

Interaction on Human Resource Development Plan



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Nepal Rastra Bank, Human Resource Management Department (HRMD) organized an interaction program on "Human Resource Development Plan (HR Plan), 2076/77 - 2080/81" on November 22-23, 2019 in Kathmandu. Governor Dr. Chiranjibi Nepal was the chief guest of the program. On this occasion, he focused on the need for NRB staff to achieve additional professional skills and said, "The central bank is considered the leading body in any country of the world. The staff of such bodies must have special skills." In this regards, Governor Dr. Nepal said that

NRB has always prioritized the development of the professional competencies of its employees and expressed, "For the development of capacity, NRB has given the opportunity of domestic and foreign training to the employees. We expect our employees to be as efficient and competent as the staff of developed countries." Governor Dr. Nepal shared his belief that the proposed human resource plan will make the human resource management process of NRB more effective.

On this occasion, Mr. Pitambar Bhandari, Executive Director of NRB's

HRMD, presented the draft plan on "Human Resource Development Plan (2076/77 - 2080/81)". This plan is a seminal document which is being exercised for the first time in sixty-four years after the establishment of NRB. The major purposes of HR Plan are: (1) HR forecasting for the next five years and succession planning (2) organizational structure (3) departmental functions (4) integration of departments/offices based on service nature and so on were included in the draft plan.

Mr. Tulashi Prasad Ghimire, Director of NRB's HRMD, commenced the



program by delivering the welcome speech. Another Director of HRMD, Mr. Buddha Raj Sharma, conducted the program.

On the second day of the program, the draft of the HR Plan was discussed among the department heads of NRB Departments/Offices including the representatives of the Bank's three employee unions with Deputy Governor Mr. Chinta Mani Siwakoti moderating the discussion. In this program, Mr. Ramjee

Regmi, member of NRB's Board of Directors and Coordinator of the eight members High Level HR Plan Committee, established on November 5, 2018, informed that the HRMD would revise HR Plan as per the relevant suggestions. Deputy Governor Siwakoti concurred and also stated that the interaction program would be worthwhile if such suggestions will be received.

On the occasion, Dr. Suvod Kumar Karn, member

of NRB's Board of Directors expressed his belief that after the approval of the HR Plan, this will make more effective the central and province level functions of NRB. Similarly, Professor Dr. Dhruva Kumar Bhattarai, Tribhuvan University and a member of the HR Plan sub-committee, expressed his views on the proposed plan. The sub-committee was formed under the coordination of Mr. Bhandari, Executive Director of HRMD.

Final Seminar of 2019 BOK-KPP Concludes



The final seminar of 'Bank of Korea - Knowledge Partnership Program (BOK-KPP), 2019' has concluded on December 4, 2019 in Pokhara. BOK-KPP, 2019 is a joint effort by the Nepal Rastra Bank (NRB) and Bank of Korea (BOK) which had started in early 2019 and is entitled 'Financial Inclusion and Literacy, Policies and Programs in Nepal'.

At the start of the final seminar, Dr. Nephil Matangi Maskay, Executive Director of Office of the Governor, NRB and Mr. Jaechun KIM, former Deputy Governor of BOK jointly delivered their welcome remarks and discussed the

initial achievements and effectiveness of BOK-KPP program. Similarly, Dr. Choong Lyol LEE, Professor of Korea University, 2019 BOK-KPP program manager highlighted the overall aspects of this year's BOK-KPP.

In this program, Dr. Joon Mo YANG, Professor of Yonsei University and Dr. Myung Kee KIM, Professor of Korea University respectively presented working papers on 'Development of Financial Inclusion and Literacy Programs' and 'Fin-tech and Financial Inclusion and Literacy'. Dr. Chong Lyol LEE and Mr. Keehwan KIM, Professors of Korea University also presented

their joint working paper on 'Construction of Financial Inclusion Index of Nepal'. Also on this occasion, Dr. Prakash Kumar Shrestha, Executive Director, Microfinance Promotion and Supervision Department, NRB shared his views on presented working papers and among other issues, stated that financial literacy and inclusion related program must be focused as per the province-based structure.

Deputy Governor Mr. Chinta Mani Siwakoti delivered the concluding remarks and expressed his view that the bilateral relations between NRB and BOK will be further strengthened with the operation of this program. He also expressed his confidence that the cooperation between two central banks will be expanded in the coming days.

Based on the suggestions received at the final seminar, the joint study team will submit a final report along with policy suggestions to the NRB.



Major Financial Indicators as on Mid-Jan, 2020

		Class "A"	Class "B"	Class "C"	Overall
A. Credit, Deposit Ratios (%)					
1	Total Deposit/GDP	88.39	12.01	2.37	102.78
2	Total Credit/GDP	78.96	10.27	2.13	91.36
3	Total Credit/ Total Deposit	89.32	85.55	89.52	88.89
4	CCD Ratio#	77.47	76.01	74.36	77.01
5	Fixed Deposit/Total Deposit	47.86	50.13	53.54	48.26
6	Saving Deposit/Total Deposit	30.78	31.70	26.91	30.80
7	Current Deposit/Total Deposit	9.18	1.97	0.75	8.14
8	Call Deposit/Total Deposit	11.01	16.03	10.90	11.60
9	NPL/ Total Loan	1.71	1.21	6.67	1.77
10	Total LLP/Total Loan	2.25	1.72	8.96	2.35
11	Deprived Sector Loan/Total Loan \$	6.47	11.11	8.56	7.00
B. Liquidity Ratios (%)					
1	Cash & Bank Balance/Total Deposit	8.95	9.40	17.72	9.21
2	Investment in Gov. Securities/Total Deposit	12.02	3.05	3.58	10.78
3	Total Liquid Assets/Total Deposit	22.19	26.60	33.81	22.98
C. Capital Adequacy Ratios (%)					
1	Core Capital/RWA	11.79	14.12	18.48	12.15
2	Total Capital/RWA	13.71	15.25	19.39	13.97
D. Financial Access					
1	No. of institutions	27	24	22	73
2	No. of Branches	4,011	1,293	229	5,533
3	No. of Deposit Accounts	25,619,949	4,855,872	636,373	31,112,194
4	No. of Loan Accounts	1,113,719	339,988	44,760	1,498,467
5	No. of Branchless Banking Centers	1,577	-	-	1,577
6	No. of Branchless Banking Customers	188,862	-	-	188,862
7	No. of Non-operated Branchless Banking Centers	189	-	-	189
7	No. of Mobile Banking Customers	8,679,130	1,049,365	77,742	9,806,237
8	No. of Internet Banking Customers	933,868	29,675	5,512	969,055
9	No. of ATMs	3,274	337	51	3,662
10	No. of Debit Cards	6,912,553	263,596	39,497	7,215,646
11	No. of Credit Cards	146,856	-	-	146,856
12	No. of Prepaid Cards	63,775	-	-	63,775
E. Interest Rate(%)					
1	Wt. Avg Interest Rate on Deposit	6.79			
	(a) Saving	4.97			
	(b) Fixed	9.71			
	(c) Call	4.19			
2	Wt. Avg Interest Rate on Credit	11.94			
3	Wt. Average Spread Rate	5.15			
4	Wt. Average Base Rate	9.33			

Note:

Bank balance includes money at call
 Nominal GDP(At Producer's Price) for 2018/19 Rs. 34,64,319 million(Preliminary)
 Adjustments are not included in Credit Deposit Ratio Calculation.
 Negative core capital has been excluded in calculation of Capital Adequacy Ratios
 \$ 6 months prior Total Loan is taken to calculate Deprived Sector Lending Ratio
 # Poush month end (last day) CCD ratio



'NRB with Students' in Palpa



Nepal Rastra Bank, Office of the Governor organized an interaction program titled 'NRB with Students' on December 13, 2019 at Bhawani Secondary School, Ribdikot in Palpa. Governor Dr. Chiranjibi Nepal was the chief guest of the program.

On this occasion, Governor Dr. Nepal emphasized on the importance of financial literacy and acknowledged that it is the foundation of financial access and inclusion. He also urged the students to communicate the financial literacy related knowledge to their parents. In addition, Governor Dr. Nepal stressed the need of establishing

the school as the primary place of financial literacy by incorporating the basic elements of the financial system into the school level curriculum. On this occasion, Governor Dr. Nepal also handed over copies and pens to physically disabled students.

Similarly, Mr. Govinda Prasad Nagila, Director of NRB's Office of the Governor, highlighted on the purposes of the program. Mr. Rajendra Bhattarai, Director of NRB's Siddharthanagar Office, informed about the status of financial access in Province No. 5. Mr. Sushil Gyawali, Deputy Director of NRB's Office of the Governor,

discussed on the basic information relating to NRB and BFIs, financial literacy, credit and saving process, micro entrepreneurship, financial discipline, remittance, insurance, subsidized loan, clean note policy and other issues of banking system. Mr. Prakash Poudel, CEO of Shine Resunga Development Bank, had urged the participants of the program to use the banking service and also handed over laptop and projector to the school on behalf of his institution.

The program was attended by students, teachers, members of school management committee, parents of Bhawani Secondary School. Mr. Sarswati Kumar Shrestha, Chairman of School Management Committee of Bhawani Secondary School had chaired the program. Mr. Rudra Prasad Acharya, Principal of the school had delivered his welcome remarks with a brief introduction of school.

Governor Dr. Nepal meets with IFC Representatives

Governor Dr. Chiranjibi Nepal met with Mr. Mengistu Alemayehu, Director of South Asia Region, International Finance Corporation (IFC) on November 1, 2019 at Governor's meeting hall, Office of the Governor, NRB.

During the meeting, they discussed about IFC's strategy and investment plans in Nepal as well as the role that IFC can play in strengthening Nepal's financial sector. Mr. Alemayehu concurred that the capital base of BFIs should

be expanded for managing institutional governance, risk management and investment expansion. He also informed that IFC is positive to provide necessary support to NRB on matters related to increasing capital base of BFIs. Further, Governor Dr. Nepal expressed that the capital base of BFIs will be increased in future through the merger and acquisition process of BFIs, which has been stipulated in the latest monetary policy.

Deputy Governor Mr.

Shiba Raj Shrestha, Executive Directors Dr. Nephil Matangi Maskay, Mr. Dev Kumar Dhakal, Dr. Gunakar Bhatta, Ms. Sarita Bhatta Adhikari respectively from Office of the Governor, Banks and Financial Institutions Regulation Department, Research Department and Foreign Exchange Management Department and Director of Office of the Governor, Mr. Govinda Prasad Nagila as well as Country Manager in Nepal of IFC, Mr. Santosh Pandey had also attended the meeting.

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