BANKING SANSAR

NEPAL

Business Loan Documents Checklist

A practical guide to the key documents commonly requested for business, SME, working-capital, term and project loans in Nepal.

WHAT THIS CHECKLIST COVERS	SMART PREPARATION
Applicant & promoter • Business registration • Financials • Business/project • Collateral/security • Other documents	Keep originals ready, organize statements and verify that registration, tax and collateral records are current.

Requirements can differ depending on the lender, borrower profile, loan size and whether the facility is working capital, term loan, SME/business loan, project loan, overdraft or loan against property.

01 — APPLICANT & BUSINESS IDENTITY

Start by making the borrower/promoter profile and business registration file complete and consistent.

1 Applicant / Promoter Documents

- ✓ Citizenship certificate of borrower/promoter
- ✓ Passport-size photographs
- ✓ PAN certificate
- ✓ Personal bank account statements
- ✓ Personal net-worth statement, if required
- ✓ Details of existing loans and liabilities
- ✓ Credit Information Bureau (CIB) consent/report, as required

2 Business Registration Documents

- ✓ Business / firm registration certificate
- ✓ Company registration certificate, if applicable
- ✓ Memorandum of Association (MOA), if applicable
- ✓ Articles of Association (AOA), if applicable
- ✓ PAN / VAT registration certificate
- ✓ Latest business renewal certificate
- ✓ Partnership deed, for partnership firms
- ✓ Board resolution authorizing borrowing, for companies
- ✓ Shareholder / promoter details
- ✓ Industry registration / license, if applicable
- ✓ Other sector-specific licenses / permits, if applicable

02 — FINANCIAL & PROJECT DOCUMENTS

Strong financial records and a clear business/project proposal help the bank assess repayment capacity and loan purpose.

3 Financial Documents

- ✓ Audited financial statements, generally for the last 2–3 years
- ✓ Latest provisional financial statements, if applicable
- ✓ Income tax returns / tax clearance documents
- ✓ VAT returns, where applicable
- ✓ Business bank statements, generally for the last 6–12 months
- ✓ Projected financial statements / cash-flow projections
- ✓ Details of receivables and payables, if required
- ✓ Existing loan statements / sanction letters

4 Business & Project Documents

- ✓ Business profile / company profile
- ✓ Business plan or project proposal
- ✓ Purpose and amount of the proposed loan
- ✓ Estimated project cost and financing structure
- ✓ Quotations / proforma invoices for machinery, equipment, vehicles, inventory, etc.
- ✓ Sales and purchase details
- ✓ Stock / inventory statement, where applicable
- ✓ Major customer / supplier details, if required

03 — COLLATERAL, SECURITY & OTHER DOCS

If property or other assets are offered as security, keep ownership, valuation and consent documents ready.

5 Collateral / Security Documents

- ✓ Land ownership certificate (Lalpurja), if land is offered as security
- ✓ Land revenue / property tax payment receipt
- ✓ Four-boundary details / Char Killa
- ✓ Land / building ownership documents
- ✓ Building construction / approved map documents, where applicable
- ✓ Valuation report of collateral
- ✓ Property owner’s citizenship documents
- ✓ Consent / guarantee documents from property owner, if different from borrower
- ✓ Existing mortgage / encumbrance details, if applicable
- ✓ Insurance documents for secured assets, where required

6 Other Documents

- ✓ Loan application form
- ✓ KYC documents
- ✓ Guarantor documents, if required
- ✓ Relationship / ownership documents, where applicable
- ✓ Utility bills / address verification, if requested
- ✓ Any additional documents requested by the bank during credit appraisal

04 — BEFORE APPLYING

A final file check can prevent delays during credit appraisal, legal verification and documentation.

REGISTRATION & TAX	FINANCIAL & LIABILITY
✓ Ensure business registration and renewals are up to date. ✓ Ensure PAN/VAT and tax filings are current. ✓ Check that sector-specific licenses and permits are valid.	✓ Keep business and personal bank statements ready. ✓ Prepare details of all existing loans and liabilities. ✓ Keep original documents available for verification.
PROJECT & COLLATERAL	**APPLICATION FILE**
✓ Prepare a clear business/project proposal. ✓ Check that collateral ownership documents are complete. ✓ Keep valuation and security documents organized.	✓ Arrange documents in a logical order. ✓ Confirm the bank’s latest checklist before submission. ✓ Be prepared for additional documents during appraisal.

NOTE
Banks in Nepal may request additional documents depending on whether the loan is a working-capital loan, term loan, SME/business loan, project loan, overdraft, or loan against property. The exact checklist can also vary by bank and borrower circumstances.

BANKING SANSAR

Plan Smart • Borrow Smart • Stay Informed