

Unofficial Translation

Monetary Policy for 2021/22



Nepal Rastra Bank

Central Office

Baluwatar, Kathmandu

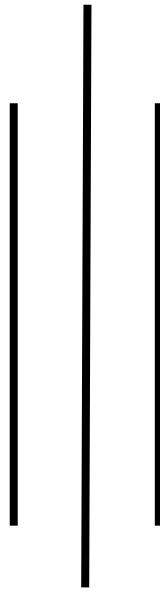
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Monetary Policy for 2021/22

Delivered by

Governor Mr. Maha Prasad Adhikari

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Monetary Policy for 2021/22

Background

1. The monetary policy for 2021/22 has been formulated at a time when COVID-19 has adversely affected human life and overall economic activities. Policy measures, implemented to minimize the impact of the pandemic, have assisted in running economic activities, and maintaining macroeconomic and financial stability.
2. The COVID-19 pandemic has created hurdles towards the path of economic development and prosperity with social justice. Economic activities have been affected by recurring waves of COVID-19 infection. Though exports have improved well, there has been pressure on the balance of payments due to a widening trade deficit driven by increasing imports. Foreign exchange reserve is in a comfortable position and inflation is within the target.
3. Refinancing and subsidized loan facilities, together with monetary and regulatory easing, aimed to support economic recovery by minimizing the impact of COVID-19, have expanded the flows of credit in the economy. The business operating cost has remained at a lower level even during the pandemic because of the low lending rate at a single digit.
4. The use of digital means of payments has expanded rapidly in the recent period. Owing to the policy of this bank to promote electronic transactions and the need for cashless transactions to minimize the potential risk of COVID-19 infection. Digital payments have been widely used in retail shops, wholesale businesses, departmental stores, and capital market transactions. It has supported the development and modernization of payment system as well as access to financial services.
5. As per the analysis of international organizations, the global economy seems to have started recovering after the COVID-19 shock with the use of the loose and extraordinary policy measures by the majority of countries, and the availability of vaccines against COVID-19. However, the pace of recovery is still expected to be

slower in the countries which rely on tourism and for those lacking access to vaccines.

6. The recovery of the hard-hit sectors including the tourism is expected to take longer time for recovery due to continuation of infection. To speed up the economic recovery by minimizing the impact of the pandemic, it is necessary to provide regulatory easing and concessions, on the other hand, likely adverse impact on financial and external sector stability needs also to be considered cautiously.
7. Monetary policy for 2021/22 has been formulated amidst the ongoing second wave of COVID-19, following the mandate of the Nepal Rastra Bank Act 2002. The policy has been formulated considering the domestic and international economic outlook, common minimum program, policies, and priorities of the Government of Nepal, current macroeconomic situation of 2020/21, and the third strategic plan of this Bank. Suggestions from stakeholders are also duly considered while formulating monetary policy.

Global Economic Situation

8. According to the International Monetary Fund (IMF), the world economy contracted by 3.2 percent in 2020 and is projected to expand by 6 percent in 2021. The world economy expanded by 2.8 percent in 2019.
9. The advanced economies contracted by 4.6 percent in 2020 and are projected to expand by 5.6 percent in 2021. Similarly, the emerging and developing economies contracted by 2.1 percent in 2020 and are projected to expand by 6.3 percent in 2021. The growth rate of developed economies, and emerging and developing economies stood 1.6 percent and 3.7 percent respectively in 2019.
10. Among neighboring countries, the IMF estimates show that the Chinese economy expanded by 6.0 percent in 2019 and 2.3 percent in 2020. Likewise, the Fund has estimated the Indian economy to contract by 7.3 percent in 2020 compared to the expansion of 4.0 percent in 2019. Economic growth for China and India is projected to remain 8.1 percent and 9.5 percent respectively in 2021.
11. The IMF has projected inflation in the developed economies to remain at 2.4 percent in 2021 compared to 0.7 percent in 2020. The inflation of emerging and

developing economies is projected to remain 5.4 percent in 2021 compared to 5.1 percent in 2020.

12. Global trade volume contracted by 8.3 percent in 2020. It is projected to grow by 9.7 percent in 2021.
13. The price of petroleum products dropped by 32.7 percent in 2020. It is projected to increase by 56.6 percent in 2021.
14. Revenue mobilization in most of the countries has been affected by the COVID-19. On the other hand, the increase in public expenditure has raised the ratio of public debt to gross domestic product globally. Such a ratio reached 97.3 percent in 2020 compared to 83.7 percent in 2019.
15. To speed up the recovery of the economy affected by the COVID-19 pandemic, central banks have adopted loose monetary policy including the instruments such as quantitative easing, asset purchases, refinancing, and long-term liquidity facilities. The use of such instruments has resulted in the expansion of the central bank balance sheets and money supply.

Domestic Economic Situation

Economic Growth

16. The Central Bureau of Statistics (CBS) has estimated the Nepalese economy to grow by 4.01 percent in 2020/21 compared to the contraction of 2.09 percent in 2019/20. However, maintaining this level of growth rate is challenging due to the second wave of the pandemic that reappeared in the fourth quarter of the year.
17. The ratios of gross domestic savings and gross national savings to GDP are estimated at 6.6 percent and 31.4 percent respectively in 2020/21. Such ratios were 6.3 percent and 32.6 percent respectively in the previous year.
18. The ratio of gross fixed capital formation to GDP is estimated at 27.3 percent in 2020/21 compared to 28.4 percent in the previous year.

Inflation

19. Average consumer inflation stood 3.60 percent in 2020/21 compared to the target of 7.0 percent. On a y-o-y basis, inflation remained 4.19 percent in mid-June to mid-July 2021.

Government Expenditure, Revenue and Domestic Debt Mobilization

20. According to the report of the Office of Financial Comptroller General published on 16 July 2021, the total expenditure of the federal government stood Rs. 1180.95 billion in 2020/21. It includes recurrent expenditure of Rs. 851.68 billion, capital expenditure of Rs. 228.30 billion and financing expenditure of Rs. 100.97 billion. Likewise, revenue mobilization accounted Rs. 938.32 billion.
21. The GoN has raised domestic debt of Rs. 224.01 billion and made repayment of Rs. 36.90 billion in 2020/21. This resulted in the net domestic debt mobilization of Rs. 187.11 billion which is 4.4 percent of GDP.

Foreign Trade, Remittance, and Balance of Payment

22. Merchandise exports increased by 44.4 percent to Rs.141.12 billion in 2020/21 and imports increased by 28.7 percent to Rs. 1539.84 billion. Merchandise trade deficit widened by 27.3 percent in the review year. Remittance inflows increased by 9.8 percent to Rs. 961.05 billion.
23. The current account deficit and Balance of Payment (BOP) surplus stood Rs. 333.67 billion and Rs. 1.23 billion respectively in 2020/21. Such a current account deficit and BOP surplus were Rs. 33.76 billion and Rs.282.41 billion respectively in 2019/20.
24. Gross foreign exchange reserves of the banking system stood Rs. 1399.03 billion (USD 11.75 billion) in mid-July 2021. Based on the imports of 2020/21, this level of foreign exchange holding is sufficient to cover prospective merchandise imports for 11.2 months and merchandise and service imports for 10.2 months.
25. Compared to mid-July 2020, Nepalese currency vis-à-vis the USD appreciated 1.12 percent in mid-July 2021 with the buying rate of USD at Rs. 119.04 .

Financial Sector Situation

Banking Sector

26. Deposit mobilization of the BFIs increased by 21.4 percent to Rs. 4662.73 billion in 2020/21. Deposit mobilization had increased by 18.7 percent to Rs. 3839.73 billion in the previous year.
27. Outstanding private sector credit of the BFIs increased by 27.3 percent to Rs. 4084.81 billion in 2020/21. Such credit had increased by 12.0 percent to Rs. 3209.79 billion in the previous year.

28. Total paid-up capital of the BFIs (along with MFIs) increased by 10.8 percent to Rs. 390.43 billion in mid-July 2021 compared to Rs. 352.37 billion in mid-July 2020.
29. The capital adequacy ratio of commercial banks, development banks, and finance companies remained at 14.1 percent, 13.2 percent, and 22.0 percent respectively in mid-July 2021. Such ratios were 14.0 percent, 14.4 percent, and 19.6 percent respectively in mid-July 2020.
30. Non-Performing Loan (NPL) of commercial banks, development banks, and finance companies stood 1.5 percent, 1.5 percent, and 6.2 percent respectively in mid-July 2021. Such ratios were 1.8 percent, 1.5 percent, and 6.2 percent respectively in mid-July 2020.
31. Since the introduction of the merger and acquisition policy aimed at strengthening financial stability a decade ago, the number of the BFIs involved in merger/acquisition reached 229 as of mid-July 2021. Out of them, the license of 171 BFIs has been revoked thereby forming 58 BFIs.
32. Financial access has increased along with the expansion of the branches of the BFIs. Total number of branches of the BFIs reached 10,683 in mid-July 2021 from 9,765 in mid-July 2020. In the review period, the population per branch of the BFIs declined from 3,072 to 2,844. A total of 750 local levels have the presence of commercial bank branches.

Contractual Saving Mobilization

33. Sources/uses of Employees Provident Fund (EPF) recorded Rs. 424.09 billion in mid-April 2021 compared to Rs. 384.01 billion in mid-July 2020. During this period, the provident fund (PF) of the contributors increased by 8.8 percent to Rs. 380.54 billion while loans and advances increased by 5.6 percent to Rs. 266.56 billion.
34. Sources/uses of Citizen Investment Trust (CIT) reached Rs. 181.79 billion in mid-April 2021, from Rs. 161.08 billion in mid-July 2020. During the nine months of 2020/21, fund mobilization increased by 10.9 percent to Rs. 156.74 billion and loans and advances increased by 8.9 percent to Rs. 49.62 billion.
35. Sources/uses of insurance companies increased by 18.4 percent to Rs. 517.82 billion in mid-April 2021 from Rs. 437.26 billion in mid-July 2020.

Capital Market

36. NEPSE Index has gone up to 2883.4 in mid-July 2021 compared to 1362.4 in mid-July 2020. Similarly, market capitalization increased by 123.7 percent to Rs. 4010.96 billion in mid-July 2021 from Rs. 1792.76 billion in mid-July 2020.
37. Securities Board of Nepal approved securities for public issuance of Rs. 61.67 billion consisting of debenture worth Rs. 23.04 billion, ordinary share Rs. 15.18 billion, right share Rs. 14.05 billion, and mutual fund worth Rs. 9.40 billion in 2020/21.
38. A total of 21 BFIS comprising 16 commercial banks, 4 development banks, and 1 finance company obtained approval from the Securities Board of Nepal to issue debentures worth Rs. 69.60 billion in 2020/21. The BFIs have mobilized financial resources of Rs. 100.38 billion through debentures as of mid-July 2021.

Cooperatives

39. Saving mobilization of cooperatives reached Rs. 477.96 billion in mid-April 2021 compared to Rs. 350.58 billion in mid-July 2020. During the period, loan disbursement by cooperatives increased from Rs. 341.71 billion to Rs. 426.26 billion.

Review of Monetary Policy 2020/21

Monetary Management

40. Broad money (M2), on y-o-y basis, increased by 21.8 percent in 2020/21 compared to the projection of 18 percent.
41. The claims of the monetary sector on the private sector grew by 26.3 percent in 2020/21 compared to the projection of 20.0 percent.
42. The operational target of monetary policy for 2020/21 was to keep the weighted average interbank rate among the BFIs within the band of 1.0 to 5.0 percent. Such a rate remained 4.14 percent in mid-June 2021 to mid-July 2021.
43. In 2020/21, Rs. 438.28 billion liquidity was injected, out of which Rs. 67.94 billion was injected through Repo and Rs. 370.34 billion through Standing Liquidity Facility (SLF).
44. In 2020/21, Rs. 303.29 billion liquidity was mopped up, out of which Rs. 109.54 was mopped up through Reverse Repo and Rs. 193.75 billion through Deposit Auction.

45. The bank injected Rs. 425.94 billion liquidity through the net purchase of 3.60 billion US Dollar from the commercial banks in 2020/21. During the review year, NRB purchased Indian currency equivalent to Rs. 535.23 billion through the sale of 4.54 billion US Dollar.
46. Interbank transactions among commercial banks registered Rs. 1782.96 billion and among other financial institutions (except within commercial banks) Rs. 213.62 billion in 2020/21.
47. The weighted average interest rate of 91-days Treasury bills stood 4.55 percent in mid-June to mid-July 2021.
48. The base rate of commercial banks remained 6.86 percent in mid-June to mid-July 2021 compared to 8.50 percent in in the corresponding month of the previous year. Likewise, the weighted average deposit and lending rate of commercial banks stood 4.65 percent and 8.43 percent respectively in mid-June to mid-July 2021. Such rates were 6.01 percent and 10.11 percent respectively in the corresponding month a year ago.

Sectoral Credit

Agriculture and Energy Sector

49. Commercial banks have extended Rs. 425.83 billion loans (13.2 percent of their total credit) in the agriculture sector as of mid-July 2021 compared to the minimum regulatory requirement of 11 percent by mid-July 2021, 13 percent by mid-July 2022, and 15 percent by mid-July 2023.
50. Commercial banks have extended Rs. 194.13 billion loans (6 percent of their total credit) in the energy sector as of mid-July 2021 compared to the minimum regulatory requirement of 6 percent by mid-July 2021, 7 percent by mid-July 2022, 9 percent by mid-July 2023, and 10 percent by mid-July 2024.

Micro, Cottage, Small and Medium Enterprises Credit

51. Commercial banks have to extend loan (not exceeding Rs. 10 million for an individual) in micro, cottage, small and medium enterprises sector of at least 11 percent of the total loan portfolio by mid-July 2021, 12 percent by mid-July 2022, 14 percent by mid-July 2023, and 15 percent by mid-July 2024. Commercial banks have extended Rs. 327.80 billion (10.1 percent of their total credit) loan in this sector as of mid-July 2021.

Deprived Sector Lending

52. Total credit by the commercial banks, development banks, and finance companies to the deprived sector stood 7 percent of total credit in mid-July 2021 compared to the minimum regulatory requirement of 5 percent.

Concessional Loans

53. Under the concessional credit program, which aims to enhance production, employment, and entrepreneurship through credit facilitation in agriculture and SMEs, among others, a total of Rs. 161.44 billion credit has been extended to 1,04,109 borrowers as of mid-July 2021. Of which, Rs. 106.98 billion has been extended to 46,057 borrowers for selected agriculture and livestock businesses. Likewise, Rs. 50.98 billion concessional loan has been extended to 55,551 women entrepreneurs and Rs. 3.48 billion has been extended to 2,501 borrowers from other remaining sectors.

COVID-19 Targeted Credit

Refinance

54. Under the provision of refinance facility, provided by this bank at a subsidized rate to specified occupations, businesses, and industries in order to support the recovery of the economy affected by COVID-19, Rs. 148.75 billion has been approved to 48,890 borrowers as of mid-July 2021.
55. A provision has been implemented to provide loans up to Rs. 200 million for the establishment of an oxygen plant, and Rs. 500 million for the establishment of liquid oxygen plants by health service providers, hospitals, or industries.

Working Capital Loan

56. Under the provision of providing additional working capital loan up to 20 percent of existing outstanding working capital loan to the existing borrowers to facilitate the continuation of business and industries severely affected by the COVID-19, a total of Rs. 14.24 billion has been provided to 16,182 borrowers.
57. Under the provision of providing additional loans up to 10 percent to the borrowers who have taken only term loan against the same collateral, a total of Rs. 9.36 billion has been extended to 7,269 borrowers.

Extension of Grace Period of Loans

58. Under the provision that the banks and financial institutions can extend the grace period of loans to industries or projects which are under construction but could not complete/operate due to the COVID-19, the grace period has been provided to the loan amounting Rs. 52 billion to 993 borrowers. Of which, the grace period of six months has been extended to the loans of Rs. 3.95 billion to 174 borrowers from relatively less affected sectors, the grace period of nine months is extended to the loans of Rs. 18.41 billion to 321 borrowers from moderately affected sectors and the grace period of one year is extended to the loans of Rs. 29.63 billion to 498 borrowers from hard-hit sectors.

Extension of Loan Repayment Time

59. Under the provision of extending loan repayment schedule to the borrowers who have faced difficulty in paying installment and interest of loans due to COVID-19, the repayment schedule has been extended to the loans of Rs. 93.63 billion to 19,786 borrowers. Of the total loans, the repayment time has been extended by six months to the loans of Rs. 30.03 billion to 7,688 borrowers from relatively less affected sectors, by nine months to the loans of Rs. 28.27 billion to 7,887 borrowers from moderately affected sectors, and by one year to the loans of Rs. 14.47 billion to 4,012 borrowers from hard-hit sectors. Likewise, the repayment time has been extended by 2 years to the loans of Rs. 20.86 billion to 199 borrowers from hard-hit sectors from COVID-19 including tourism and other specified industries.

Loan Restructuring and Rescheduling

60. Under the provision of restructuring and rescheduling of loans, a total loan of Rs. 129.21 billion of 21,617 borrowers from the sectors affected by COVID-19 have been restructured and rescheduled as of mid-January 2021.

Business Continuity Loan

61. Under the provision of business continuity loan, which is provided to the businesses related to tourism, and small and medium-scale enterprises affected by COVID-19 for their operation and the payment of wages, a total loan of Rs. 956.7 million have been approved, resulting in the outstanding amount of Rs. 736.8 million as of mid-July 2021.

Economic Outlook for 2021/22

62. International Monetary Fund has projected an improved economic recovery of the global economy and low inflation in the coming year. However, the speed of recovery seems to vary across countries depending on the vaccine availability. The global economy is projected to grow by 6.0 percent in 2021 and 4.9 percent in 2022. Likewise, the inflation is projected to remain at 2.1 percent in advanced economies, and 4.7 percent in emerging and developing economies.
63. Natural disasters, especially floods and landslides, have caused the loss of human lives and the damaged physical property at the beginning of the rainy season. However, the agriculture sector is projected to grow satisfactorily due to favorable weather forecasts, increased availability of improved seeds and fertilizer, and increased access to agriculture credit. Likewise, growth is expected to improve in 2021/22 due to the recovery in industrial and service sectors along with the availability of COVID-19 vaccines.
64. Inflation has remained contained in the recent period. However, some pressure on prices seems to be expected owing to the expansion of aggregate demand along with the speed up economic recovery, increase in the price of crude oil in the international market, and volatility in the exchange rate of NPR with convertible currencies.
65. The growth of exports and remittance inflows has remained satisfactory amid the COVID-19 pandemic. The balance of payments is likely to be under pressure along with an increased import growth and potential risk in remittance inflows owing to the stagnation in outbound migrant workers. However, the number of workers going abroad for employment seems to increase along with the availability of COVID-19 vaccines. The level of foreign exchange reserve seems to be at a comfortable position despite the likely pressure on the balance of payments along with economic recovery.
66. Demand for credit is expected to increase along with the speed up in economic recovery. If such increased demand is not offset by resource mobilization, there seems to be likely pressure on liquidity and thus on lending rates.

Monetary Policy Framework for 2021/22

Monetary Policy Stance

67. The stance of monetary policy will be balanced considering the need for monetary easing to support the recovery of the economy affected by the COVID-19 pandemic, and tightening required for maintaining economic and financial stability.
68. Monetary management will be carried out depending on the macroeconomic situation while being cautious about the potential pressure on price and external sector stability and along with maintaining the exchange peg as a nominal anchor.
69. By widening the scope of financial resources mobilization, it will be directed towards expanding production, generating employment, developing entrepreneurship, and achieving sustainable inclusive economic development.
70. Liquidity will be managed for interest rate stability through the effective implementation of the interest rate corridor.
71. Financial intermediation will be made sound and effective by enhancing good governance in the BFIs for financial sector development and stability.
72. Cash transactions will be minimized by promoting the use of electronic methods in payment transactions.
73. Access to finance and financial inclusion will be enhanced through the development of financial infrastructures and the promotion of financial literacy.

Economic and Monetary Target

74. Liquidity will be managed to support the expansion of the economy by emphasizing economic recovery along with containing consumer inflation at 6.5 percent in 2021/22.
75. Monetary and external sector management will be carried out to maintain foreign exchange reserves sufficient to cover the prospective merchandise imports of goods and services for at least 7 months in 2021/22.
76. Given the basis of nominal GDP for monetary projection, growth of broad money (M2) and private sector credit have been projected at 18 percent and 19 percent respectively for 2021/22.

Operating Target and Instrument

77. Cash Reserve Ratio (CRR) to be maintained by the BFIs is kept unchanged at 3 percent.
78. Bank rate, used for the purpose of lender of the last resort (LOLR) facility by the BFIs, is kept unchanged at 5 percent.
79. Standing Liquidity Facility (SLF) rate as the upper bound of the Interest Rate Corridor (IRC) is unchanged at 5 percent. Deposit collection rate as the lower bound of IRC will be revised from 1 percent to 2 percent and Repo rate as the policy rate will be revised from 3 percent to 3.5 percent. The IRC will be made effective through more proactive Open Market Operation (OMO).
80. Statutory Liquidity Ratio (SLR) has been kept unchanged at 10 percent, 8 percent, and 7 percent for commercial banks, development banks, and finance companies respectively.

Financial Sector Provisions for 2021/22

Resource Mobilization

81. A provision will be made for the national level development banks, finance companies, and wholesale lending MFIs in addition to commercial banks to issue debenture up to 25 percent of their paid-up capital.
82. There will be continuity in the existing provision related to agriculture and energy bond which is implemented to mobilize long-term resources for the development of agriculture and energy sector.
83. A provision will be made to provide an additional interest rate of at least 1 percentage point on the deposits in the BFIs, which comes from remittances through formal channels. This policy is expected to promote remittances sent by Nepalese working abroad through a formal channel, and encourage savings.

Credit Expansion

84. The existing provision for the commercial banks to extend at least 15 percent of their total loans to the agriculture, energy, micro, cottage, and medium scale industries with a loan limit not exceeding Rs. 10 million has been continued.
85. A provision will be made for these commercial banks to establish the focal desk in their branches, which are carrying out the government transactions of rural

municipalities and municipalities. This provision aims to promote additional credit in agriculture, micro and cottage industries.

86. The existing provisions related to the deprived sector lending will be revised and gradually adjusted in the credit to micro, cottage, small, and medium scale industries.

Deprived Sector Lending

87. The loans up to Rs. 1.5 million, provided to individuals who have lost their jobs in the tourism sectors due to COVID-19 for the operation of self employed business, will be counted under the deprived sector lending.
88. A provision will be made to count the loans up to Rs. 2.5 million, provided to borrowers who aim to be self-employed by purchasing transport vehicles, under the deprived sector lending.
89. A provision will be made to count the project-based loans, provided to women entrepreneurs up to Rs. 2 million to operate micro-enterprise and self-employed businesses, under the deprived sector lending. An arrangement will be made for the mandatory insurance of such loans.
90. A provision will be made to count the project-based loans, provided to agriculture farmers up to Rs. 2 million for the operation of the agricultural business, under the deprived sector lending. An arrangement will be made for the mandatory insurance of such loans.

Concessional loan

91. To expand the productive economy through enhancing production, generating employment, and developing entrepreneurship, the concessional loan program will be implemented effectively as per the unified procedure of the Government of Nepal related to interest subsidies on concessional loans.

Special Program for Economic Recovery

Refinance

92. The existing refinance facility for the speedy recovery of COVID-19 affected industries/businesses will be continued. Accordingly, an arrangement will be made to provide refinance facilities not exceeding the maximum limit set in the previous year. Cottage, micro, small, and medium industries/businesses will be given priority while providing such refinance facility.

Business Continuity Loan

93. The business continuity loan program will be implemented effectively for the recovery of businesses affected by the COVID-19 pandemic including tourism businesses, gyms, cinemas, party palaces, recreation businesses, and other crisis-hit industries. .

Extension of the Loan Payment Period, Restructuring and Rescheduling

94. Considering the fact that the COVID-19 has affected the overall economy, the existing provision of classifying borrowing firms, companies, or institutions by the BFIs into the watch list category if they incur loss for subsequent 2 years will be changed and such firms will be classified into watch list category only if they incur loss for subsequent 3 years.
95. A provision will be made in which banks and financial institutions can reduce the size of installment and extend the maturity period of the loan of the borrowers after their assessment whose financial situation and cash flows are affected by COVID-19.
96. A provision will be made in which banks and financial institutions can extend the payment period to mid-January 2022 after the assessment to those borrowers who were unable to pay EMI/EQI, or other principal/interest of the lockdown period to be paid by mid-July 2021.
97. A provision will be made to maintain a separate account for the interest accrued up to mid-July 2022 on business loans to borrowers, after assessing the need and their financial status, in the hard-hit sectors by COVID-19 including hotel, travel, trekking, and airlines that rely on foreign tourists and do not seem adequate tourists arrivals until the international travel return back to normal. Also, additional fees and penalties will not be applicable on such amount.
98. A provision will be made in which borrowers in the COVID-19 hardhit sectors including restaurant, party palace, public transportation, educational institution and entertainment businesses can get an additional one year to repay the principal and interest of loans, which is going to be matured by mid-Jan 2022. Under this facility, such loans can be repaid in at least four installments. This provision will also be applicable to micro, cottage, small, and medium enterprises whose cash flow has been affected by the COVID-19 pandemic.
99. Banks and financial institutions can restructure and reschedule their loans by mid-January 2022 followed to the hard-hit sectors by COVID-19 including tourism, cinema, party palace, public transportation, and education sectors.

100. A provision will be made in which banks and financial institutions can extend an additional loan of Rs. 0.2 million per vehicle for the operation and maintenance of public vehicles, highly affected by the COVID-19.

Other Provisions Related to Credit

101. BFIs will be required to limit the credit-deposit ratio (CD Ratio) maximum at 90 percent by mid-July 2022. And, the existing provision of CCD ratio will be abolished. An arrangement will be made to adjust the bonds and borrowings other than the capital fund and those bonds and borrowings as a part of the capital fund in the credit-deposit ratio.

102. The existing mandatory limit for the BFIs to go into consortium financing for loans of more than Rs. 1 billion will be increased to Rs. 2 billion.

103. Special refinance will be provided to internet service providers who are providing services in remote areas to enhance internet access to the general public by promoting broadband.

104. Considering the COVID-19 pandemic, a provision will be made for the commercial banks so that they can maintain sectoral credit ratio to be compiled by mid-July 2021 to mid-July 2022 as a whole.

105. The interest accrued up to mid-July 2022 can be capitalized for the loans provided to the projects under construction which are under the grace period and have prior approval from this bank for interest capitalization.

106. A provision will be made in which the BFIs can capitalize the interest earned on loans during the grace period, which is flowed to long-term agricultural projects including fruits, spices, and herbs.

107. An arrangement will be made for the BFIs to provide loans at the base rate for the establishment of industries producing vaccines approved by the Government of Nepal to treat epidemic diseases.

108. Necessary policy provisions will be made to facilitate the availability of loans to the micro, cottage, small, and medium entrepreneurs who want to change their business due to the COVID-19 pandemic.

109. The existing loan to value ratio for margin nature loans against the collateral of shares provided by the BFIs has been kept unchanged.

110. A provision will be made in which an individual or institution can take margin nature loans against the collateral of shares up to Rs. 40 million from one financial institution and Rs. 120 million from the entire financial system. This provision is supposed to minimize the credit risks of such margin nature loans and enhance access to small investors. In the case that existing borrowers exceeded such loan limits, appropriate time will be provided to bring such loans to the desired limit.
111. A provision will be made to provide loans up to a certain limit to the business professions affected by the COVID-19.
112. The existing loan to value (LTV) ratio for the purchase of electric vehicles has been kept unchanged. A provision will be made to provide refinancing facilities to the loans for the establishment of charging stations required for electric vehicles.
113. An arrangement will be made to provide easy availability of loans to establish hospitals up to 100 beds at local levels which do not have hospitals.
114. An arrangement will be made for the easy availability of loans from the BFIs to the institutions providing technical and vocational training.
115. An arrangement will be made to facilitate the availability of financial resources for the establishment and operation of industries based on domestic raw materials.

Financial Sector Consolidation

116. The second Financial Sector Development Strategy and fourth Strategic Plan of the NRB will be formulated and implemented for the sustainable and inclusive development of the financial sector and to enhance financial access.
117. The process of revising the Foreign Exchange Regulation Act, 1962, Negotiable Instrument Act, 1977, and Banking Offence and Punishment Act, 2006 will be initiated.
118. In order to enhance the BFIs' risk-bearing capacity by strengthening their capital base, the BFIs will be further encouraged to participate in the merger and acquisition process.
119. Commercial banks will be provided the following additional incentives and concessions till mid-July 2023 if they commence joint operation by participating in the merger and acquisition process by fiscal year 2021/22:
 - a. The deadline to meet existing provisions for the specified sectoral lending ratio will be extended by one year.

- b. Cash Reserve Ratio will be waived by 0.5 percentage points for one-year period after the commencement of joint operation.
 - c. Statutory Liquidity Ratio will be waived by 1 percentage point for one-year period after the commencement of joint operation.
 - d. Limit on individual institution's deposit will be increased by 5 percentage points.
 - e. The existing provision of a cooling period of six months will not be applicable for the members of the board of directors and senior officers while joining other institutions licensed by this bank.
 - f. The existing provision on spread rate between lending and deposit interest rate will be waived by 1 percentage point.
 - g. If the credit-to-deposit ratio exceeds the prescribed limit on commencement of joint operation, one year will be provided to meet the limit.
 - h. An arrangement will be made to maintain one of the branch offices and to merge or close other branches within 1 K.M. distance during the process of joint operation without the approval of this bank.
 - i. Provision will be made in which fit and proper test will not be mandatory when the shareholders of the promoter group holding 0.10 percent or less of the shares of the commercial bank sell such shares.
120. The above-mentioned incentives will also be provided to the licensed BFIs that acquire the development banks and finance companies declared as problematic by this bank.
121. To further encourage the merger of the BFIs, an arrangement will be made for the shareholders holding both public and promoter shares to file the nomination for the board of directors from only one of their selected groups after the merger and acquisition of the BFIs.
122. Approval will be given to establish a corporate office in a suitable place within the working area and to open a contact office in the provincial capital and Kathmandu if the development banks operating at the provincial level commence their joint operation by participating in the process of merger or acquisition.

Regulatory and Supervisory Provision

123. The provision of Counter Cyclical Buffer issued for commercial banks has been suspended till mid-July 2022.
124. A provision will be made for the BFIs to provide term loans at fixed interest rates as well. An arrangement will be made for the BFIs to publish such interest rates too while publishing the interest rates.
125. The existing provision of spread rate between lending and deposit rate to be maintained by the BFIs has been kept unchanged.
126. The existing method of calculating the base rate will be revised. The provision that the BFIs can fix the premium rate to be added in the base rate while determining the interest rate of the loan has been continued. But, an arrangement will be made to add a maximum premium of 2 percentage points in the base rate for the borrower utilizing loans of Rs. 10 million or less to run a business.
127. Project-based credit provision will be made more effective to encourage innovation, skill, and entrepreneurship development.
128. A guideline related to the working capital loan will be issued to make overdraft and working capital loans provided by the BFIs more transparent and effective.
129. A provision will be made to submit the data and information from commercial banks, development banks, finance companies, and infrastructure development bank to this bank through Supervisory Information System (SIS).
130. Coordination will be made with other regulatory and stakeholder agencies to make the effective integrated supervision of the subsidiaries of the BFIs.
131. Essential policy coordination will be made and technical assistance will be provided to the regulatory bodies of savings and credit cooperative insititutions for enhancing their regulatory and supervirosoy capacity.
132. The existing provision related to blacklisting of customers by the BFIs will be reviewed.
133. The existing regulatory provision related to the institutions licensed by this bank conducting hire purchase business will be revised.
134. An arrangement will be made for an independent audit to ensure the effectiveness and proper utilization of refinancing, business continuity loan, and concessional

loan provided for the recovery of professions and businesses affected by the COVID-19 pandemic.

135. A guideline will be issued to manage the expenditures under the corporate social responsibility of the BFIs.
136. A provision will be made for the BFIs to open contact offices in Karnali and Sudur Pashchim Provinces without approval from this bank.
137. Electronic-based Know Your Customer (E-KYC) will be developed by simplifying the provisions related to customer identification.
138. Necessary coordination will be made with the Institute of Chartered Accountants of Nepal regarding the maximum number of the BFIs that an audit firm can audit annually.

Provision Regarding Micro Finance

139. After the merger and acquisition between the micro finance financial institutions (MFIs) providing wholesale lending and those providing retail lending, the newly created MFI will be allowed to act as a retail lending institution.
140. A provision will be made for the merger of MFIs that have cross-holding of commercial banks, development banks, and financial companies by mid-July 2022.
141. A provision will be made in which commercial banks, development banks, and finance companies can provide loans to sector specific cooperatives excluding the savings and credit cooperatives to avail loans not exceeding Rs. 0.5 million per member for collective farming and animal husbandry.
142. A necessary study regarding the MFIs to act as financial representatives of the commercial banks will be conducted.
143. A provision will be made for the national level MFIs to publish financial statements according to Nepal Financial Reporting Standard.

Payment System

144. Emphasis will be given on the development of necessary infrastructure and increasing awareness this fiscal year to celebrate FY 2021/22 as 'E-Payment Transactions Promotion Year'.

145. A national payment switch will be established to settle and record the payment transactions conducting within Nepal by keeping inter-connectedness among instruments of e-payments and to start the use of Nepal's own payment card.
146. Special refinance will be provided to the payment service providers, payment system operators, and telecom service providers to invest in development and promotion of the overall ecosystem of the e-payment system.
147. The transaction limits of various modes of payment will be reviewed to promote e-payment transactions. A policy provision will be made to contain fees relating to e-payment transactions at an appropriate level.
148. Revenue and all payments of the Government of Nepal will be facilitated through the banking and electronic means of payments.
149. An arrangement will be made to receive social security allowance by respective person through the means of e-payments from the bank branches undertaking government transactions.
150. Given the Covid-19 pandemic, the deadline to meet the target of minimum transactions and number of customers by Mid-July 2021 by Payment Service Providers and Payment Service Operators has been extended to Mid-July 2022.
151. The scope of transaction of payment service providers and payment system operators will be widened to promote e-payment services among the customers of the MFIs and Cooperatives. Also, necessary coordination will be done to effectively implement the existing ceiling of cash transactions among Saving and Credit Co-operative Societies.
152. Digital Lending Framework will be formulated and implemented in order to facilitate the entire process from loan application to its approval in the BFIs electronically.
153. A feasibility study of Central Bank Digital Currency (CBDC) in Nepal will be conducted in the context of worldwide study regarding the usage and feasibility of digital currency.
154. A provision will be made to submit application of Citizen Saving Bond and Foreign Employment Saving Bond electronically.
155. A necessary study will be conducted regarding the usage of cloud infrastructure to safely manage statistics and information including payment system.

156. A study will be conducted relating to the concept of digital banking and micro-lending provision by payment service providers up to a certain amount to promote micro, SMEs, and Start-ups.
157. An arrangement will be made for the payment service providers excluding the BFIs and payment service operators to submit the report of transactions above the certain limit and suspicious transactions to the Financial Information Unit.

Foreign Exchange Management

158. The exchange facility provided by the commercial banks to Nepalese institutions for the service imports through service contracts will be revised.
159. An arrangement will be made to provide foreign currency exchange facilities through commercial banks up to USD 25 thousand based on specified documents for the service imports to institutions providing air transportations.
160. An arrangement will be made to make business credit information not mandatory for the payments made via draft/TT up to a specified limit.
161. An arrangement will be made for the national priority projects to provide payments for services received from foreign institutions directly through the commercial banks based on the specified documents.
162. A necessary adjustment will be made by revising the existing list of commodities, including industrial raw materials and machinery, which can be imported from India using convertible foreign currencies.
163. The renewal fee for the 'foreign currency transactions license' will be waived until July 2022 for the institutions approved by this bank to conduct foreign currency transactions including moneychangers, remittance companies, hotels, travel agencies, trekkings, cargos, and airlines.
164. Foreign currency payments for the imports of services including the advertisement, and purchases of applications and software by firms, companies, and other institutions will be further managed in coordination with respective regulators/stakeholders.
165. Necessary arrangements will be made for the merger and acquisitions of remittances service companies in order to strengthen these institutions.

166. An existing provision related to convertible foreign currency including the maximum limit and time period that Nepalese citizens can hold convertible currency in the form of cash will be reviewed.
167. The existing provisions related to the imports of life-saving drugs and medical equipment for the treatment of COVID-19 induced health problems will be further facilitated through its revision.
168. A study will be conducted regarding a provision in which remittance companies of the countries, from where it is difficult to transfer remittances in USD to Nepal, can transfer remittances through this bank's agency account by depositing money in local currency.
169. The use and implementation status of the USD 500 card issued last year for the promotion of e-commerce will be studied and made more effective.
170. A study will be done on the implementation status of Foreign Investment and Debt Management Regulations 2078.

Consumer Protection

171. A draft will be prepared for the law related to financial consumer protection to protect the interest of financial customers of licensed institutions.
172. To ensure easy access of disabled persons in the financial services, a provision will be made in which the BFIs require to have at least one branch disable-friendly in local level where there are branches more than certain number and one ATM disabled-friendly in ATM lounge.
173. To facilitate the hearing of complaints related to the activities of the BFIs, an arrangement will be made for the BFIs to put the link of NRB's grievance portal on their websites.
174. Necessary arrangements will be made to ensure uniformity about the credit dispersal and KYC documents used by the BFIs.
175. A necessary study will be conducted regarding the presence of Provincial Financial Institutions with an aim of increasing access to finance in Karnali and Far Western Provinces where access to financial services is low.
176. To identify measure, evaluate and manage the risks inherent in the high-risk areas pointed out in the asset laundering related National Risk Assessment Report (NRA, 2020), special inspection and monitoring of reporting entities will be carried out.

Lastly,

177. NRB believes that the implementation of this policy will help in the economic recovery along with maintaining macroeconomic and financial stability. NRB has confidence in the development of the productive economy through the mobilization of available financial resources, along with its widening scope, towards enhancing production, generating employment, entrepreneurship, and sustainable economic development. NRB expects the promotion of electronic transactions through a secure and enabled payment system along with further consolidation of financial sector.
178. Monetary Policy for this fiscal year has been issued amidst the uncertainty created by ongoing COVID-19 infection. Monetary policy will be reviewed on a quarterly basis to make monetary and regulatory measures time consistent and dynamic as per the evolving macroeconomic and financial situation in the economy.
179. NRB extends heartfelt gratitude to all the stakeholders including the GoN, BFIs, corporate houses, intellectuals, scholars, international development partners, and media houses for their invaluable suggestions in the formulation of the Policy. The Bank also expects continuous cooperation from all the stakeholders for the implementation of provisions and programs envisioned in this monetary policy as usual.

Appendix
Projection of Monetary Survey

Rs. in million

Monetary aggregates	2019 Jul	2020 Jul	2021 Jul ^E	2022 Jul ^{Proj}	Annual Change					
					2019/20		2020/21		2021/22	
					Amount	Percent	Amount	Percent	Amount	Percent
1. Foreign Assets, Net	984783.1	1328349.0	1335620.1	1336620.1	282409.5 ^{/1}	28.7	1226.7 ^{/2}	0.1	1000.0	0.1
1.1. Foreign Assets	1073526.6	1449927.6	1453294.9	1471212.0	376401.1	35.1	3367.3	0.2	17917.1	1.2
1.2 Foreign Liabilities	88743.4	121578.6	117674.8	134591.9	32835.1	37.0	-3903.8	-3.2	16917.1	14.4
a. Deposits	84490.3	106693.2	91794.6	100974.0	22203.0	26.3	-14898.7	-14.0	9179.5	10.0
b. Others	4253.2	14885.3	25880.2	33617.9	10632.1	250.0	10994.9	73.9	7737.6	29.9
2. Net Domestic Assets	2597354.5	2902620.7	3819233.1	4746106.7	366422.6 ^{/1}	14.1	922656.7 ^{/2}	31.8	926873.6	24.3
2.1. Domestic Credit	3338509.8	3792618.6	4810629.4	5983891.3	454108.7	13.6	1018010.8	26.8	1173261.9	24.4
a. Net Claims on Government	375545.8	461044.3	592929.7	964534.2	85498.5	22.8	131885.4	28.6	371604.5	62.7
Claims on Government	441199.5	602216.1	787627.5	1014534.2	161016.6	36.5	185411.4	30.8	226906.7	28.8
Government Deposits	65653.7	141171.8	194697.8	50000.0	75518.1	115.0	53526.0	37.9	-144697.8	-74.3
b. Claims on Non-Financial Government Enterprises	9693.1	8702.6	7512.6	8631.8	-990.5	-10.2	-1190.0	-13.7	1119.2	14.9
c. Claims on Financial Institutions	42994.9	45979.6	70631.6	84446.4	2984.7	6.9	24652.0	53.6	13814.7	19.6
Government	1607.2	1560.4	1615.7	1627.2	-46.8	-2.9	55.3	3.5	11.5	0.7
Non-government	41387.7	44419.2	69016.0	82819.2	3031.5	7.3	24596.7	55.4	13803.2	20.0
d. Claims on Private Sector	2910275.9	3276892.0	4139555.4	4926278.9	366616.0	12.6	862663.4	26.3	786723.5	19.0
2.2. Net Non-monetary Liabilities	741155.3	889997.8	991396.3	1237784.6	87686.1 ^{/1}	11.8	95354.1 ^{/2}	10.7	246388.3	24.9
3. Broad Money (M2)	3582137.7	4230969.8	5154853.2	6082726.7	648832.1	18.1	923883.4	21.8	927873.6	18.0
3.1. Money Supply (M1+)	2093758.4	2368304.5	2964265.4	3468190.5	274546.2	13.1	595960.8	25.2	503925.1	17.0
a. Money Supply (M1)	726642.8	856260.8	1049410.2	1227809.9	129618.1	17.8	193149.3	22.6	178399.7	17.0
Currency	423204.3	490396.4	571971.8	663487.2	67192.1	15.9	81575.4	16.6	91515.5	16.0
Demand Deposits	303438.4	365864.4	477438.4	564322.7	62426.0	20.6	111574.0	30.5	86884.3	18.2
b. Saving and Call Deposits	1367115.6	1512043.7	1914855.2	2240380.6	144928.1	10.6	402811.5	26.6	325525.4	17.0
3.2. Time Deposits	1488379.3	1862665.2	2190587.8	2614536.2	374286.0	25.1	327922.5	17.6	423948.5	19.4
4. Broad Money Liquidity (M3)	3666627.9	4337663.0	5246647.7	6183700.8	671035.1	18.3	908984.7	21.0	937053.0	17.9

E=Estimated, Proj= Projection

^{/1} Adjusting the exchange valuation loss of Rs. 61156.39 million

^{/2} Adjusting the exchange valuation gain of Rs. 6044.35 million

Appendix 2

Progress Matrix of Programs Provisioned in Monetary Policy for 2020/21

S.N.	Point No.	Objectives/Programs	Implementation Status
1.	66	Containing annual average CPI inflation rate within 7 percent for FY 2020/21.	Average inflation rate stood at 3.6 percent during 2020/21.
2.	67	Maintaining foreign exchange reserve sufficient to cover imports of goods and services for at least 7 months.	The foreign exchange reserve stood at Rs. 1399.3 billion in mid-July 2021. Based on the imports of the last fiscal year, such reserves is sufficient to cover prospective merchandise imports of 11.2 months and merchandise and services imports of 10.2 months.
3.	68	Monetary management will be directed towards supporting to attain the targeted economic growth keeping economic recovery in priority.	Discounts have been provided to creditors through various regulatory measures. Likewise, credit conditions have been eased through refinance facility, concessional loans and business continuity loans. And, interest rate has been kept low through various measures to promote economic activities.. Interest rate on credit has been reduced to a single digit.
4.	69	The growth rate of broad money and private sector credit will be contained within 18 percent and 20 percent respectively.	On y-o-y basis, broad money and private sector credit posted a growth of 21.8 percent and 26.3 percent respectively in 2020/2021.
5.	70	Weighted average interbank rate of commercial banks, development banks and finance companies will be taken as the operating target of monetary policy.	Weighted average interbank rate of BFIs has been considered as the target of monetary policy operation. Such a rate in mid July 2021 stood at 4.14 percent.
6.	71	Standing Liquidity Facility (SLF) rate as the upper bound of the Interest Rate Corridor (IRC) will	Interest Rate Corridor Procedure 2019, (first amendment, 2020) dated 26 July 2020 has been in

		remain unchanged at 5 percent. Repo rate as the policy rate will be reduced from 3.5 percent to 3 percent and deposit collection rate as the lower bound of IRC will be reduced from 2 percent to 1 percent.	implementation.
7.	72	A provision of long-term repo facility will be introduced depending on the need of additional resources for economic recovery.	Revised draft for Open Market Operation By-Laws, 2014 is under discussion incorporating provision of long-term repo facility as per need.
8.	77	Commercial banks will be required to invest at least 15 percent of their total credit in agriculture sector by mid-July 2023 to ensure food security and generate employment while becoming self-reliant on agriculture production. In addition, the method of assessing compliance of agriculture credit will be revised.	Circular issued on 27 July 2020. As of mid-July 2021, commercial banks have disbursed 13.2 percent of their total credit in the agriculture sector. Monitoring and evaluation has been in implementation via On-Site and Off-Site Supervision.
9.	78	With a view to promote self-reliance on major fruits, loan loss provision for credit on commercial farming of mango, orange, junar (sweet orange), mausam (sweet lime), kiwi, dragon fruit, lemon, litchi, avocado, among others, will be reduced to 0.2 percent for the first year and 0.6 percent for the second year.	Circular issued on 27 July 2020.
10.	79	Loan loss provision for credit on agriculture farming of silk, jute, cotton and other crops that help in establishing forward and backward linkages will be relaxed	Circular issued on 27 July 2020.
11.	80	A provision for collateral of lease assets will be introduced to enhance credit to commercial agriculture, industry and other businesses through	Circular issued on 27 July 2020.

		leasing or integrating land.	
12.	81	Agricultural Development Bank Limited (ADBL) will be promoted as the Lead Bank to facilitate credit in agriculture sector. This bank will be allowed to issue agricultural bond to ensure availability of long term financing in agriculture sector.	<p>Circular issued on 27 July 2020.</p> <p>ADBL has been permitted to issue agriculture bond amounting Rs. 18 billion at a 4 percent interest rate on three stages and only Rs. 12 billion agriculture bonds have been issued till the date.</p>
13.	82	The provision of agriculture credit swap among BFIs will be simplified further	Circular issued on 27 July 2020.
14.	83	A provision of issuing Kisan (Farmer) Credit Card by ADBL will be introduced to ensure access to financial resources and agriculture information to farmers	Kisan (Farmer) Credit Card has been issued by ADBL. Similarly, such a provision has been implemented by other commercial banks as well.
15.	84	Institutional and infrastructural arrangements will be made to enhance agriculture training through the training centers of ADBL.	Coordination has been done with concerned authorities but difficulties in implementation due to COVID 19.
16.	85	Commercial banks will be required to invest at least 10 percent of their credit in energy sector by mid-July 2024. This provision is expected to promote self-reliance on energy and support the target of generating 5000 MW hydropower during the fifteenth plan of the GoN.	<p>Circular issued on 27 July 2020.</p> <p>As of mid-July 2021, commercial banks have disbursed 6 percent of their total credit on the energy sector.</p> <p>Monitoring and evaluation has been in implementation via via On-Site and Off-Site</p>

			Supervision.
17.	86	Commercial banks having specialization in energy sector lending will be permitted to issue 'Energy Bond'. This provision will facilitate the availability of long term resources in energy sector and also help the BFIs comply with the regulatory requirement of energy sector credit by investing in such bonds.	<p>Circular issued on 27 July 2020.</p> <p>Permission to issue Energy Bond amounting Rs. 1.5 billion has been granted.</p>
18.	87	BFIs will be required to extend credit at base rate plus up to one percentage point for a period up to 5 years to the hydropower projects that have started exporting hydropower.	Circular issued on 27 July 2020.
19.	88	A provision will be made to avail credit at base rate plus one percentage point for reservoir-based hydropower projects	Circular issued on 27 July 2020.
20.	89	Interest can be capitalized partially without prior approval of NRB for the credit of hydropower projects that have started generating electricity at less than full capacity due to incompleteness of transmission line	<p>Circular issued on 27 July 2020.</p> <p>Monitoring and evaluation has been in implementation via On-Site and Off-Site Supervision</p>
21.	92	Commercial banks will have to extend at least 15 percent of total loans to micro, small and medium enterprises (MSMEs) with loan limit up to Rs. 10 million by midJuly 2024.	<p>Circular issued on 27 July 2020.</p> <p>As of mid-July 2021, commercial banks have disbursed 10.1 percent of their total credit to MSMEs.</p>

			Monitoring and evaluation have been in implementation via On-Site and Off-Site Supervision.
22.	93	Concessional credit program will be simplified further to promote output, generate employment and develop entrepreneurship to mitigate the impact of COVID-19. Such loans will be provided at an annual interest rate of 5 percent.	Third amendment of Unified Procedure of Interest subsidy on concessional loan, 2018 has been issued. Provision of 6 percent and 5 percent interest subsidy on women entrepreneurship credit and other concessional credits respectively has been made.
23.	94	With an aim to maintain provincial balance as well as ensuring credit to targeted region and group, each commercial bank will be required to extend at least 500 concessional loans or minimum 10 loans per branch, whichever is higher. Each national level development banks will be required to provide at least 300 such loans or minimum 5 loans per branch, whichever is higher.	Circular issued on 27 July 2020. As of mid-July 2021, 1,04,109 people have availed such concessional loan amounting 161.44 billion.
24.	95	Development banks and finance companies will be required to disburse at least 20 percent and 15 percent loan respectively to the specified sectors such as agriculture, MSMEs, energy and tourism by mid-July 2024.	Circular issued on 27 July 2020. Development banks and finance have disbursed 23.9 percent and 16.5 percent of their total credit to agriculture, MSMEs, energy, and tourism as of mid-July 2021.
25.	96	Loan to Value (LTV) ratio will be set at 60 percent for the housing projects that are licensed by the GoN. This is expected to facilitate urban	Circular issued on 27 July 2020.

		development and the development of systematic settlement. This provision is also applicable to individuals seeking personal residential home loan to construct the first house.	Monitoring via On-Site Supervision on regular basis.
26.	97	The existing LTV ratio of 40 percent for real estate loans in Kathmandu Valley and 50 percent outside the Valley has been kept unchanged.	Circular issued on 27 July 2020. Monitoring via On-Site and Off-Site Supervision.
27.	98	BFI's may increase the LTV ratio from 65 percent to 70 percent on margin nature loans against the collateral of shares.	Circular issued on 27 July 2020. As of mid-July 2021, BFI's have disbursed 2.5 percent of their total credit to margin nature loans. Monitoring via On-Site and Off-Site Supervision
28.	99	Regarding the margin nature loans provided against share collateral, 'average closing price of the last 120 days or the prevailing market price of the stock whichever is less' will be considered for the valuation purpose instead of the existing provision of average price of the last 180 days.	Circular issued on 27 July 2020. Monitoring and evaluation is being done via On-Site and Off-Site Supervision.
29.	100	The existing provision of refinance facilities has been revised by making a provision of extending refinance facilities up to 5 times of the available fund so as to promote economic activities thereby providing concessional credit and enhancing access to credit for COVID-19 affected professions,	Refinance Procedure, 2020 has been issued on 21 July 2020. As per the approved procedure in FY 2021/21, total refinance Rs. 148.75 billion has been approved including lump-sum refinance Rs. 102.61 billion to

		enterprises and businesses.	48, 550 borrowers and client evaluation based refinance Rs. 46.14 billion to 340 borrowers. Total outstanding refinance is Rs. 122.70 billion.
30.	104	A provision will be made to provide 20 percent additional loan based on the working capital limit of mid-April 2020. BFIs can provide such loans based on borrower's need and feasibility of project/business so as to facilitate the continuation of business that are hard-hit by the COVID-19.	Circular issued on 27 July 2020. Monitoring via On-Site Supervision on regular basis.
31.	105	A provision will be made to provide loan from the BFIs at 5 percent for the operation and continuation of COVID-19 affected businesses including tourism and cottage, small and medium enterprises for payment of salaries to workers and employees of such sectors, and for providing opportunities to develop entrepreneurship to those who have lost jobs in the hard-hit sectors. The resources for this facility will be managed from the Rs. 50 billion fund that is to be established as mentioned in the GoN's budget for 2020/21.	Business Continuity Loan Procedure, 2020 has been issued on 24 November 2020. As of mid-July 2021, the total loan amounting Rs. 956.7 million has been approved resulting in outstanding loan of Rs. 736.8 million.
32.	107	Working capital loans including demand and cash credit that are due in mid-July 2020 can be renewed by fixing new repayment deadline of mid-January 2021.	Circular issued on 27 July 2020. Monitoring via On-Site Supervision on regular basis.
33.	108	A provision will be made to defer the installment and interest payment of loans extended to professions/businesses that are relatively less	Circular issued on 27 July 2020.

		affected by the COVID-19 from mid-July 2020 to mid-January 2021	Installment and interest payment of loans amounting Rs. 30.3 billion extended to 7,688 professions/businesses that are relatively less affected by the COVID-19 have been extended to mid-January 2021 (6 months).
34.	109	A provision will be made to defer the installment and interest payment of loans extended to professions/businesses that are relatively more affected by the COVID19 from mid-July 2020 to mid-April 2021.	<p>Circular issued on 27 July 2020.</p> <p>Installment and interest payment of loans amounting Rs. 28.27 billion 270 million extended to 7,887 professions/businesses that are relatively more affected by the COVID19 have been extended to mid-April 2021 (9 months).</p>
35.	110	A provision will be made to defer the installment and interest payment of loans extended to professions/businesses that are most affected by the COVID-19 from mid-July 2020 to mid-July 2021.	<p>Circular issued on 27 July 2020.</p> <p>Installment and interest payment of loans amounting Rs. 14.47 billion extended to 4,012 professions/businesses that are most affected by the COVID-19 have been extended to mid-July 2021 (1 year).</p> <p>Monitoring via On-Site Supervision on regular basis.</p>
36.	110	A provision will be made to grant additional time to repay the installments and interest for hard-hit industries and business including tourism sector	Circular issued on 27 July 2020.

		that need more time to recover.	Installment and interest payment of loans amounting Rs. 20.86 billion extended to 199 hard-hit industries and businesses including tourism sector has been extended for 2 years.
37.	111	BFI's will be allowed to restructure and reschedule loans, which were in performing category in mid-January 2020 after collecting 10 percent of the accrued interest. BFI's can take decision on the basis of the written plan of borrowers submitted by mid-January 2021.	<p>Circular issued on 27 July 2020.</p> <p>Loans amounting Rs. 129.21 billion extended to 21,617 professions/businesses that are hard-hit by COVID 19 have been restructured and rescheduled.</p> <p>Monitoring via On-Site Supervision on regular basis.</p>
38.	113	Facility will be given to capitalize interest of the grace period by mid-January 2021. This is applicable for loans granted to infrastructure projects which were given preapproval by this Bank to capitalize accrued interest.	Circular issued on 27 July 2020.
39.	114	A provision will be made for extending grace period to those industries or projects under construction but have not been able to complete/operate due to COVID-19. Under this scheme, grace period can be extended by two years for tourist-standard hotels, 1 year for the hard-hit sectors, 9 months for the moderately affected sectors and 6 months for relatively less affected sectors.	<p>Circular issued on 27 July 2020.</p> <p>Grace period for loans amounting Rs. 3.95 billion of 174 professions/businesses that are relatively less affected by the COVID-19 have been extended to mid-January 2021 (6 months), loans amounting Rs. 18.41 billion extended to 321 business/professions that are relatively more affected have been extended to mid-April 2021 (9 months) and loans amounting Rs. 29.63 billion extended of 498 business/professions that are hard hit by COVID 19</p>

			have been extended to mid-July 2021 (1 year).
40.	115	MFIs can extend the time for loan installment payment due as of mid-July 2020 by maximum 6 months taking into consideration the borrowers' need and time required to operate the business.	Circular issued on 28 July 2020.
41.	117	<p>Commercial banks will be given following additional incentives till mid-July 2022 if they commence joint operation following merger and acquisition process by mid-July 2021:</p> <p>a. CRR and SLR to be waived by 0.5 percentage point and 1 percentage point respectively.</p> <p>b. Limit on institutional fixed deposit to be increased by 10 percentage points.</p> <p>c. Limit on per institution's deposit to be increased by 5 percentage points.</p> <p>d. The existing provision of cooling period of six months will not be applicable for the members of board of directors and senior officers while joining other institutions licensed by this Bank.</p> <p>Moreover, coordination will be made with concerned institutions for the adjustment of bank-wise institutional deposit ceiling.</p>	Circular issued on 27 July 2020.
42.	120	Amendment in Banking Offence and Punishment Act, 2008 and Negotiable Instrument Act, 1977 will be submitted to the GoN.	Drafts for amendment in Banking Offence and Punishment Act, 2008 and Negotiable Instrument Act, 1977 have been proposed to the GoN.
43.	121	Credit to Deposit cum Core Capital (CCD Ratio) will be increased from 80 percent to 85 percent to	Circular issued on 27 July 2020.

		increase resource availability to BFIs and thereby reviving the economy affected by COVID-19. This increase in CCD ratio will remain in effect until mid-July 2021. Various adjustments given so far in the computation of CCD ratio will be discontinued.	Monitoring via Off-Site Supervision on regular basis. As of mid-July 2021, CCD ratio of BFIS stood at 76.32 percent.
44.	122	BFIs licensed by NRB will be allowed to declare and distribute cash dividend to the extent of 30 percent of net distributable profit of 2019/20 (which shall not be higher than the weighted average deposit interest rate of mid-July 2020 of the particular institution). However, BFIs having net distributable profit of less than 5 percent of total paid-up capital will not be allowed to distribute cash dividend.	Circular issued on 27 July 2020. 30 percent cash dividend has been permitted from the distributable profit of FY 2019/2020, which includes reserved distributable profits from the previous years.
45.	123	The provision of not requiring the transfer of interest collected in cash within 15 days after the end of fiscal year to regulatory reserves will be extended to 90 days for 2019/20.	Circular issued on 27 July 2020.
46.	124	The regulatory requirement for commercial banks to issue debentures at least 25 percent of their paid-up capital by mid-July 2020 will be extended to mid-July 2022.	Circular issued on 27 July 2020. In FY 2020/2021, a total of 21 BFIs including 16 commercial banks, 4 development banks and 1 finance company have obtained approval from SEBON to issue debentures amounting Rs. 69 billion 600 million.

47.	125	Coordination will be done with concerned agencies for necessary arrangements including testing of gold purity so as to facilitate the provision of accepting gold deposit by the BFIs.	Coordination has been done with the concerned agencies.
48.	126	With a view to improve the capital adequacy related arrangement, a provision will be made to determine the risk weights on lending on the basis of the ratings by the licensed Credit Rating Agencies, among others.	Circular issued on 27 July 2020.
49.	127	Loan loss and risk weight provisions will be relaxed for the loans disbursed in infrastructure related projects.	Circular issued on 27 July 2020.
50.	128	<p>Following relaxations, without affecting the financial stability, will be given in the computation of capital adequacy until mid-July 2021 in order to provide additional financing to industries, businesses and professions affected by the COVID-19:</p> <p>a. Countercyclical buffer has been suspended.</p> <p>b. Risk weight placed on operating, market and overall risks based on supervisory process has been reduced to 3 percent, 1 percent and 3 percent respectively from 5 percent, 3 percent and 5 percent.</p> <p>c. Investment made by the BFIs on private equity, debt equity conversion and special purpose vehicle will not be required to deduct while calculating the capital fund.</p>	<p>a. Circular issued on 27 July 2020.</p> <p>b. Circular issued on 27 July 2020.</p> <p>c. Yet to be implemented.</p> <p>d. Circular issued on 27 July 2020.</p> <p>At the time of approval for the publication of financial details for AGM and by on-site supervision, regular monitoring has been being done.</p>

		d. Risk weights assigned to off-balance sheet items will be reviewed.	
51.	129	A special loan loss provision will be made to prevent the loans under pass category from being downgraded to sub-standard due to the COVID-19. Under this provision, loans classified under pass category in mid-January 2020 can be classified in the same category in mid-July 2020 as well. However, such loans have to be provisioned at 5 percent if the principal and interest overdue in mid-July 2020 are not realized.	Circular Issued on July 27, 2020. Monitoring done at the time of approving financial statement to be published for Annual General Meeting (AGM) purpose and at the time of onsite inspection.
52.	130	The guidelines for stress testing of the BFIs will be amended following international standards.	The draft of the guidelines has been prepared to test the stress level by availing various shock scenarios on the basis of micro and macro variables
53.	131	The existing provision for commercial banks to submit an action plan on deposit mobilization and credit disbursement after getting approval from their board of directors to this Bank by mid-August of every year and review of the implementation of such a plan on a quarterly basis will be required for development banks and finance companies as well.	Circular Issued on July 27, 2020. Off-site supervision division inspects whether the annual work plan is being received on a specified time or not and inspects whether the works are in accordance to the annual work plan or not during onsite supervision.
54.	132	Basel III will be implemented in parallel at national level development banks from 2020/21.	Circular Issued on July 27, 2020. Basel III has been implemented in parallel at national level development banks.
55.	133	BFIs will be required to make public the details of subsidized loans and refinancing facilities in their website on a quarterly basis.	Circular Issued on July 27, 2020.

56.	134	NRB will coordinate to finalize the mutual evaluation as per international provisions on anti-money laundering and combating the financing of terrorism (AML/CFT). Activities related to this Bank as mentioned in the AML/CFT National Strategy will be implemented effectively.	Required coordination is being made to complete the mutual evaluation in accordance with the international provision relating to anti-money laundering and financing of terrorism. With regard to mutual evaluation, Technical Compliance has been prepared and is in discussion at agency level.
57.	135	In addition to the BFIs, other informant intuitions will be brought under the GoAML system for the prevention of money laundering and combating the financing of terrorism.	Development banks and finance companies are connected with goAML from Jan 14, 2021 onwards. To connect security, insurance and remittance businesses, goAML Reporting test has been started in some institutions.
58.	136	Supervisory capacity will be enhanced to make the risk measurement and analysis of transactions based on money laundering prevention system more effective	Required provision has been made by establishing ML Monitoring Unit on Bank Supervision Department. AML/CFT supervision manual has been implemented by incorporating ML Vulnerability Assessment Tool of banks and financial institutions.
59.	137	Licensing for new MFIs has been suspended. Similarly, licensing for new MFIs that are in the pipeline has also been cancelled.	Issued notice on July 30, 2020 and July 31, 2020.
60.	138	The time limit for MFIs operating at provincial level to sell, close and relocate the existing branch offices, which are outside the province of their operation has been extended to mid-July 2021 from mid-July 2020.	Issued circular on July 28, 2020.
61.	139	Credit limit for business projects with acceptable collateral provided to the deprived and low-income individuals, firms or group for agriculture, micro	Issued circular on July 28, 2020.

		enterprises and businesses will be extended to Rs. 1.5 million from existing Rs. 0.7 million.	
62.	140	The maximum interest rate on MFIs lending will be fixed at 15 percent.	Issued circular on July 28, 2020. Regular inspection is ongoing.
63.	140	An arrangement for computing the base rate of the MFIs will be made, which will systematize the interest rate determination.	Issued circular on July 28, 2020. Regular inspection is ongoing.
64.	141	Licensed 'A', 'B', 'C' and wholesale lending 'D' class BFIs will not be allowed to charge service fee more than 0.5 percent on the deprived sector lending provided to the MFIs.	Issued circular on July 27, 2020 and July 28, 2020. Regular inspection is being made at the time of onsite supervision.
65.	142	MFIs will not be allowed to park in the term deposit exceeding 3 months except those long-term funds established for specific purposes.	Issued circular on July 28, 2020. Regular inspection is being made, with the medium of offsite and onsite supervision.
66.	143	MFIs will be required to establish new branches only in those wards of local levels where there is nonexistent of MFIs. This move will support in extending the MFIs network in all wards of local levels.	Issued circular on July 28, 2020. Regular inspection is ongoing.
67.	144	Wholesale lending MFIs and MFIs collecting public deposits will be required to publish their financial statements of 2020/21 in accordance with the Nepal Financial Reporting Standard (NFRS).	Issued circular on July 28, 2020. A Circular has been issued to Wholesale lending MFIs and MFIs collecting public deposits to prepare their financial statements according to the Nepal Financial Reporting Standard (NFRS) in parallel from mid-July 2020 onwards.

68.	146	National Payment Switch will be established to facilitate the payment system further in order to maintain records of all electronic transactions conducted in Nepal.	The process of establishing of National Payment Switch by NCHL has been initiated.
69.	147	New license to Payment System Operator (PSO) and Payment Service Provider (PSP) has been suspended except in the case of those which have been provided Letter of Intent (LOI).	Published a notice on July 19, 2020 on bank's website to suspend the New license to Payment System Operator (PSO) and Payment Service Provider (PSP) except in the case of those which have been provided Letter of Intent (LOI).
70.	148	A provision of revoking the license of the PSPs that fail to make at least three hundred thousand customers and at least six hundred thousand monthly average transactions by mid-July 2021 will be made.	Issued direction August 27, 2020.
71.	149	A guideline will be issued to manage the electronic payments made through Quick Response (QR) Code.	Issued a guideline to manage the electronic payments made through Quick Response (QR) Code. 195 thousands transaction made through QR in mid-August 2020 has reached 503 thousands in mid-June,2021. During the period, transaction volume has increased from 590 million to 1.97 billion.
72.	150	Payment System Development Indicators (PSDIs) will be published.	Statistics/Indicators related to Payment System Development are monthly published on the bank's website since mid-August, 2020
73.	151	Government securities will be dematerialized in coordination with other concerned agencies. This will help in carrying out the transactions effectively.	MOU has been signed between stakeholder agencies to dematerialize Development Bond, Citizen Saving Bonds, and Foreign Employment Bond.

74.	152	Provisions regarding interest rate on loans in convertible currency disbursed by commercial banks for importing industrial raw materials and machinery equipment through sight letter of credit (LC) will be revised.	Issued circular on July 28, 2020.
75.	152	Provisions will be made to discount the Sight LC as deferred payment at foreign banks in order to ease the payments through LC.	Issued circular on January 12, 2021.
76.	153	Necessary provision will be made to encourage the use of Nepali insurance and freight services in import related transactions.	Issued circular on January 12, 2021.
77.	154	Foreign exchange facility up to USD 50,000 will be provided for imports through Documents against Payment (DAP) and Documents against Acceptance (DAA).	Issued circular on July 28, 2020.
78.	155	Foreign exchange facility for import from the third countries through draft/ TT has been increased from USD 30,000 to USD 35,000.	Issued circular on July 28, 2020.
79.	156	The list of commodities that can be imported from India in convertible currency through LC will be extended.	Issued circular on July 28, 2020. Three objects from wire, metal group with harmonic code 3902.30.00, 7614.90.00 and 8454.90.00 have been added, extending the limit to 167 items.
80.	157	Provisions will be made to receive foreign currency earned from the exports of IT related services exported through online or electronic means in the bank account or card of the exporters or service providers.	Direction has been issued. Through the notice by the Payment System Department on September 17, 2020, an arrangement regarding the receipt of foreign exchange has been made.

81.	158	Necessary provisions will be made regarding remittance charges taken by the BFIs and remittance companies to encourage remittance flows through formal channels.	Policy provisions will be in place along with the amendment of Nepal Rastra Bank Remittance Bylaws, 2010.
82.	158	Necessary arrangements will be made to receive remittances through mobile wallets.	Issued notice on September 21, 2020.
83.	159	Foreign Exchange Facilitation Unit at One Stop Service Center, established under the Department of Industries, GoN will be made further effective.	Nepal Rastra Bank Foreign Investment and External Debt Management Bylaws, 2021 has been approved on May 31, 2021 and issued on June 8, 2021
84.	160	The time period of the usance LC will be extended from 120 days to 180 days.	Issued circular on July 28, 2020.
85.	161	The time limit for issuing advance payment certificate on behalf of Nepalese exporters, after receiving the foreign currency, will be increased from the existing one month to four months.	Issued circular on July 28, 2020.
86.	162	A provision will be made to deposit foreign currency earned by selling Nepalese products through trade fairs and exhibitions abroad in the foreign currency account of Nepali exporters maintained at the BFIs.	Issued circular on July 28, 2020.
87.	163	Foreign currency, up to a certain amount, received in the form of FDI will be allowed to channelize through an automatic route of the BFIs under specific terms and conditions.	Nepal Rastra Bank Foreign Investment and External Debt Management Bylaws, 2021 has been approved on May 31, 2021 and issued on June 8, 2021
88.	164	An arrangement will be made for ongoing foreign financed infrastructure development projects to borrow up-to certain times of their capital investment at a specified interest rate from their	Notice published on January 13, 2021.

		Parent Company/Group of Companies abroad.	
89.	165	Hedging services will be promoted through specialized institutions in order to minimize exchange rate risk in foreign currency.	Legal provision will be arranged after the required coordination with the concerned body of the Government of Nepal.
90.	167	The provision relating to perks and benefits of the chief executive officers including those of the top level staff at the BFIs will be reviewed, keeping in view the need to economize in the context of COVID-19. Likewise, a guideline will be formulated regarding the meeting allowance and facilities of the board of directors of the BFIs.	The information related to the salaries and compensation of the CEOs and employees of the banks has been collected, and its further analysis is in process.
91.	168	A separate portal will be managed on the website of this Bank to obtain queries, grievances and suggestions from the general public related to banking services.	Required arrangement has been made on the portal after issuing the guidelines on September 28, 2020.
92.	168	Provision will be made to address all types of grievances and suggestions by the Financial Consumer Protection Unit of this Bank.	Issued guidelines on September 28, 2020.
93.	171	Service fees charged by the BFIs will be made more systematic and transparent. In this regard, the maximum service fee that can be charged by commercial banks will be fixed at 0.75 percent, development banks 1.00 percent, finance companies 1.25 percent and MFIs 1.50 percent.	Issued Direction. Regular monitoring is being conducted at the time of onsite inspection.
94.	172	An arrangement will be made to avail Know Your Customer (KYC) information required by BFIs in an integrated manner.	Under discussion for this provision.

95.	173	BFIs will not be allowed to charge any penal interest, charges and any other fees in the loan payments that are deferred due to the COVID-19.	Circular issued on July 27, 2020 and July 28, 2020.
96.	174	An arrangement for the interoperability of the BFIs' ATMs will be made.	The interoperability of the ATMs has been increased.
97.	174	A provision of waiver of fee on the use of ATM card of one bank at the ATM of another bank for the period of the impact of COVID-19 remained will be made.	Directive issued on August 27, 2020.
98.	175	The policy relating to the corporate social responsibility (CSR) spending by the BFIs will be reviewed.	Legal provision has been reviewed.
99.	175	The unspent amount so far under the CSR will be required to be transferred to the "Corona Virus Prevention, Control and Treatment Fund" established by the GoN.	Issued circular on July 27, 2020 and July 28, 2020.

Progress Matrix of programs provisioned in the First Quarter Review of Monetary Policy 2020/21

1	61	BFIs will be required to bring the difference between the maximum and minimum interest rates on all deposits other than call deposits to 5 percent.	Directive has been issued on 16 December 2020. The provision is monitored during on-site inspection.
2	62	Fees and swap fees on pre-payment of periodic loans will be further managed.	Directive has been issued on 16 December 2020. The provision is monitored during on-site inspection.
3	63	For loans disbursed at fixed interest rate, a guideline will be introduced to determine its pre-	Directive has been issued on 16 December 2020. The provision is being monitored in on-site

		payment fees and maturity period taking care of balance between interest rate risk absorption and resource management.	inspection.
4	64	A provision will be made to postpone the liquidation of assets of the borrowers who are affected by the Covid-19 and have interest accrued not exceeding past 6 months.	Directive has been issued on 16 December 2020. The provision is being monitored in on-site inspection.
5	65	Borrowers who have borrowed in foreign currency from BFIs but have faced difficulty to pay the principal and interest in foreign currency due to the Covid-19 pandemic will be allowed to repay the loan in Nepali currency also.	Directive has been issued on 11 December 2020.
6	66	An arrangement will be made to provide foreign exchange facilities for certain amount of goods and services imported through online.	Directive and information have been issued on on 11 December 2020.
7	67	Existing provision of service charges, collected from customers by BFIs, payment service providers and payment system operators for providing electronic payment services, will be reviewed.	Directive has been issued on 7 January 2021. The revised fee will come into effect from 2077/10/01.
8	68	The existing provisions related to personal overdraft loan, margin lending and real estate loan will be reviewed.	Directive has been issued on 16 December 2021. The provision is being monitored in on-site inspection.
9	69	Refinancing to hotels including tourism and poultry farming businesses that are mostly affected by the Covid-19 will be further facilitated.	Facilitated through Refinancing Procedure, 2077. As per the approved memo of 22 September 202220, 16 October 2020, and 25 November 2020, several points in the Refinancing Procedure, 2077 have been facilitated.

10	70	A study will be conducted to review the the classification of highly affected, moderately affected and least affected sectors by the Covid-19 Pandemic.	The study has been completed and policy provisions have been reviewed.
Progress Matrix of programs provisioned in the Mid-Term Review of Monetary Policy 2020/21			
1	64	BFI's will be allowed to restructure and reschedule loans for one time provided that such loans are in performing category in mid-January 2020, borrowers submit the written plan by mid-July 2021 and BFI's analyze such plans and recover 5 percent of the accrued interest.	Directive has been issued on 28 February 2021. The provision is monitored in an on-site inspection.
2	65	Necessary arrangements will be made to avail special refinance for hydropower projects with capacities less than 10MW.	Provision for the same has been made in "Nepal Rastra Bank Refinancing Procedure, 2077 (First Amendment)" issued on 7 March 2021.
3	66	Considering the difficult situation brought about by the Covid-19, the current monetary policy had eased various types of loans disbursed under Loan to Value (LTV) ratio regulation. Such a provision will be reviewed as the economy starts reverting to normality.	A study has been completed and policy has been reviewed as per requirement.
4	67	Special monitoring will be carried out to ensure whether loans disbursed by BFI's in the specified area and categories have reached the target or not. In case the loan is found to have misused, the actions to be taken against the concerned institution will be made more effective.	Special monitoring teams from the regulation and supervision departments of this bank have jointly conducted the monitoring. Such a provision is monitored during the on-site inspection.

5	68	The transaction limits on electronic payments will be timely reviewed to promote such transactions.	A directive has been issued on 7 March 2021 after timely revision of transactions limits.
6	69	Additional policy arrangements will be made for the promotion of electronic transactions including QR code.	QR Code Guidelines have been issued to encourage electronic payments through Quick Response (QR) Code.
7	70	An arrangement will be made to include the fund spent on financial literacy programs targeted to promote electronic transactions under Corporate Social Responsibility.	Directive has been issued on 7 March 2021. The provision is monitored during on-site inspection.
8	71	The existing limit of foreign exchange provided for the goods imported under the provisions of Documents Against Payment (DAP)/ Documents Against Acceptance (DAA) will be reviewed as required.	Directive has been issued on 17 March 2021.
Progress Matrix of programs provisioned in the Third Quarter Review of Monetary Policy 2020/21			
1	70	Bank and financial institutions will be required to provide loan at base rate to health care service provider institutions, hospitals or industries currently operating in Nepal for loan demanded for the purpose of setting up a liquid oxygen plant or an oxygen plant.	Directive has been issued on 25 May 2021.
2	71	A special refinance for loans up to Rs.500 million disbursed to establish liquid oxygen plant and for loans up to Rs.200 million to establish oxygen plant will be provided to the health care service providers, hospitals or industries currently operating in Nepal.	This provision has been included in second amendment of “Nepal Rastra Bank Refinance Guidelines, 2077” issued on 25 June 2021.

3	72	Electricity projects for which this bank has already granted interest capitalization does not require approval for interest capitalization for the period of change in their Required Commercial Operation Date.	Directive has been issued on 25 May 2021.
4	73	BFI's will be required not to collect any penalty or additional charges on recovery of loan from customers for the period of lockdown imposed to contain COVID-19 pandemic.	Directive has been issued on 25 May 2021..
5	74	BFI's shall not issue any type of notices related to loan recovery or liquidation during the lockdown period or up to one month after the end of the lockdown imposed to contain COVID-19 pandemic.	Directive has been issued on 25 May 2021.
6	75	BFI's, upon the request of customers, will be permitted to renew fixed deposits, bank guarantee and letter of credit, and loans which matured during the period of lockdown imposed to contain COVID-19 pandemic.	Directive has been issued on 25 May 2021.
7	76	BFI's will be encouraged to provide discounts to the customers who pay the loan installment or interest during the period of lockdown.	Directive has been issued on 25 May 2021.
8	77	Under margin type loan bank and financial institutions can lend up to 70 percent of the value of securities, which is calculated as the average of the closing price of 180 days transaction or current market price whichever is lower.	Directive has been issued on 25 May 2021.
9	78	BFI's will be required to immediately disseminate information about the changes in interest rates on	Directive has been issued on 25 May 2021.

		deposits and loans to their customers through electronic means.	
10	79	BFIs, given the unavoidable circumstances caused by the COVID-19, will be required to update customers' KYC through electronic means and activate such accounts which have remained dormant on account of the failure of KYC update.	Directive has been issued on 25 May 2021.
11	80	The fund allocated by BFIs under Corporate Social Responsibility requirement will be made available nationwide with priority on life protection, public benefit and philanthropic works. Given the current distress situation, BFIs will be permitted to use such fund on the purchase of oxygen cylinder, oxygen concentrator, life protective vaccines, medicines, etc. Similarly, expenditures incurred on the innovation centers of national importance and philanthropic works like human services will be counted under CSR.	Directive has been issued on 25 May 2021.
12	70	Bank and financial institutions will be required to provide loan at base rate to health care service provider institutions, hospitals or industries currently operating in Nepal for loans demanded for the purpose of setting up a liquid oxygen plant or an oxygen plant.	Directive has been issued on 25 May 2021.

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Table 1
Gross Domestic Product
(At 2010/11 Price)

Sectors	Rs. Million						Percentage Change				
	2015/16	2016/17	2017/18	2018/19	2019/20 ^R	2020/21 ^P	2016/17	2017/18	2018/19	2019/20 ^R	2020/21 ^P
Agriculture	541,301.1	569,312.0	584,166.8	614,291.9	628,013.9	644,585.8	5.2	2.6	5.2	2.2	2.6
Agriculture, Forestry and Fishing	541,301.1	569,312.0	584,166.8	614,291.9	628,013.9	644,585.8	5.2	2.6	5.2	2.2	2.6
Non-agriculture	1,159,147.1	1,277,194.0	1,398,486.3	1,494,971.2	1,436,586.1	1,502,238.5	10.2	9.5	6.9	-3.9	4.6
Industry	238,776.9	279,697.0	308,686.2	331,465.1	319,219.6	335,330.9	17.1	10.4	7.4	-3.7	5.0
Mining and quarrying	10,262.9	11,761.5	12,866.5	15,134.0	14,796.6	15,905.5	14.6	9.4	17.6	-2.2	7.5
Manufacturing	91,537.0	106,939.9	116,785.5	124,403.0	113,737.7	118,119.7	16.8	9.2	6.5	-8.6	3.9
Electricity, gas, steam and air conditioning supply	15,891.1	19,520.2	21,546.3	23,617.3	29,659.4	31,955.0	22.8	10.4	9.6	25.6	7.7
Water supply; sewerage, waste management and remediation activities	14,221.9	14,653.4	15,322.4	15,509.6	15,842.8	16,097.3	3.0	4.6	1.2	2.1	1.6
Construction	106,864.1	126,822.1	142,165.5	152,801.1	145,183.2	153,253.4	18.7	12.1	7.5	-5.0	5.6
Services	920,370.2	997,497.0	1,089,800.1	1,163,506.1	1,117,366.5	1,166,907.6	8.4	9.3	6.8	-4.0	4.4
Wholesale and Retail Trade; repair of motor vehicle and motorcycle	251,008.4	277,883.6	325,766.9	352,194.0	314,532.8	331,115.0	10.7	17.2	8.1	-10.7	5.3
Transportation and storage	100,812.2	105,258.2	117,552.5	127,863.0	110,772.8	117,549.3	4.4	11.7	8.8	-13.4	6.1
Accommodation and food service activities	27,419.7	31,091.7	34,887.0	38,348.3	24,169.2	26,876.0	13.4	12.2	9.9	-37.0	11.2
Information and communication	62,839.8	71,416.1	72,941.9	78,084.2	79,879.8	81,041.3	13.6	2.1	7.0	2.3	1.5
Financial Intermediation	88,169.9	96,809.7	105,940.5	112,666.7	118,020.7	124,895.3	9.8	9.4	6.3	4.8	5.8
Real state activities	153,477.8	159,688.6	162,181.4	168,268.8	172,249.4	176,794.7	4.0	1.6	3.8	2.4	2.6
Professional, scientific and technical activities	15,922.0	17,308.7	18,165.3	19,183.8	19,414.5	19,864.3	8.7	4.9	5.6	1.2	2.3
Administration and support service activities	10,197.9	11,858.6	14,066.7	14,972.1	15,294.7	15,626.4	16.3	18.6	6.4	2.2	2.2
Public Administration and Defence; compulsory social security	80,624.6	87,095.3	91,199.9	95,865.1	101,595.4	105,144.1	8.0	4.7	5.1	6.0	3.5
Education	99,852.0	107,048.4	113,288.4	120,060.1	123,903.8	128,362.6	7.2	5.8	6.0	3.2	3.6
Human health and social work activities and other service activities	21,549.8	23,143.6	24,503.3	26,142.6	27,501.9	29,296.9	7.4	5.9	6.7	5.2	6.5
Other economic activities	8,496.0	8,894.5	9,306.3	9,857.3	10,031.4	10,341.8	4.7	4.6	5.9	1.8	3.1
Gross Domestic Product (GDP) at basic price	1,700,448.2	1,846,506.0	1,982,653.1	2,109,263.1	2,064,599.9	2,146,824.3	8.6	7.4	6.4	-2.1	4.0
Taxes less subsidies on products	169,975.4	191,830.7	211,053.4	230,479.6	226,280.1	235,883.4	12.9	10.0	9.2	-1.8	4.2
Gross Domestic Product (GDP)	1,870,423.6	2,038,336.7	2,193,706.4	2,339,742.7	2,290,880.0	2,382,707.7	9.0	7.6	6.7	-2.1	4.0

R= Revised Estimate

P= Preliminary Estimate

Source: Central Bureau of Statistics

Table 2
Gross Domestic Product
(At Current Price)

Sectors	Rs. Million						Percentage Change				
	2015/16	2016/17	2017/18	2018/19	2019/20 ^R	2020/21 ^P	2016/17	2017/18	2018/19	2019/20 ^R	2020/21 ^P
Agriculture	665,553.3	729,269.5	771,874.9	832,887.3	905,344.1	964,429.2	9.6	5.8	7.9	8.7	6.5
Agriculture, Forestry and Fishing	665,553.3	729,269.5	771,874.9	832,887.3	905,344.1	964,429.2	9.6	5.8	7.9	8.7	6.5
Non-agriculture	1,675,848.8	1,991,293.3	2,239,147.0	2,509,593.3	2,548,795.7	2,768,845.0	18.8	12.4	12.1	1.6	8.6
Industry	330,076.6	395,800.4	456,207.4	502,072.9	461,834.6	489,445.1	19.9	15.3	10.1	-8.0	6.0
Mining and quarrying	13,581.9	15,668.0	18,449.5	21,998.7	20,442.9	21,530.5	15.4	17.8	19.2	-7.1	5.3
Manufacturing	127,493.0	149,416.1	169,565.3	192,230.4	173,861.3	189,657.4	17.2	13.5	13.4	-9.6	9.1
Electricity, gas, steam and air conditioning supply	19,004.2	29,071.6	30,981.4	33,859.2	42,545.3	45,782.4	53.0	6.6	9.3	25.7	7.6
Water supply; sewerage, waste management and remediation activities	18,237.7	18,668.6	19,487.8	19,724.3	20,123.5	20,481.2	2.4	4.4	1.2	2.0	1.8
Construction	151,759.9	182,976.0	217,723.4	234,260.4	204,861.6	211,993.7	20.6	19.0	7.6	-12.5	3.5
Services	1,345,772.2	1,595,492.9	1,782,939.6	2,007,520.4	2,086,961.1	2,279,399.9	18.6	11.7	12.6	4.0	9.2
Wholesale and Retail Trade; repair of motor vehicle and motorcycle	350,778.7	401,488.9	473,651.9	543,044.8	519,564.5	585,013.5	14.5	18.0	14.7	-4.3	12.6
Transportation and storage	160,578.0	184,092.0	197,866.4	215,796.7	179,010.5	202,662.0	14.6	7.5	9.1	-17.0	13.2
Accommodation and food service activities	46,276.0	56,148.5	67,315.3	75,650.3	50,260.8	58,173.3	21.3	19.9	12.4	-33.6	15.7
Information and communication	60,397.8	68,467.6	70,276.1	74,121.7	77,166.5	81,004.5	13.4	2.6	5.5	4.1	5.0
Financial Intermediation	127,484.7	158,243.4	186,656.6	207,134.3	235,253.9	256,983.1	24.1	18.0	11.0	13.6	9.2
Real state activities	216,958.8	244,110.0	264,377.0	295,714.4	317,011.0	352,067.6	12.5	8.3	11.9	7.2	11.1
Professional, scientific and technical activities	23,294.4	26,960.9	29,784.1	32,722.3	35,240.6	39,728.6	15.7	10.5	9.9	7.7	12.7
Administration and support service activities	14,919.8	16,970.3	19,699.4	25,471.0	27,192.3	28,405.4	13.7	16.1	29.3	6.8	4.5
Public Administration and Defence; compulsory social security	137,826.5	184,940.8	193,656.8	218,570.6	276,109.6	287,468.4	34.2	4.7	12.9	26.3	4.1
Education	161,259.7	197,828.9	219,543.9	251,585.8	288,459.3	300,357.7	22.7	11.0	14.6	14.7	4.1
Human health and social work activities and other service activities	33,186.6	41,454.7	44,061.7	49,775.8	60,328.1	64,643.5	24.9	6.3	13.0	21.2	7.2
Other economic activities	12,811.3	14,787.0	16,050.3	17,932.9	21,364.0	22,892.4	15.4	8.5	11.7	19.1	7.2
Gross Domestic Product (GDP) at basic price	2,341,402.0	2,720,562.8	3,011,021.9	3,342,480.7	3,454,139.7	3,733,274.2	16.2	10.7	11.0	3.3	8.1
Taxes less subsidies on products	266,782.4	356,582.1	444,927.4	516,449.7	460,561.4	533,047.3	33.7	24.8	16.1	-10.8	15.7
Gross Domestic Product (GDP)	2,608,184.4	3,077,144.9	3,455,949.3	3,858,930.4	3,914,701.1	4,266,321.5	18.0	12.3	11.7	1.4	9.0

R= Revised Estimate

P= Preliminary Estimate

Source: Central Bureau of Statistics

Table 3
Gross National Income, Investment and Saving
(At Current Prices)

Sectors	Rs. Million						Percent of GDP		
	2015/16	2016/17	2017/18	2018/19	2019/20 ^R	2020/21 ^P	2018/19	2019/20 ^R	2020/21 ^P
Consumption	2,513,172.0	2,677,585.2	2,944,758.7	3,268,382.6	3,666,294.8	3,983,970.1	84.7	93.7	93.4
Government consumption	206,725.2	262,127.8	278,602.6	313,233.1	352,617.2	364,308.3	8.1	9.0	8.5
Private consumption	2,266,461.6	2,370,592.1	2,617,170.7	2,896,379.6	3,246,421.7	3,545,272.3	75.1	82.9	83.1
Non-profit institutions serving households	39,985.1	44,865.4	48,985.4	58,769.9	67,255.9	74,389.5	1.5	1.7	1.7
Gross Capital Formation	736,577.3	1,148,546.0	1,366,751.9	1,596,776.8	1,111,776.1	1,312,712.7	41.4	28.4	30.8
Gross Fixed Capital Formation	748,685.1	940,850.5	1,120,863.9	1,304,902.2	1,112,901.5	1,163,056.6	33.8	28.4	27.3
Government	142,821.5	243,535.8	253,228.9	221,875.4	206,829.6	210,195.3	5.7	5.3	4.9
Government enterprise	135,156.9	141,642.4	89,184.0	99,681.7	93,024.8	88,957.2	2.6	2.4	2.1
Private	470,706.7	555,672.3	778,451.0	983,345.0	813,047.0	863,904.1	25.5	20.8	20.2
Change in stock	(12,107.8)	207,695.5	245,888.0	291,874.6	(1,125.4)	149,656.1	7.6	0.0	3.5
Total Domestic Demand	3,249,749.3	3,826,131.2	4,311,510.6	4,865,159.4	4,778,070.9	5,296,682.8	126.1	122.1	124.2
Export of goods and services	213,338.5	240,392.4	270,104.6	300,222.3	264,637.6	216,722.2	7.8	6.8	5.1
Import of goods and services	885,111.1	1,133,319.3	1,404,212.5	1,600,282.6	1,326,575.9	1,400,618.4	41.5	33.9	32.8
Net exports of goods and services	-671,772.6	-892,926.9	-1,134,107.9	-1,300,060.3	-1,061,938.3	-1,183,896.2	-33.7	-27.1	-27.7
Gross Domestic Product (GDP)	2,608,184.4	3,077,144.9	3,455,949.3	3,858,930.4	3,914,701.1	4,266,321.5	100.0	100.0	100.0
Net factor income	34,004.3	30,995.1	22,614.8	39,915.5	46,101.3	17,850.1	1.0	1.2	0.4
Gross National Income (GNI)	2,642,188.8	3,108,140.0	3,478,564.1	3,898,845.9	3,960,802.4	4,284,171.6	101.0	101.2	100.4
Net transfer	778,186.8	851,801.3	864,670.9	994,785.1	982,221.3	1,039,382.6	25.8	25.1	24.4
Gross National Disposable Income	3,420,375.6	3,959,941.2	4,343,235.0	4,893,631.1	4,943,023.6	5,323,554.1	126.8	126.3	124.8
Gross Domestic Saving	95,012.5	399,559.7	511,190.6	590,547.8	248,406.3	282,351.4	15.3	6.3	6.6
Gross National Saving	907,203.6	1,282,356.1	1,398,476.3	1,625,248.5	1,276,728.8	1,339,584.0	42.1	32.6	31.4

R=Revised estimate

P=Preliminary estimate

Source: Central Bureau of Statistics

Table 4
National Consumer Price Index
(2014/15 = 100)
(y-o-y)

Mid- month	2017/18		2018/19		2019/20		2020/21	
	Index	Percent Change	Index	Percent Change	Index	Percent Change	Index	Percent Change
August	118.3	2.3	123.3	4.2	131.9	7.0	136.5	3.5
September	119.4	3.4	124.0	3.9	131.7	6.2	137.6	4.5
October	119.2	3.1	124.8	4.7	132.6	6.2	137.6	3.8
November	120.6	3.9	125.6	4.1	132.8	5.8	138.2	4.1
December	119.9	4.2	124.4	3.7	132.5	6.6	136.4	2.9
January	118.5	4.0	123.9	4.6	132.4	6.8	137.1	3.6
February	119.0	5.0	124.2	4.4	132.8	6.9	136.3	2.7
March	119.1	6.0	124.1	4.2	132.4	6.7	136.4	3.0
April	119.5	5.3	124.8	4.4	133.2	6.7	137.4	3.1
May	120.0	4.1	126.3	5.3	133.7	5.8	138.5	3.7
June	120.3	4.1	127.7	6.2	133.5	4.5	139.1	4.2
July	121.3	4.6	128.6	6.0	134.7	4.8	140.3	4.2
Average	119.6	4.2	125.1	4.6	132.8	6.2	137.6	3.6

Table 5
Monetary Survey

(Rs. in million)

Monetary Aggregates	2019 Jul	2020 Jul (R)	2021 Jul (P)	Changes during the fiscal year			
				2019/20		2020/21	
				Amount	Percent	Amount	Percent
1. Foreign Assets, Net	984783.1	1328349.0	1335620.1	282409.5 ^{1/}	28.7	1226.7 ^{2/}	0.1
1.1 Foreign Assets	1073526.6	1449927.6	1453294.9	376401.1	35.1	3367.3	0.2
1.2 Foreign Liabilities	88743.4	121578.6	117674.8	32835.1	37.0	-3903.8	-3.2
a. Deposits	84490.3	106693.2	91794.6	22203.0	26.3	-14898.7	-14.0
b. Other	4253.2	14885.3	25880.2	10632.1	250.0	10994.9	73.9
2. Net Domestic Assets	2597354.5	2902620.7	3819233.1	366422.6 ^{1/}	14.1	922656.7 ^{2/}	31.8
2.1 Domestic Credit	3338509.8	3792618.6	4810629.4	454108.7	13.6	1018010.8	26.8
a. Net Claims on Government	375545.8	461044.3	592929.7	85498.5	22.8	131885.4	28.6
Claims on Government	441199.5	602216.1	787627.5	161016.6	36.5	185411.4	30.8
Government Deposits	65653.7	141171.8	194697.8	75518.1	115.0	53526.0	37.9
b. Claims on Non-Financial Government Enterprises	9693.1	8702.6	7512.6	-990.5	-10.2	-1190.0	-13.7
c. Claims on Financial Institutions	42994.9	45979.6	70631.6	2984.7	6.9	24652.0	53.6
Government	1607.2	1560.4	1615.7	-46.8	-2.9	55.3	3.5
Non-Government	41387.7	44419.2	69016.0	3031.5	7.3	24596.7	55.4
d. Claims on Private Sector	2910275.9	3276892.0	4139555.4	366616.0	12.6	862663.4	26.3
2.2 Net Non-Monetary Liabilities	741155.3	889997.8	991396.3	87686.1 ^{1/}	11.8	95354.2 ^{2/}	10.7
3. Broad Money (M2)	3582137.7	4230969.8	5154853.2	648832.1	18.1	923883.4	21.8
3.1 Money Supply (a+b), M1+	2093758.4	2368304.5	2964265.4	274546.2	13.1	595960.8	25.2
a. Money Supply (M1)	726642.8	856260.8	1049410.2	129618.1	17.8	193149.3	22.6
Currency	423204.3	490396.4	571971.8	67192.1	15.9	81575.4	16.6
Demand Deposits	303438.4	365864.4	477438.4	62426.0	20.6	111574.0	30.5
b. Saving and Call Deposits	1367115.6	1512043.7	1914855.2	144928.1	10.6	402811.5	26.6
3.2 Time Deposits	1488379.3	1862665.2	2190587.8	374286.0	25.1	327922.5	17.6
4. Broad Money Liquidity (M3)	3666627.9	4337663.0	5246647.7	671035.1	18.3	908984.7	21.0

1/ Adjusting the exchange valuation gain (+)/loss (-) of Rs. 61156.4

2/ Adjusting the exchange valuation gain (+)/loss (-) of Rs. 6044.3

R= Revised, P = Provisional

Table 6
Structure of Interest Rate
(Percent per annum)

Year	2018 Jul	2019 Jul	2020 Jun	2020 Jul	2020 Oct	2020 Jan	2020 Apr	2020 Jun	2020 Jul
A. Policy Rates									
Fixed Repo Rate (Corridor)	5.0	5.0	3.5	3.5	3.0	3.0	3.0	3.0	3.0
Fixed Deposit Collection Rate (Corridor)	3.0	3.5	2.0	2.0	1.0	1.0	1.0	1.0	1.0
Standing Liquidity Facility (SLF) Rate [^]	7.0	6.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0
Bank Rate	7.0	6.5	5.0	5.0	5.0	5.0	5.0	5.0	5.0
B. Refinance Rates									
Micro, Small and Medium Enterprise (MSME) Refinance [#]	3.0	3.0	3.0	2.0	2.0	2.0	2.0	2.0	2.0
Special Refinance	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0	1.0
General Refinance	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Export Credit in Foreign Currency	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25	LIBOR+0.25
C. CRR									
Commercial Banks	6.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Development Banks	5.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
Finance Companies	4.0	4.0	3.0	3.0	3.0	3.0	3.0	3.0	3.0
D. Government Securities									
T-bills (28 days)*	3.07	4.33	-	0.11	0.11	0.11	0.70	2.13	4.68
T-bills (91 days)*	3.74	4.97	2.81	1.27	0.63	0.87	2.76	3.79	4.55
T-bills (182 days)*	4.39	5.03	4.57	1.96	1.33	1.17	2.93	3.86	4.39
T-bills (364 days)*	-	4.78	4.23	2.26	2.00	1.73	3.34	4.22	4.16
Development Bonds	2.65-6.5	2.65-6.5	2.65-6.97	2.65-6.97	2.65-6.97	2.65-6.97	2.65-6.97	2.65-6.97	2.65-6.97
National/Citizen SCs	6.0-8.5	8.0-9.0	8.0-9.0	8.0-9.0	8.0-9.0	8.0-9.0	8.0-9.0	8.0-9.0	8.0-9.0
E. Interbank Rate^{\$}									
	-	-	-	-	0.17	0.18	2.03	3.24	4.14
F. Interbank Rate (Commercial Banks)									
	2.96	4.52	2.80	0.35	0.11	0.14	2.03	3.21	4.12
G. Weighted Average Deposit Rate (Commercial Banks)									
	6.49	6.60	6.17	6.01	5.45	5.00	4.79	4.72	4.65
H. Weighted Average Lending Rate (Commercial Banks)									
	12.47	12.13	10.43	10.11	9.83	9.09	8.61	8.46	8.43
I. Base Rate (Commercial Banks)									
	10.47	9.57	8.66	8.50	7.73	7.18	6.90	6.66	6.86

[^] The SLF rate is fixed as same as bank rate effective from August 16, 2012

* Weighted average interest rate.

[#] Up to end of 2019/20, taken as SME refinance

^{\$} Taken as an operating target of monetary policy since FY 2020/21

Table 7
Monetary Management

(Rs. In million)

Particulars	2018/19	2019/20	2020/21
A. Liquidity Injection	322,489.0	219,155.0	438,277.1
1. Repo	162,460.0	108,550.0	50,000.0
2. Direct purchase	-	-	-
3. Repo Auction *	5,700.0	7,322.0	17,937.1
4. Standing Liquidity Facility	154,329.0	103,283.0	370,340.0
B. Liquidity Absorption	100,350.0	78,000.0	303,290.0
1. Reverse Repo	20,700.0	48,000.0	109,540.0
2. Direct Sale	-	-	-
3. Deposit collection auction	79,650.0	30,000.0	193,750.0
4. Deposit collection auction*	-	-	-
C. Net liquidity			
Injection(+)/Absorption(-)	222,139.0	141,155.0	134,987.1

* Transaction under interest rate corridor

Table 8
Repo Auction

(Rs. in million)

Mid-month	Repo Auction (7-Days)				Repo Auction (14-Days)			
	2019/20		2020/21		2019/20		2020/21	
	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	38,550.0	4.60	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
January	-	-	-	-	-	-	-	-
February	50,000.0	4.74	-	-	-	-	-	-
March	20,000.0	4.75	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	20,000.0	3.15
June	-	-	-	-	-	-	30,000.0	3.38
July	-	-	-	-	-	-	-	-
Total	108,550.0	4.69	-	-	-	-	50,000.0	3.29

*Weighted average interest rate.

Table 9
Reverse Repo Auction

(Rs. in million)

Mid-month	7-Days				28-Days				90-Days			
	2019/20		2020/21		2019/20		2020/21		2019/20		2020/21	
	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)	Amount	Interest Rate* (%)
August	-	-	60,000.0	0.03	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	-	-	-	-	-	-
November	-	-	-	-	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-	-	-	-	-
January	28,000.0	2.31	-	-	-	-	20,000.0	0.22	-	-	9,540.0	1.29
February	-	-	-	-	-	-	-	-	-	-	-	-
March	-	-	20,000.0	0.37	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-	-	-	-	-
June	20,000.00	1.28	-	-	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-	-	-	-	-
Total	48,000.0	1.88	80,000.0	0.12	-	-	20,000.0	0.22	-	-	9,540.0	1.29

*Weighted average interest rate.

Table 10
Deposit Collection Auction

(Rs. in million)

Mid-month	15 Days				28 Days			
	2019/20		2020/21		2019/20		2020/21	
	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)
August	30,000.0	0.8	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	-	-	30,000.0	0.4
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	71,800.0	0.6
January	-	-	-	-	-	-	50,000.0	0.5
February	-	-	-	-	-	-	41,950.0	0.6
March	-	-	-	-	-	-	-	-
April	-	-	-	-	-	-	-	-
May	-	-	-	-	-	-	-	-
June	-	-	-	-	-	-	-	-
July	-	-	-	-	-	-	-	-
Total	30,000.0	0.84	-	-	-	-	193,750.0	0.52

*Weighted average interest rate.

Table 11
Interest Rate Corridor

(Rs. in million)

Month	Deposit Collection Auction (7 days)				Repo Auction (Overnight)			
	2019/20		2020/21		2019/20		2020/21	
	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)	Amount	Interest Rate * (%)
August	-	-	-	-	-	-	-	-
September	-	-	-	-	-	-	-	-
October	-	-	-	-	970.5	4.5	-	-
November	-	-	-	-	-	-	-	-
December	-	-	-	-	-	-	-	-
January	-	-	-	-	-	-	-	-
February	-	-	-	-	2,118.0	4.5	-	-
March	-	-	-	-	2,348.5	4.5	-	-
April	-	-	-	-	-	-	341.1	3.0
May	-	-	-	-	1,885.0	3.5	5,334.7	3.0
June	-	-	-	-	-	-	3,613.2	3.0
July	-	-	-	-	-	-	8,648.1	3.0
Total	-	-	-	-	7,322.0	4.24	17,937.1	3.00

*Weighted average interest rate.

Table 12
Standing Liquidity Facility

(Rs. Million)

Months	2019/20		2020/21	
	Amount	Interest Rate*	Amount	Interest Rate*
August	3,300.0	6.00	-	0.00
September	30,720.0	6.00	-	0.00
October	15,780.0	6.00	-	0.00
November	750.0	6.00	-	0.00
December	-	-	-	0.00
January	2,000.0	6.00	-	0.00
February	17,000.0	6.00	-	0.00
March	-	-	2,000.0	5.00
April	3,507.0	5.56	5,120.0	5.00
May	27,526.0	5.00	67,570.0	5.00
June	2,700.0	5.00	58,580.0	5.00
July	-	5.00	237,070.0	5.00
Total	103,283.0	5.69	370,340.0	5.00

*Weighted average interest rate.

Table 13
Government Budgetary Operation
(Based on banking transactions)
(Based on the data of End of Asar)+

(Rs. in million)

Heads	2018/19*	2019/20	2020/21	Percent Change	
				2019/20	2020/21
Total Expenditure	1067289.5	1038026.2	1160259.0	-2.7	11.8
Recurrent	712043.1	-	-	-	-
Capital	232308.5	-	-	-	-
Financial	122937.9	-	-	-	-
Total Resources	886784.8	770576.5	892294.0	-13.1	15.8
Revenue and Grants	886784.8	723001.0	851873.8	-18.5	17.8
Revenue	871781.8	793784.3	938322.3	-8.9	18.2
Federal Government	-	704431.3	827011.9	-	17.4
Provincial and Local government (Transfer)	-	89353.0	111310.4	-	24.6
Foreign Grants	15003.0	18569.7	24861.9	23.8	33.9
Previous Year's Cash Balance & Beruju	0.0	47575.5	40420.2	-	-15.0
Deficits(-) Surplus(+)	-180504.7	-267449.7	-267965.0	48.2	0.2
Sources of Financing	170109.5	333781.2	322399.9	96.2	-3.4
Internal Loans	95619.4	193485.5	222778.8	102.3	15.1
Domestic Borrowings	96382.0	194642.4	224009.2	101.9	15.1
(i) Treasury Bills	26435.0	93000.0	90000.0	251.8	-3.2
(ii) Development Bonds	69947.0	100000.0	130000.0	43.0	30.0
(iii) National Savings Certificates	0.0	0.0	0.0	-	-
(iv) Citizen Saving Certificates	0.0	1605.2	3953.9	-	-
(v) Foreign Employment Bond	0.0	37.1	55.2	-	48.8
Overdrafts++	0.0	0.0	0.0	-	-
Others@	-762.6	-1156.9	-1230.4	51.7	6.4
Principal Refund and Share Divestment	3066.1	1788.2	3223.5	-41.7	80.3
Foreign Loans	71424.0	138507.5	96397.6	93.9	-30.4
Total available resources of Federal government	-10395.2	66331.5	54434.9	-738.1	-17.9
Expenses of Provincial government	-	153871.0	188750.3	-	22.7
Sources of provincial government	-	148825.8	159948.3	-	7.5
i. Grants and revenue from federal government	-	109332.4	118588.5	-	8.5
ii. Revenue and receipt	-	39493.4	41359.8	-	4.7
Provincial government budget deficits(-) Surplus (+)	-	-5045.2	-28802.0	-	470.9
Deposit in Local government account	-23811.0	16165.6	15342.4	-167.9	-5.1
Balance in government fund account	-17925.1	-1933.8	12550.7	-89.2	-749.0
V. A. T. Fund Account	-42.7	-64.5	-89.1	51.1	38.1
Customs Fund Account	-156.7	-793.3	331.7	406.3	-141.8
Reconstruction Fund Account	-28287.1	0.0	0.0	-	-
Others**	10561.4	-1076.0	12308.1	-110.2	-1243.9
Current Balance (-Surplus)	-52131.3	75518.1	53526.0	-244.9	-29.1

* From FY 2018/19, GBO includes the federal government data only. Revenue mobilization for FY 2018/19 includes federal government revenue plus the amount in the divisible fund to be transferred to the provincial and local governments.

+ Based on data reported from all offices conducting government transactions, including NRB and other commercial banks. And, also based on release report from 81 DTCOs and payment centres.

++ Minus (-) indicates surplus.

@ Includes interest and other income earned from transactions of GoN.

** Others includes fund of guarantee deposits, operational funds, contingent fund, etc.

Table 14
Outstanding Domestic Debt of Government of Nepal

(Rs. in million)

No.	Name of Bonds/Ownership	Mid-Jul			Change in Amount	
		2019	2020	2021	2019/20	2020/21
1	Treasury Bills	146792.9	215218.1	279591.5	68425.2	64373.4
	a. Nepal Rastra Bank	18473.1	21319.9	15473.3	2846.8	-5846.6
	b. Commercial Banks	125094.9	183326.9	235282.1	58232.0	51955.2
	c. Development Banks	2960.8	9572.1	19063.6	6611.3	9491.5
	d. Finance Companies	262.1	719.2	9402.6	457.1	8683.4
	e. Others	2.0	280.0	370.0	278.0	90.0
2	Development Bond	297347.0	389947.1	513947.0	92600.1	123999.9
	a. Nepal Rastra Bank	44032.5	43556.5	41129.0	-476.0	-2427.5
	b. Commercial Banks	229793.3	308055.4	416359.6	78262.1	108304.2
	c. Development Banks	12715.1	21815.6	37694.7	9100.5	15879.1
	d. Finance Companies	5060.0	11904.4	13038.6	6844.4	1134.2
	e. Others	5746.1	4615.2	5725.2	-1130.9	1110.0
3	National Saving Bond	0.0	0.0	0.0	0.0	0.0
	a. Nepal Rastra Bank	0.0	0.0	0.0	0.0	0.0
	b. Commercial Banks	0.0	0.0	0.0	0.0	0.0
	c. Development Banks	0.0	0.0	0.0	0.0	0.0
	d. Finance Companies	0.0	0.0	0.0	0.0	0.0
	e. Others	0.0	0.0	0.0	0.0	0.0
4	Citizen Saving Bond	8376.1	7641.9	6595.9	-734.2	-1046.0
	a. Nepal Rastra Bank	2794.9	1935.4	143.3	-859.5	-1792.1
	b. Commercial Banks	0.0	0.0	0.0	0.0	0.0
	c. Development Banks	0.0	0.0	0.0	0.0	0.0
	d. Finance Companies	0.0	0.0	0.0	0.0	0.0
	e. Others	5581.2	5706.5	6452.6	125.3	746.1
5	Foreign Employment Bond	451.4	404.9	185.7	-46.5	-219.2
	a. Nepal Rastra Bank	12.7	10.7	3.0	-2.0	-7.7
	b. Others	438.7	394.2	182.7	-44.5	-211.5
6	Total Domestic Debt	452967.4	613212.0	8003200.7	160244.6	7389988.7
	a. Nepal Rastra Bank	65313.2	66822.5	567486.3	1509.3	500663.8
	b. Commercial Banks	354888.2	491382.3	6516416.0	136494.1	6025033.7
	c. Development Banks	15675.9	31387.7	567582.5	15711.8	536194.8
	d. Finance Companies	5322.1	12623.6	224411.5	7301.5	211787.9
	e. Others	11768.0	10995.9	127304.4	-772.1	116308.5
7	Balance at NRB (Overdraft (+)/Surplus(-))	-65653.7	-141171.8	-194697.8	-75518.1	-53526.0

Table 15
Net Domestic Borrowing of Government of Nepal

(Rs. In million)

		July, 2018		July, 19		July, 2020		July, 2021	
		Amount	Percent of GDP	Amount	Percent of GDP	Amount	Percent of GDP	Amount	Percent of GDP
A	Gross Domestic Borrowing	144747.0	4.2	96382.0	2.5	194642.4	5.0	224009.2	5.3
	Treasury Bills	71959.0	2.1	26435.0	0.7	93000.0	2.4	90000.0	2.1
	Development Bond	72000.0	2.1	69947.0	1.8	100000.0	2.6	130000.0	3.0
	National Saving Bond	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
	Citizen Saving Bond	751.0	0.0	0.0	0.0	1605.2	0.0	3953.9	0.1
	Foreign Employmnet Bond	37.0	0.0	0.0	0.0	37.1	0.0	55.2	0.0
B	Domestic Loan Payment	37520.0	1.1	34313.0	0.9	34397.9	0.9	36901.1	0.9
	Treasury Bills	37520.0	1.1	24490.0	0.6	24574.8	0.6	25626.6	0.6
	Development Bond	0.0	0.0	8500.0	0.2	7400.0	0.2	6000.0	0.1
	National Saving Bond	0.0	0.0	907.0	0.0	0.0	0.0	0.0	0.0
	Citizen Saving Bond	0.0	0.0	340.0	0.0	2339.4	0.1	5000.0	0.1
	Foreign Employmnet Bond	0.0	0.0	76.0	0.0	83.7	0.0	274.5	0.0
C	Net Domestic Borrowing (A-B)	107227.0	3.1	62069.0	1.6	160244.5	4.1	187108.0	4.4
	Treasury Bills	34439.0	1.0	1945.0	0.1	68425.2	1.7	64373.4	1.5
	Development Bond	72000.0	2.1	61447.0	1.6	92600.0	2.4	124000.0	2.9
	National Saving Bond	0.0	0.0	-907.0	0.0	0.0	0.0	0.0	0.0
	Citizen Saving Bond	751.0	0.0	-340.0	0.0	-734.2	0.0	-1046.1	0.0
	Foreign Employmnet Bond	37.0	0.0	-76.0	0.0	-46.6	0.0	-219.3	0.0
D	Gross Domestic Product	3455949.3	100.0	3858930.4	100.0	3914701.1	100.0	4266321.5	100.0

Table 16
Direction of Foreign Trade*

(Rs. in million)

	Annual			Percent Change	
	2018/19	2019/20 ^R	2020/21 ^P	2019/20	2020/21
TOTAL EXPORTS	97109.5	97709.1	141124.1	0.6	44.4
To India	62731.8	70108.9	106372.1	11.8	51.7
To China	2109.8	1191.2	1016.1	-43.5	-14.7
To Other Countries	32267.9	26409.0	33736.0	-18.2	27.7
TOTAL IMPORTS	1418535.3	1196799.1	1539837.1	-15.6	28.7
From India	917922.2	735294.8	971603.9	-19.9	32.1
From China	205518.6	181920.3	233923.1	-11.5	28.6
From Other Countries	295094.5	279583.9	334310.1	-5.3	19.6
TOTAL TRADE BALANCE	-1321425.8	-1099089.9	-1398713.0	-16.8	27.3
With India	-855190.4	-665185.9	-865231.9	-22.2	30.1
With China	-203408.8	-180729.1	-232907.0	-11.1	28.9
With Other Countries	-262826.6	-253174.9	-300574.1	-3.7	18.7
TOTAL FOREIGN TRADE	1515644.9	1294508.2	1680961.2	-14.6	29.9
With India	980654.0	805403.7	1077976.0	-17.9	33.8
With China	207628.4	183111.5	234939.1	-11.8	28.3
With Other Countries	327362.4	305993.0	368046.0	-6.5	20.3

1. Ratio of export to import	6.8	8.2	9.2
India	6.8	9.5	10.9
China	1.0	0.7	0.4
Other Countries	10.9	9.4	10.1
2. Share in total export			
India	64.6	71.8	75.4
China	2.2	1.2	0.7
Other Countries	33.2	27.0	23.9
3. Share in total import			
India	64.7	61.4	63.1
China	14.5	15.2	15.2
Other Countries	20.8	23.4	21.7
4. Share in trade balance			
India	64.7	60.5	61.9
China	15.4	16.4	16.7
Other Countries	19.9	23.0	21.5
5. Share in total trade			
India	64.7	62.2	64.1
China	13.7	14.1	14.0
Other Countries	21.6	23.6	21.9
6. Share of export and import in total trade			
Export	6.4	7.5	8.4
Import	93.6	92.5	91.6

* Based on customs data

P= Provisional

R= Revised

Table 17
Summary of Balance of Payments

(Rs. in million)

Particulars	Annual			Percentage Change	
	2018/19	2019/20	2020/21	2019/20	2020/21
A. Current Account	-266970.4	-33763.1	-333671.9	-87.4	-
Goods: Exports f.o.b.	113686.2	108288.1	143744.6	-4.7	32.7
Oil	15986.1	9590.2	2227.2	-40.0	-76.8
Other	97700.0	98697.9	141517.5	1.0	43.4
Goods: Imports f.o.b.	-1398875.7	-1169261.4	-1499201.6	-16.4	28.2
Oil	-215538.5	-166928.6	-176320.3	-22.6	5.6
Other	-1183337.1	-1002332.8	-1322881.2	-15.3	32.0
Balance on Goods	-1285189.5	-1060973.3	-1355456.9	-17.4	27.8
Services: Net	-14357.0	-964.7	-72852.5	-93.3	-
Services: credit	185739.2	156349.8	79069.9	-15.8	-49.4
Travel	75142.8	60885.4	7266.3	-19.0	-88.1
Government n.i.e.	21842.0	12338.0	6331.6	-43.5	-48.7
Other	88754.3	83126.5	65472.0	-6.3	-21.2
Services: debit	-200096.2	-157314.5	-151922.4	-21.4	-3.4
Transportation	-65747.0	-68340.4	-80973.5	3.9	18.5
Travel	-89079.7	-53137.4	-32800.1	-40.3	-38.3
O/W Education	-46240.3	-25813.2	-24959.4	-44.2	-3.3
Government services: debit	-4703.6	-2408.3	-3673.5	-48.8	52.5
Other	-40566.0	-33428.4	-34475.2	-17.6	3.1
Balance on Goods and Services	-1299546.5	-1061938.0	-1428309.5	-18.3	34.5
Income: Net	35821.9	45953.6	23285.5	28.3	-49.3
Income: credit	75704.2	68055.4	60878.6	-10.1	-10.5
Income: debit	-39882.3	-22101.8	-37593.0	-44.6	70.1
Balance on Goods, Services and Income	-1263724.6	-1015984.4	-1405023.9	-19.6	38.3
Transfers: Net	996754.2	982221.3	1071352.0	-1.5	9.1
Current transfers: credit	1005693.4	987673.5	1077414.0	-1.8	9.1
Grants	64631.3	51925.7	57340.7	-19.7	10.4
Workers' remittances	879367.1	875027.0	961054.6	-0.5	9.8
Pensions	61527.5	57818.0	58595.1	-6.0	1.3
Other (Indian Excise Refund)	167.5	2902.9	423.6	-	-85.4
Current transfers: debit	-8939.2	-5452.3	-6062.0	-39.0	11.2
B Capital Account (Capital Transfer)	15458.7	14213.2	15263.7	-8.1	7.4
Total, Groups A plus B	-251511.7	-19549.9	-318408.2	-92.2	-
C Financial Account (Excluding Group E)	97089.4	278748.5	252458.6	187.1	-9.4
Direct investment in Nepal	13065.2	19478.7	19512.7	49.1	0.2
Portfolio Investment	0.0	0.0	0.0	-	-
Other investment: assets	-27473.8	-6304.4	-5838.1	-77.1	-7.4
Trade credits	10570.4	-6083.4	-5881.7	-	-3.3
Other	-38044.2	-221.0	43.6	-99.4	-
Other investment: liabilities	111498.0	265574.1	238784.0	138.2	-10.1
Trade credits	37107.4	82238.3	141853.4	121.6	72.5
Loans	63561.7	149599.3	100841.0	135.4	-32.6
General Government	61438.1	139015.9	90694.3	126.3	-34.8
Drawings	81477.0	162576.3	112050.6	99.5	-31.1
Repayments	-20038.9	-23560.4	-21356.3	17.6	-9.4
Other sectors	2123.6	10583.4	10146.7	398.4	-4.1
Currency and deposits	10637.6	33706.2	-3903.8	216.9	-
Nepal Rastra Bank	27.1	26.0	22.6	-4.2	-13.0
Deposit money banks	10610.5	33680.2	-3926.4	217.4	-
Other liabilities	191.4	30.3	-6.7	-84.2	-
Total, Group A through C	-154422.3	259198.5	-65949.7	-	-
D. Miscellaneous Items, Net	97659.4	56917.2	63272.6	-41.7	11.2
Total, Group A through D	-56762.9	316115.7	-2677.0	-	-
E. Reserves and Related Items	56762.9	-316115.7	2677.0	-	-
Reserve assets	57644.2	-315244.7	2677.0	-	-
Nepal Rastra Bank	80857.6	-276220.9	-18889.3	-	-93.2
Deposit money banks	-23213.4	-39023.8	21566.3	68.1	-
Use of Fund Credit and Loans	-881.3	-871.0	0.0	-1.2	-
Changes in reserve net (- increase)	67400.5	-282409.5	-1226.7	-	-99.6

P= Povisional

Table 18
Gross Foreign Assets of the Banking Sector

(Rs. in million)

Particulars	Mid-Jul			Percent Change	
	2019	2020	2021	2019/20	2020/21
A. Nepal Rastra Bank (1+2)	937051.6	1274213.7	1298903.2	36.0	1.9
1. Gold, SDR, IMF Reserve Position	34607.7	48091.4	54269.6	39.0	12.8
2. Foreign Exchange Reserve	902443.9	1226122.3	1244633.6	35.9	1.5
Convertible	667902.2	921000.7	925919.4	37.9	0.5
Inconvertible	234541.8	305121.6	318714.2	30.1	4.5
B. Bank and Financial Institutions *	136474.9	175713.9	154391.7	28.8	-12.1
Convertible	125515.3	161285.7	137938.9	28.5	-14.5
Inconvertible	10959.7	14428.2	16452.8	31.6	14.0
C. Gross Foreign Exchange Reserve	1038918.9	1401836.3	1399025.3	34.9	-0.2
Convertible	793417.4	1082286.4	1063858.3	36.4	-1.7
Share in total (in percent)	76.4	77.2	76.0	-	-
Inconvertible	245501.4	319549.8	335167.0	30.2	4.9
Share in total (in percent)	23.6	22.8	24.0	-	-
D. Gross Foreign Assets (A+B)	1073526.6	1449927.6	1453294.9	35.1	0.2
Import Capacity in Months					
Gross Foreign Exchange Reserve					
Merchandise	8.9	14.4	11.2	-	-
Merchandise and Services	7.8	12.7	10.2	-	-
Gross Foreign Assets					
Merchandise	9.2	14.9	11.6	-	-
Merchandise and Services	8.1	13.1	10.6	-	-
E. Foreign Liabilities	88743.4	121578.6	117674.8	37.0	-3.2
F. Net Foreign Assets(D-E)	984783.1	1328349.0	1335620.1	34.9	0.5
G. Change in NFA (before adj. ex. val.)**	69508.6	-343565.9	-7271.0	-	-
H. Exchange Valuation	-2108.1	61156.4	6044.3	-	-
I. Change in NFA (6+7)***	67400.5	-282409.5	-1226.7	-	-
Period-end Buying Rate (Rs/USD)	109.4	120.4	119.0	-	-

P= Provisional

* indicates the "A", "B" & "C" class financial institutions licensed by NRB.

**Change in NFA is derived by taking mid-July as base and minus (-) sign indicates increase.

*** After adjusting exchange valuation gain/loss

Table 19
Purchase/Sale of Foreign Currency

(Amount in million)

Mid-month	Purchase/Sale of Convertible Currency												IC Purchase			
	2019/20						2020/21						2019/20		2020/21	
	Purchase		Sale		Net		Purchase		Sale		Net		IC Purchase	US\$ Sale	IC Purchase	US\$ Sale
	US\$	Nrs.	US\$	Nrs.	US\$	Nrs.	US\$	Nrs.	US\$	Nrs.	US\$	Nrs.				
August	182.3	20,521.1	3.7	408.6	178.6	20,112.5	435.7	52,194.6	-	-	435.7	52,194.6	29,255.4	420.0	23,980.2	320.0
September	282.1	32,344.8	-	-	282.1	32,344.8	279.4	33,076.1	-	-	279.4	33,076.1	25,809.8	360.0	16,260.5	220.0
October	437.8	49,761.2	-	-	437.8	49,761.2	529.0	62,160.8	-	-	529.0	62,160.8	19,924.1	280.0	22,036.1	300.0
November	301.7	34,338.4	-	-	301.7	34,338.4	452.9	53,624.4	-	-	452.9	53,624.4	25,612.6	360.0	28,154.4	380.0
December	218.5	25,027.9	-	-	218.5	25,027.9	175.7	20,785.9	-	-	175.7	20,785.9	22,891.5	320.0	29,541.7	400.0
January	279.2	31,815.4	-	-	279.2	31,815.4	248.5	29,173.8	-	-	248.5	29,173.8	19,973.4	280.0	30,847.3	420.0
February	316.6	36,058.7	-	-	316.6	36,058.7	135.9	15,851.6	20.4	2,377.6	115.5	13,474.0	28,451.5	400.0	26,302.2	360.0
March	478.8	55,720.8	-	-	478.8	55,720.8	190.2	22,185.9	-	-	190.2	22,185.9	25,973.3	360.0	32,031.0	440.0
April	167.1	20,054.3	-	-	167.1	20,054.3	335.0	39,605.0	11.7	1,361.4	323.3	38,243.6	20,913.0	280.0	43,782.6	600.0
May	341.1	41,418.3	-	-	341.1	41,418.3	260.8	31,049.0	-	-	260.8	31,049.0	9,159.2	120.0	37,277.5	500.0
June	579.8	70,109.4	-	-	579.8	70,109.4	137.1	16,003.5	15.4	1,793.8	121.7	14,209.8	22,677.3	300.0	16,022.1	220.0
July	624.7	75,480.3	-	-	624.7	75,480.3	469.3	55,760.1	-	-	469.3	55,760.1	25,691.2	340.0	28,280.2	380.0
Total	4,209.6	492,650.5	3.7	408.6	4,205.9	492,241.9	3,649.5	431,470.7	47.5	5,532.8	3,602.0	425,937.9	276,332.4	3,820.0	334,515.7	4,540.0