DDs/Pay Orders will not be accepted.**

- ***For all electronic remittances, kindly send a confirmatory e-mail at: accounts@nibmindia.org giving details of the remitter and participant, name and dates of programme, etc.***

Please see programme fee structure on home page of the website for early bird incentive, incentives for SAARC and other developing countries, mode of remittance, Pune City route map and local conveyance.