

# Course Outline

## Treasury Management for NBFCs

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### **Session 1: Fund raising – On-balance sheet methods:**

- Inland Modes
  - Benefits of the funding method
  - Drawbacks of the funding method
  - Current market overview
  - Need for the products
  - Regulatory scenario
  - Different available methods of funding for NBFCs – regulatory and business issues:
    - ◆ CC limit
    - ◆ Working Capital Term Loan
    - ◆ Term loan
    - ◆ Commercial Paper
    - ◆ Non-Convertible Debt
    - ◆ Tier II capital
    - ◆ Equity
- External Modes
  - Availability of ECBs
    - ◆ All-in-cost
    - ◆ Post hedging cost viable or not
    - ◆ Current market scenario
  - FDI
  - Buyers' credit
  - Suppliers' credit
  - FCNR
- Innovative funding methods
- Negotiating and finalizing credit facilities with banks – Important points
  - Security and guarantees
  - Prepayment
  - Interest rate variation option
  - Withdrawal of facility
  - Other important points

### **Session 2: Interest rate risk management**

- Understanding interest rate risk
- Managing interest rate risk by proper treasury management

### **Session 3: Fund raising – Off-balance sheet methods – securitisation and direct assignment:**

- Current market scenario
- Motivations the modes
- Regulatory scenario
- Means of Financing
  - Securitisation
  - Direct assignment
  - Choosing between securitization and direct assignment – considerations