

Current Status of Banking Industry in Nepal

- The Nepalese financial sector is composed of:
 - Nepal Rastra Bank
 - नेपाल राष्ट्र बैंक
 - Class A Commercial Banks
 - क वर्गका वाणिज्य बैंकहरु
 - Class B Development Banks
 - ख वर्गका विकाश बैंकहरु
 - Class C Finance Companies
 - ग वर्गका वित्त कम्पनीहरु
 - Class D Micro Finance Financial Institutions
 - घ वर्गका लघूवित्त वित्तिय संस्थाहरु
 - Infrastructure Development Bank
 - पुर्वाधार विकास बैंक
 - Insurance, EPF, CIT, Nepal Stock Exchange
 - बिमा, कोषहरु, नेपाल धितोपत्र कम्पनी, भूतानी व्यवस्थापनका कम्पनीहरु आदि

******Co-operatives are also there in the economic system******

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Banks and Financial Institutions	Banks and Financial Institutions Number Jestha 2081	Branches of Banks and Financial Institutions Jestha 2081
Commercial Banks	20	5030
Development Banks	17	1134
Finance Companies	17	288
Micro Finance Financial Institutions	55	
Infrastructure Development Bank	1	1
Total	110	6453

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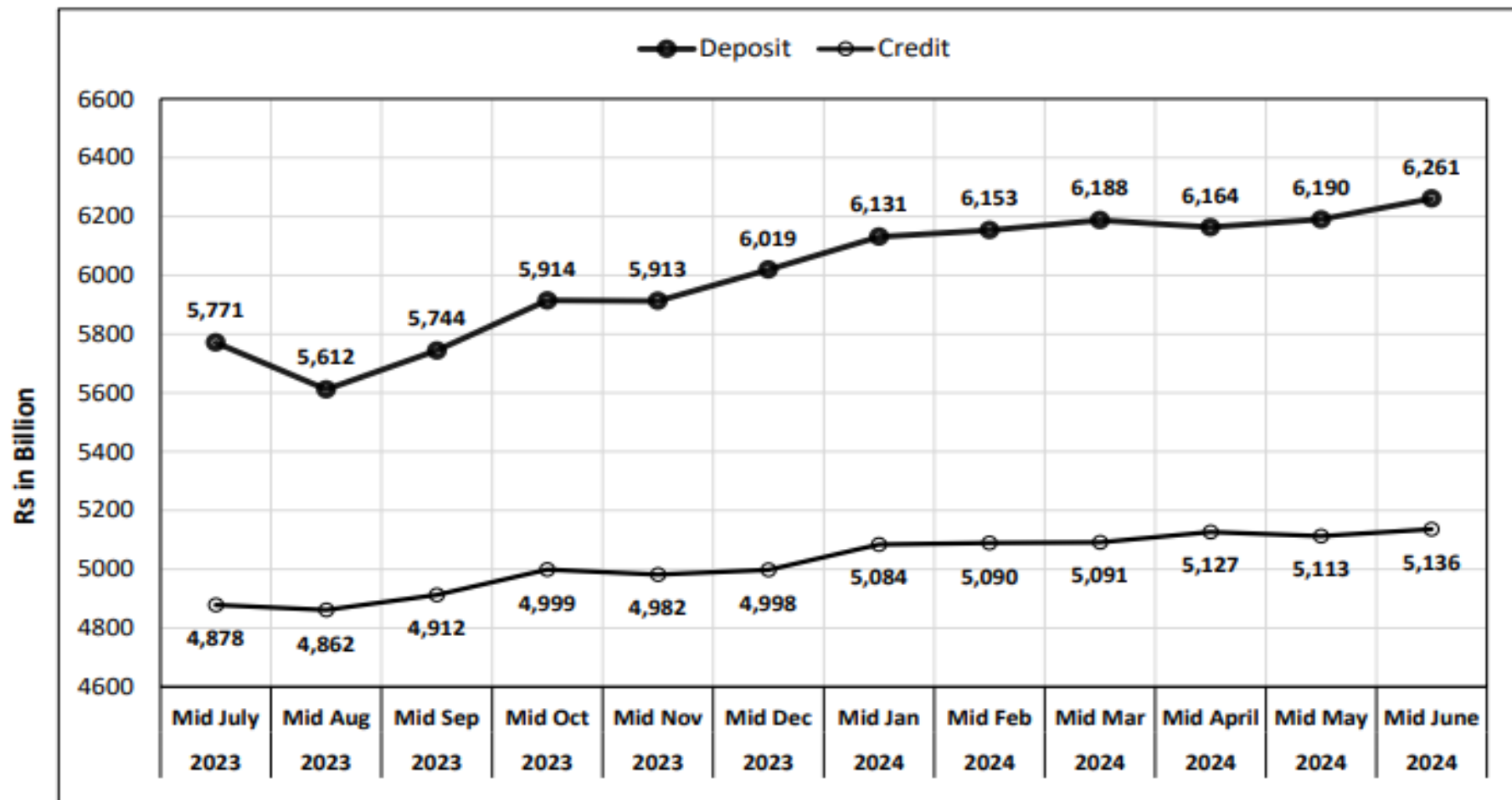
D. Financial Access

1	No. of institutions	20	17	17	54
2	No. of Branches	5,030	1,134	288	6,452
3	No. of Deposit Accounts	47,512,704	7,084,449	878,765	55,475,918
4	No. of Loan Accounts	1,571,038	286,967	43,046	1,901,051
5	No. of Branchless Banking Centers	1,131	17	-	1,148
6	No. of Branchless Banking Customers	300,009	1,629	-	301,638
7	No. of Mobile Banking Customers	20,923,482	3,215,760	224,534	24,363,776
8	No. of Internet Banking Customers	1,361,044	569,122	15,570	1,945,736
9	No. of ATMs	4,790	348	44	5,182
10	No. of Debit Cards	11,777,239	1,089,575	61,036	12,927,850
11	No. of Credit Cards	285,689	1,833	-	287,522
12	No. of Prepaid Cards	172,117	1,847	-	173,964

E. Interest Rate(%)

1	Wt. Avg Interest Rate on Deposit	6.06
	(a) Saving	3.77
	(b) Fixed	8.38
	(c) Call	1.66
2	Wt. Avg Interest Rate on Credit	10.15

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Digital Banking (Increasing Trend)	Financial Literacy (Increasing Trend)
Financial Inclusion/Access (To 752 Local Level)	Affected by Covid (Increasing NPA)
Excess Liquidity – Reduce Interest Rate	Primary Sector Lending
Entrepreneurial Sector Lending	Strict NRB Regulation
Merger and Acquisition	New Banking Product

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डिजिटल बैंकिङ्ग	वित्तिय साक्षरतामा बृद्धि
वित्तिय पहुँचमा बृद्धि	कोभिडको प्रभाव
घट्दो ब्याजदर र बढ्दो तरलता	प्राथमिक क्षेत्रमा लगानी
उधमशिल क्षेत्रमा लगानी	राष्ट्र बैंकको कडा सूपरिवेक्षण
मर्जर तथा प्राप्तीको प्रवर्धन	नबिनतम सेवाहरु

Current Status of Banking Industry in Nepal

- High Liquidity and low demand for credit
- Increasing attack to Banking and Financial System
- Unhealthy Competition
- Limited Investment Avenue
- Traditional way of lending i.e. collateral based lending
- Technological Backwardness
- Increased Risk associated with technology and lack of effort to manage those risks
- Urban Centred Banking and Intensive Competition
- Lack of Proper monitoring of extended credit

Current Status of Banking Industry in Nepal

- उच्च तरलता र कर्जाको मागमा कमि
- बैंक तथा वित्तीय क्षेत्रमा बढ्दो प्रहार
- अस्वस्थ प्रतिस्पर्धा
- लगानीका क्षेत्रहरुको पर्याप्तता
- लगानीमा परम्परागत अवधारणा
- प्रविधिको पछौटेपन
- प्रविधिसंग जोडीएका जोखिम र त्यसको उचित न्युनिकरण
- शहर केन्द्रीत बैंकहरु र अधिकतम प्रतिस्पर्धा
- कर्जाको उचित अनुगमनको कमि

How to Write

10 Marks Question:

- Introduction of Bank
- Nepalese Banking Industry – Introduction
- Historical Development of Nepalese Banking Sector:
 - Traditional Banking
 - Modern Banking
 - Recent Banking
- Conclusion

How to Write

5 Marks Question:

- Nepalese Banking Industry – Introduction
- Historical Development of Nepalese Banking Sector:
 - Traditional Banking (Only Bullet, Not Table)
 - Modern Banking (Only Bullet, Not Table)
 - Recent Banking (Only Bullet, Not Table)
- Conclusion

THANK YOU