Citizens Bank
केन्द्रिय कार्यालय नारायणहिटी पथ, काठमाडौं नेपाल, www.ctznbank.com

CITIZENS NEWS BULLETIN

Year 3 | Issue 12 | November 2022

CEO'S MESSAGE



Ganesh Raj Pokharel

It gives me great honor and pleasure to share with you that we are the first Bank to conduct Annual General Meeting (AGM) this year and the first Bank to distribute dividend to our shareholders before the main festival Tihar.

By saying this, I would also like to share that the journey ahead is more challenging and difficult than before as the economy of our country and the entire world is going through a very tough time. But I strongly believe and have high confidence that we all are capable of overcoming this challenging situation because the Bank has the greatest asset and that is YOU all- The Human Capital who is going to strive more and in better ways than never before to achieve its mission "Mission Top Ten" and stand high to be called as the Bank with System Inside Image Outside.

The past fiscal year could hardly have been more challenging. However, despite the tough year of increased competition due to tight liquidity situation and the weak post Covid economic condition of not our country but the whole world worsened by the Russia - Ukraine war, we have achieved a satisfactory set of financial results and solid growth rates.

Our financial result reflects the effective execution of our digitization strategies, systematic pursuance of the organizations core values and purpose and efficient management of our employees and resources. The Bank's paid-up capital has now reached to NPR 14.20 billion and ranks in 11th position out of 26 commercial banks of Nepal. Similarly, the Bank's total deposit has reached NPR 1 Kharba 56 Arba 56 Crore and with total loans and advances of NPR 1 Kharba 39 Arba 68 Crore.

The Bank's networks have now reached to 180 branches, 2 extension Counter, 133 ATMs and 97 Branchless Banking Centers with 1,751 staffs. The Banks customer base has reached near about 15 lakh with 4,75,817 active Mobile Banking customers, 45,854 Internet Banking customers and 2,86,273 Cardholder. Acquisition strategy along with the aggressive growth of the Bank has brought up the Bank much nearer to industry average now. I feel great to inform you that now we will become a bigger Bank and with the support from the esteemed stakeholders of the Bank and collective efforts of the management team and all staff; the Bank has been able to reach where we are today. With the same enthusiasm of my Citizens team, I am sure that we will be able to become top 10 Bank of the industry very soon.

As our progress is rewarding, we are very excited to maintain this trajectory. I truly believe our passion will help us build on the solid business foundation we've laid with commitment, respect and a sustainable approach, during these 15 years.

I sincerely thank every staff for his/her contribution towards the mission of the Bank. And I sincerely believe that together we shall continue to be the trustworthy partner for eternal progress to all individuals and institutions that partners with us.

Once again, I remind everyone to have the following things in mind at all times:

- भित्रसिस्टम बाहिर ईमेज-(System Inside: Image Outside)
- जाउं बजार : बढाउं ब्यापार
- Think Big. Think only Business.

Let us all work together with feeling of "This is my Bank and I am the Family Member of this Bank". IF the Bank prospers eventually we all including our stakeholders will prosper. Let's move ahead and work in such a way that we achieve the Mission Top 10 Target and make Citizens Bank one of the Top 10 Banks in this banking industry.

Jai Citizens Bank!!!

Financial Highlights

As on Ashwin End, 2079 (As per Unaudited Financial Report)

EARNINGS PER SHARE

NPR 14.12

MARKET PRICE PER SHARE

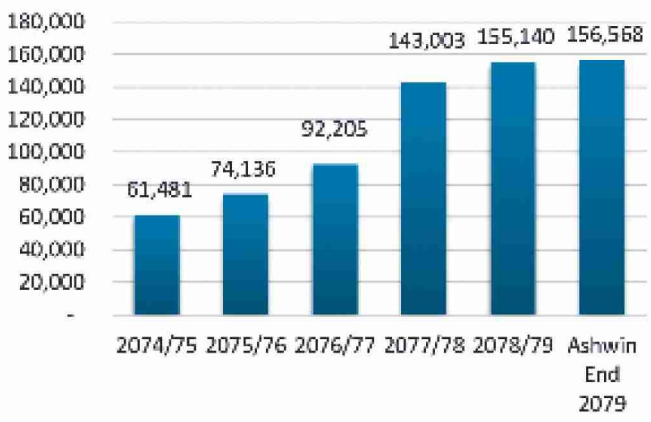
NPR 187.50

Amount in NPR

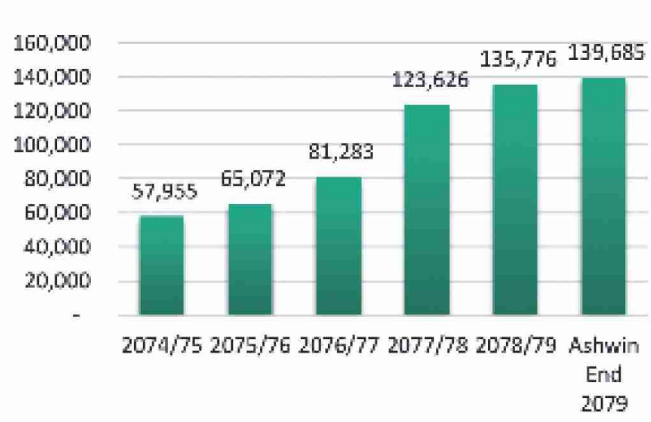
PROFIT AFTER TAX	PROFIT BEFORE TAX	OPERATING INCOME	TOTAL ASSETS
501,215,547	716,022,210	1,684,965,202	192,584,929,211

As on Ashwin End, 2079/80

Deposit (Amount in NPR mio)



Loan (Amount in NPR mio)



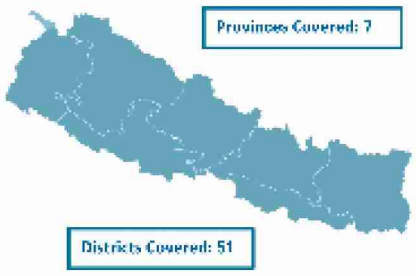
Number of Deposit Accounts
1,466,441

Number of Loan Accounts
54,858

ELECTRONIC BANKING USERS

Active Mobile Banking Users 475,817	Active Internet Banking Users 45,854	Active QR Merchants 13,979
Active Card Users 286,273	Active e-Com Card Users 1,230	Active POS Merchants 490
Active Remittance Users 73,151	Active Demat Users 164,419	Active Meroshare Users 139,491

CITIZENS BANK'S REACH



	BRANCHES	ATMs	ELEs
Province 1	26	13	05
Madhesh	27	20	13
Bagmati	49	54	59
Gandaki	12	09	02
Lumbini	50	27	06
Karnali	09	05	08
Sudur Paschim	07	05	03
Total	180	133	96

EMPLOYEE STRENGTH, TRAINING AND DEVELOPMENTS

Male
985
56.25%



Female
766
43.75%

Number of Employees 1751

Number of Trainings
82

Number of Participants
1,615

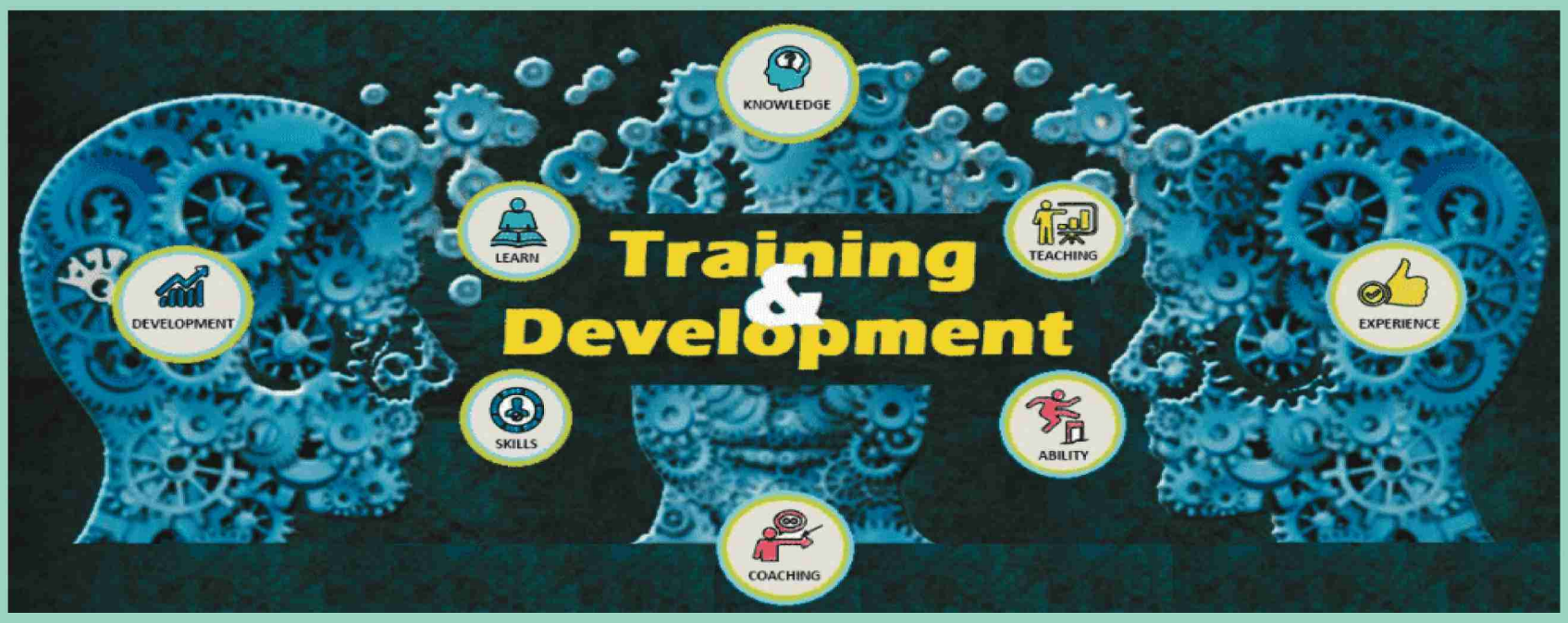
Training Expenses
NPR 5,919,995



54
REMITTANCE PARTNERS

61
CORRESPONDENT BANKS

Training and Development



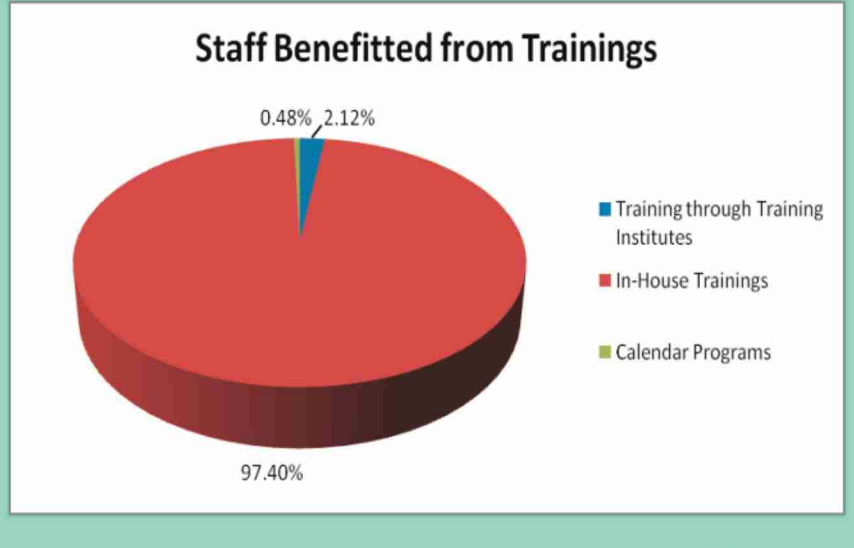
The employees are periodically provided with training opportunities in order to develop the necessary skills to not only survive, but also compete in this dynamic industry. The focus is provided such that long-term goals of the employees and the Bank are in line with each other. The structured, pragmatic and challenging training plans have enabled the Bank to extract maximum benefits from the available employees with maximum utilization of human resources with minimum diversions. The employees are further encouraged to share their knowledge with fellow colleagues to strengthen the technical expertise at hand. Furthermore, employees in specific departments are provided with precise technical knowledge to help them nurture in the specific field of knowledge.

The Bank opted in both physical as well as online training modules during the first quarter of the Fiscal Year 2079/80. Further, in this fiscal year, the Bank has also started sending its employees to international trainings starting from the first quarter. We believe that employees are the core strength of the Bank in the current time and they play a very significant role in the success of the Bank. Complying with our Human Resource Core Value which is to nurture, empower human capital and achieve their full potential; the Bank has been providing online as well as physical trainings.

In the first quarter of FY 2079/80 the training details i.e. the kind of training and the number of staff benefited from the training is mentioned below.

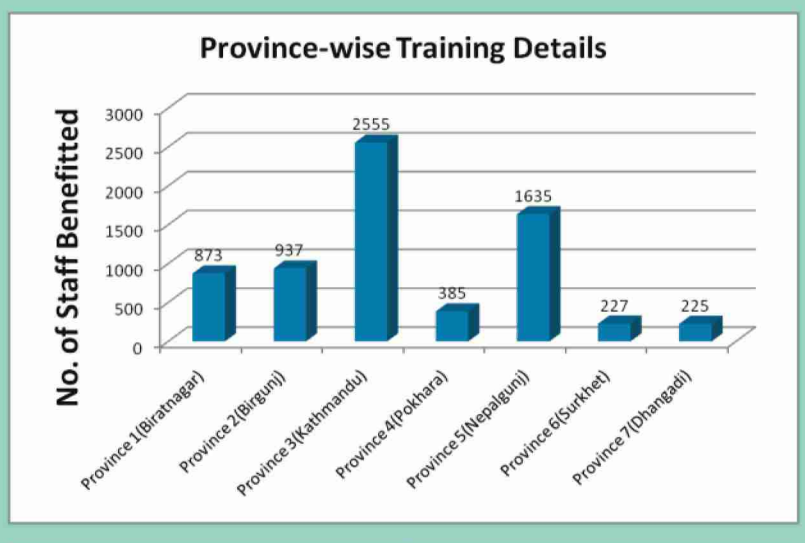
Training Provided in First Quarter

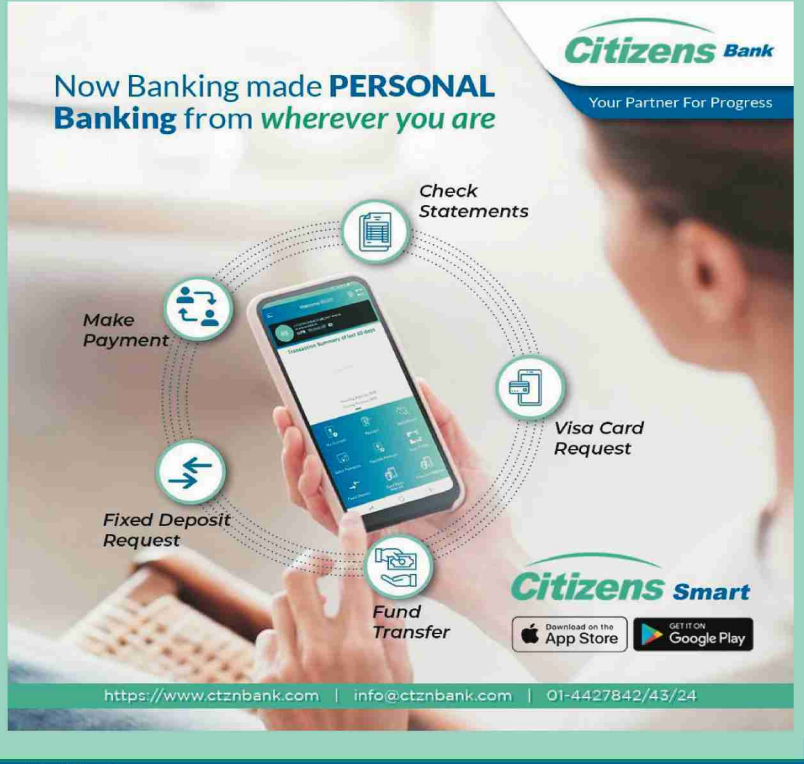
S.N	Nature of Training	No of Training Conducted	No of Participants Benefited
1	Training through Training Institutes	34	145
2	In-House Training	29	6659
3	Calendar Programs	18	33
	TOTAL	**81**	**6837**



Province-wise Training Details

S.No.	Provinces	No.of Staff Benefited
1	Province 1 (Biratnagar)	873
2	Province 2 (Birgunj)	937
3	Bagmati Province (Kathmandu)	2555
4	Province 4 (Pokhara)	385
5	Gandaki Province (Nepalgunj)	1635
6	Province 6 (Surkhet)	227
7	Sudur Paschim Province (Dhangadi)	225
	Total	**6837**







पारस कुमार काफ्ले
- नायब प्रमुख कार्यकारी अधिकृत

चुनाव २०७९

देशैभर अहिले चुनावको हल्ला भो
भाई भाई मिलेर खाँऔ भन्ने सल्ला भो।

रूख अनि सुर्य दुबैले पोल्ला भो
आचार संहिता उल्लंघन खुल्लम् खुल्ला भो
जताजतै बम पड्कने सिलसिला भो
शान्ति सुरक्षा माटोमै मिल्ला भो।

देशैभर अहिले चुनावको हल्ला भो
भाई भाई मिलेर खाँऔ भन्ने सल्ला भो।

परिवर्तन गर्छु भन्नेलाई लोप्पा र खिल्ला भो
कुरा मात्रै गर्नेलाई ताली र दोसल्ला भो
ईमानदार उम्मेदवार बिचरा चल्ला भो
गाँउशहर अब डनहरूकै मोहलल्ला भो।

देशै भर अहिले चुनावको हल्ला भो
भाई भाई मिलेर खाँऔ भन्ने सल्ला भो।

चुनाव अघि जनता सबै शिव र अल्ला भो
चुनाव पछि फेरि गोबरकै डल्ला भो
विकास विकास चुनावी बिल्ला भो
बाटा ध्वस्तनेताका गाडी मात्र चिल्ला भो।

देशैभर अहिले चुनावको हल्ला भो
भाई भाई मिलेर खाँऔ भन्ने सल्ला भो।

लोकतन्त्रकै नाममा प्रजातन्त्र नै ढल्ला भो
परिवार वाद झनझनै बढ्ला भो
जनता रूँदा न कतै होहल्ला भो
सिंहदरबार त तीन पाटीकै पुर्ख्यौली किल्ला भो।

देशैभर अहिले चुनावको हल्ला भो
भाई भाई मिलेर खाँऔ भन्ने सल्ला भो।



Youngster in Nepal



Razeev Shrestha
-Recovery Department

Every a day, we wake up
Youngster has a big dream.
Every a day, we dream and work.
Youngster has a team to work
for dream.

Every a day, we dream
Youngster has a motive.
Every a day, we raise voice
Youngsters are always ready to fight.

Every a day, we are in action.
Youngster brings immediate reaction.
Government of Nepal is in path of development.
Development is possible only after the youth unification.

Every a day, Nation has a dream.
Dreams are being fulfilled by Youth power.
Youngsters are the back bone of Nation.

My Nation, My pride is the source of motivation.
Nepal Police, Nepal Army not only the security.
They represent the youth power at the boundary.
Youth power is the back bone for the country.
Let's support the youth leaders in the country.

दशौ र खुशि

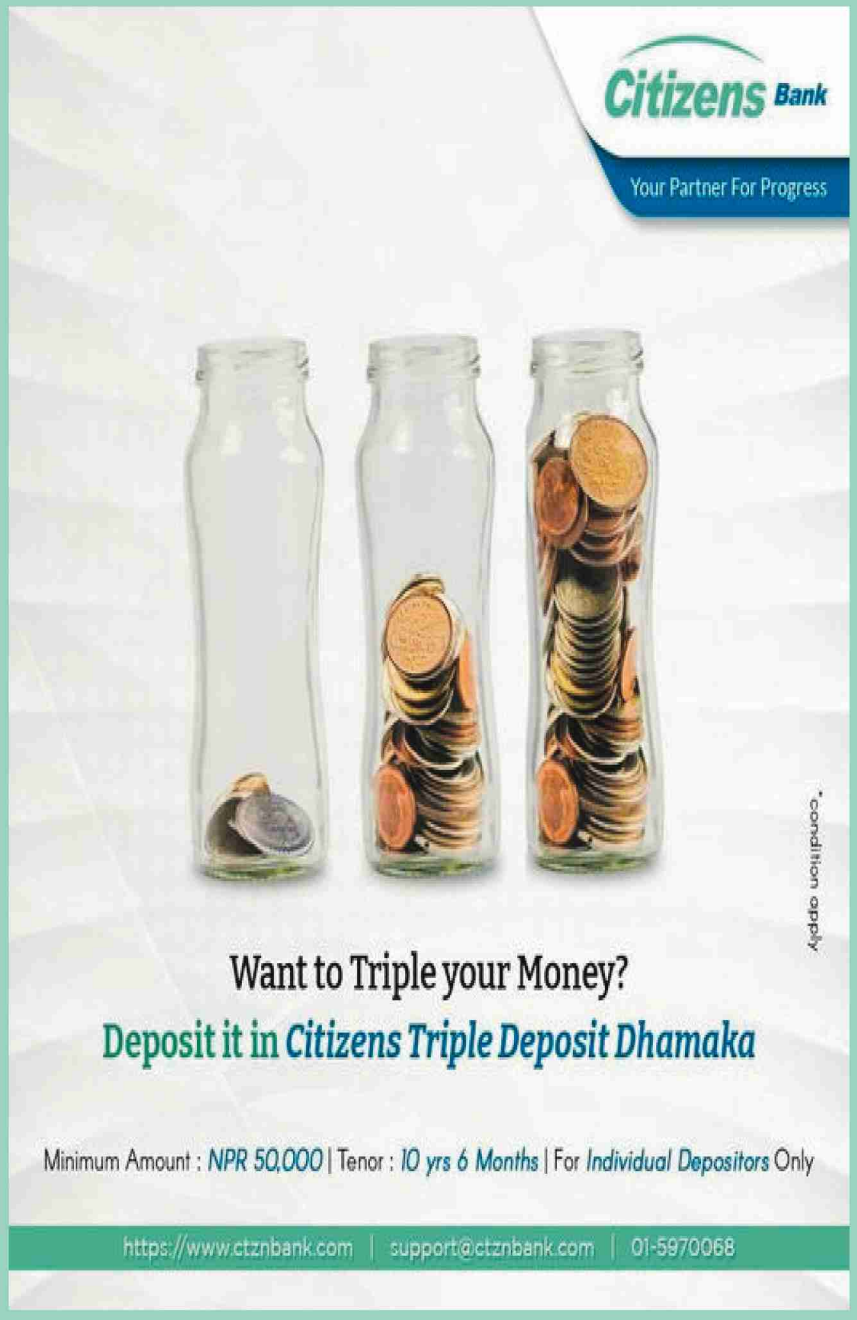
Shiva Shrestha
-Pathlaiya Branch

बिहान झिसमिसेमा उठेर
पारी पाखामा गएर
रातोमाटो र कमेरो ल्याएर
घरको भित्ता छेप्दा पो त
दशैं आए जस्तै हुन्थ्यो

दशैं विदामा पाएको होमवर्क
चाँडो भन्दा चाँडो सकाएर
स्कुलको चौरमा बनाको पिङमा
चढेर चाचा हुँइया भनेर कराउन
पाउँदा पो त दशैं आए जस्तै हुन्थ्यो

बुवासँग बजारमा गएर किनेर ल्याको
एकजोडी नयाँ कपडा र जुत्ता लाएर
हिरो बनेर मामाघर जान पाउँदा
पो त दशैं आए जस्तै हुन्थ्यो

म सानो छँदा "दशैं" र "खुशि" सँगै आउँथे
तर आजभोली दशैं मात्र आउँछ एक्लै





ऐतिहासिक हरिहरपुरगढी,

Ashok K. Chaudhary
-Hariharpurgadhi Branch

Hariharpurgadhi (Fort किल्ला)

The Hariharpurgadhi is Historical Place which was situated at sindhuli District. This is one of the most famous fort in Nepal. It is nominated in the name of Harihar Singh Dev, who was former King of Simraungadh.

After the war British army conquered the Hariharpurgadhi fort. It can be seen that most of the main part of fort was destroyed but now fort was remaining 60% of Ruins.

Emerging Trends in Banking Sector, Is it a hot utility or just hype?

Prapti Sharma
-Compliance Department

The basic key factors influencing the emerging trends in banking sectors are emerging technologies, Fin techs, changing customer behavior and the decomposition of banking industry. As almost all banks all over the world is having a close eye on costs, as there is a strong focus on revenue growth and improving both customer's experience and products, having said that in an unprecedented change.

Few emerging technologies in Financial sector in 2022 are as listed below:-

1. Block Chain



Block chain is one of the most innovative technologies in the financial services industry. This is widely in the context of crypto currency. Companies use this technology to protect data, verify and identity, recordtransactions. It improves traceability. Block chain can streamline banking and lending services, reducing counterparty risk, and decreasing issuance and settlement times.

2. Cloud Banking

A cloud-based architecture makes banking processes significantly more convenient and less prone to errors. Cloud banking is the ideal solution for smooth global payments, P2P transfers, and contactless payments. Interest in AI, micro services, and analytics remains high. 5G will become a general-purpose technology that will help deliver value in areas such as security, business insights, and customer experience. Overall investment levels vary, but particularly, budgets for AI/machine learning are high. There are plenty of tech toys that can distract and keep banks from more pressing tasks. Quantum computing is one, virtual reality another (applicable only to a few areas of banking) - and the metaverse is many years away from creating broad and rich business value for banks and their customers In the 'hot' bucket sits, unsurprisingly, artificial intelligence (AI), specifically in areas like machine learning, computer vision and natural language processing. Machine learning and real-time/predictive analytics are seeing the highest levels of investment in the 'hot' list, according to Forrester research, whereas the rest - including 5G and micro services architectures - are seeing moderate investment

3. Artificial Intelligence (AI) and Machine Learning (ML)

The banking industry has benefited from Artificial Intelligence (AI) and Machine Learning (ML). They have allowed banks to handle massive amounts of data and draw conclusions due to their ability to evaluate real-time trends, which has aided in speedy decision-making. They are increasing their effectiveness while operating more efficiently. This has decreased the time and cost of several banking processes.

4. Neo Banks

Neo or digital banks have broken the monopoly of a few huge names in the banking business by making banking convenient and accessible. These banks would be a less expensive alternative to existing banks because they would not require physical branches. Because most transactions will be conducted online, bank branches will continue to play a minor role.

5. Open Banking

Open banking is a program that allows banks to exchange data on their customers with fintech startups and other financial institutions. Data can be shared via programming interfaces (APIs), which enable a website or app to access the bank's database. More sophisticated AI applications, such as deep learning, natural language generation and AI-powered robotic process automation, sit in the 'on the radar' bucket because the technology is still evolving, as is the regulatory environment to allow specific applications for example in risk management. More than a third of the banks surveyed also identified lack of technology skills and experience in-house as a challenge to greater adoption, according to Forrester.

Augmented reality, blockchain and low-/no-code development platforms also sit within the 'on the radar' grouping, as does data mesh and service mesh. Instead of centralizing data in a data lake, the concept of a data mesh is a decentralized approach that keeps data where it is and enables domain teams to perform cross-domain data analysis on their own. A service mesh is a way to control how different parts of an application share data with one another.

The 'hype' bucket contains those emerging technologies that aren't yet mature enough for "banking prime time", according to Forrester. These include advanced gamification, edge computing (processing data closer to the source), Internet of Things (machine-to-machine transactions), metaverse and green technologies.

Quantum computing also makes an appearance in the hype list. For example, HSBC recently signed a three year deal with IBM, allowing the bank to embark on a series of experiments to develop use cases for quantum computing in financial services. The bank will explore the use of quantum computing for pricing and portfolio optimization to advance its net-zero goals and mitigate risks, including identifying and addressing fraudulent activity.

Importantly, banks will need to up skill their workforce to be ready for a quantum future. For those banks sitting on the sidelines, now is the time to get into the quantum game.



Impact of Russia Ukraine War and Covid in Nepalese Banking Sector

Kanchan Kafle
-Finance Department

FDI

In 2020, Nepal imported USD 202.92 million and exported USD 0.02 million goods from Ukraine whereas it imported about USD 8.24 million and exported USD 2.01 million worth of goods from Russia. The FDI from Russia is Rs. 694 million invested in 42 different companies generating only 1464 jobs giving minimal effect to Nepalese economy.

Oil prices (Petroleum product and hydropower)

Russian invasion on Ukraine hiked oil prices in Europe and international markets. Russia is the major supplier of oil globally supplying 10.5 million barrels of oil a day. It is natural for the rise in price after the war as Russia has 11 percent of supply oil in the market.

Last year, oil import to Nepal was worth Rs.175 billion with the price of USD 40-42 per barrel and it reached a maximum of USD 75 per barrel. On average, it was USD 60, but now it is over USD 100. In this context, it seems that an additional burden of Rs 100 billion will fall on Nepal's oil imports creating indirect effect on Nepal's economy. To reduce the inflationary impact on Nepalese economy, Nepal should promote hydropower. Strengthening of economic diplomacy can also provide development assistance.

In terms of economy and finance, Nepal has the capital expenditure of 15 to 20 percent and has liquidity crisis leading to worse situation. There is increment in price of 20 to 30 % in all essential and non-essential items. The inflation has lead to lack of money in the market. There is 7% rate of inflation in Nepal. As per the prediction of The Reserve Bank of India there will be the rise in inflation in coming month. The inflation rate in Nepal will increase trade gap between India and Nepal. There is export of $1 trillion and import of $11 trillion from India. There is going to be high rise in inflation in both Nepal and India. The rise in unemployment rate in Nepal is also increasing the inflationary pressures.

Currency depreciation is one of the notable impact of Ukraine and Russia war. There is the depreciation in the exchange rate of the Nepali rupee against a US dollar to a new record level of Rs123.44.

The state-owned Nepal Oil Corporation (NOC) is losing Rs16 for every liter of petrol and Rs12 for diesel it sells, ranking up losses of Rs5 billion every month, which means further price hikes are a certainty.In fiscal policy excise duty and VAT on fuel prices can be cut to reduce the inflationary effects. However, it is going to increase the government loans.

Petroleum products make up 13% of Nepal's total imports. Next in the list of high imports are iron and iron products and food grain. In the first six months of this fiscal year, Nepal spent about Rs58 billion on iron and iron goods, Rs77 billion on vehicles and spare parts, Rs64 billion on soybean and palm oil, Rs23 billion on gold and Rs17 billion on coal. There was the rise in the profitability of the banking sector from 21.01 percent to Rs.71.30 billion in last fiscal year ended mid-July, 2021.

As per the latest central bank report there has been huge impact on the economy during the Covid 19 pandemic leading to edge of bankruptcy of several companies however the Nepalese financial sector has been rebounded. As per the Financial Stability Report of NRB there was the rise in profitability of banking sector by 21.01 percent to Rs.71.3 billion in the last fiscal year ended mid-July 2021.

Net profits of commercial banks grew by 16.60 percent to Rs63.37 billion in the last fiscal year, compared to a sharp 16.66 percent drop in the previous year. There was the contribution of interest income by 81.39 percent of total income in the review year down from 86.52 percent in the previous year. There was the rise in credit flows from banks and financial institutions by 27.76 percent in 2020-21 fiscal year as compared to 12.32 percent growth in 2019-20 and rise in deposit flow by 20.5 percent in fiscal year 2020-21, up from 17.27 percent in the pre Covid period of fiscal year 2018-19.

As per the report, "Nepal's banks and financial institutions have stood reasonably sound in terms of capital, liquidity and asset quality." "Largely, overall indicators of the financial system remained acceptable and the stress situation could not be noticed."

Nepal's economy is in the recovery phase from the Covid-19 pandemic shock. Economic activities have been expanding along with the easing of Covid-19 restrictions and availability of vaccines in recent months. There is rise in credit to private sector leading to expansion of money supply and upward pressure on asset prices.As a result, credit to the private sector has surged in recent months, resulting in the expansion of money supply and upward pressure on asset prices, the report said.

Anil Kumar Upadhyay, CEO of Agricultural Development Bank and president of the Nepal Bankers' Association, says economic activities have been increasing, raising money demand in the market with the improving pandemic situation."As we do not have a country rating, big joint ventures and foreign investors do not invest in Nepal, which has impacted the money supply," Upadhyay said. According to the Central Bureau of Statistics, the growth rate of Nepal's economy stood at 4.0 percent in the fiscal year 2020-21 compared to a negative growth rate of 2.1 percent in the fiscal year 2019-20.

The report states that the interest income is the major source of income in bank and financial institutions making lending and deposit mobilization as a major source of income. "We have not been able to go for bonds, external borrowing, long-term resources and debentures. Low capital expenditure by the government has kept the market small," Upadhyay said. "The country is dependent on trading where imports are high and exports are low which does not generate a value chain."

As of mid-July 2021, there is shrink in the number of banks and financial institutions to 133 including 27 commercial banks, 18 development banks, 17 finance companies, 70 micro finance institutions and one infrastructure development bank.In addition, 19 life insurance companies, 20 non-life insurance companies, two reinsurance companies and several non-bank financial institutions and a postal savings bank are operating in Nepal.After the introduction of merger bylaws, 229 banks and financial institutions had undergone the process of merger and acquisition as of mid-July 2021.Commercial banks had 4,753 branches, development banks 1,023, finance companies 222 and micro finance institutions 4,685 branches as of mid-July 2021.The

branch offices of banks and financial institutions, excluding micro finance institutions, serve around 5,065 people on average, the report said.

Though there are wide ranges of financial institutions in operation, but no significant imbalances have been noted in the financial ecosystem of Nepal, the report said. Mainly due to increment in deposit and credit there has been significant expansion in balance sheet of banks and financial institution. An increase in deposits is mainly driven by an increase in banking habits, expansion in banking outreach, wider adoption of information technology and increasing remittance inflows," the report said.

Ujjwal Shrestha Executive Director of Panchakanya Group states that spike in price of commodities, difficult loans, and difficulty in affordability of necessities, weak infrastructural development hampered business cautious starting new constructions due to governmentimposed restrictions.

There has been decline in flow of investment and donationin the current situation hampering the developmental projects of the government and increasing the government loan. However, the banking institution has maintained a balance in Nepalese economy despite the challenges imposed by the price hike. The rise in price of commodities and decline in the flow of remittance at the same phase has been brought to the optimal balance enforcing the saving habits among people by the banks.

There are 22 ongoing national pride projects in which the government spends the money every year that have aided Nepal's economy for decades.Although there has been little progress owing to inflation, unemployment, poor agricultural outcomes, a shortage of foreign exchange reserves and the pandemic however, it can benefit the banks and financial institutions involved in the project with the government institutions. Management of the conflict and pandemic has been a challenging opportunity to the banks and they have given optimal output even in the difficult situation.

TODAY'S BANKING, "OPPORTUNITY AND CHALLENGES" IN NEPALESE SCENARIO.

Shiba Raj Dahal
-Duhabi Branch

Nepalese Private Sector banking has crossed the journey of almost 38 years. Since the liberalization & capitalization from 2047 B.S Nepalese banking sector has laid the foundation of being the key partner for the development of the economy and growth as well. All of the banks and financial institutions in Nepal have entered in the digitization banking system to compete in the global banking system.

Today economy is spread globally and almost none of sectors can be isolated from the positive and negative impact of global economy. Nepal as a growing and comparatively poor economy in third world country is trying to adjust & compete in globally especially in Asian domain. In south Asian context Nepal, Bangladesh, Bhutan, Sri Lanka, Afghanistan, Pakistan and Maldives are facing the similar issues in economical prospective. However India being the one of the fastest growing economy in the world is the pioneer and motivator for the other south Asian Nations in banking sector. Nepalese economy is import based economy. Our economy is facing deficit in international trade mainly with the India. Our economy rely almost 80% with the India in international trade due to the land linked with the both China and India. Further International trade with another neighbor China is in nominal portion due to the geographical and economic point of view. So mainly our international trade is focused with the India economy.

Since the COVID 19 has affected almost whole economic sector in the world. Even developed nations such as USA, UK and other G7 & G20 nation's economy has downfall during the COVID period and they are trying to uplift their economy gradually. In this context, Nepal has also bear losses in Nepalese economy. As Nepalese economic activities are based in the trading of goods rather production. Nepalese industrial sector contribution is in nominal figures in total GDP. So Nepalese economy is managing the trade with the inward of remittance from abroad nations. Most of the remittance is received from the Gulf Countries such as Saudi Arabia, Qatar, UAE, Kuwait, Bahrain & Oman. And remaining remittance is from ASEAN nations mostly from Malaysia, Singapore, Thailand, Philippines, Brunei Indonesia etc. Therefore our economy is mainly based in wages of labor in abroad countries. Since last decade Nepalese migration in Europe and North America is in increasing trends & remittance from those nations is also in increasing trends. However the remittance is the temporary source of income for nations because if that country does not allow the Nepalese labor to work in their nation the source of foreign currency shall be decreases drastically.

Since the couple of months Nepalese banking sector is facing the liquidity crisis & business sector is also negatively affected. In current fiscal year Nepalese economy is expected to achieve economic growth around 5% which is less in context of growing economy. To minimize the current liquidity problem NRB is expected to publish the liberal monitory policy in near future. Due to the liquidity crunch interest rate is being higher and same is expected to increase in coming days as well. In this tight liquidity position all banking and financial institution is trying to manage CD ratio within limit in current fiscal year. Moreover due to the insufficient expenditure of government in current fiscal year economy has faces the liquidity problems as well. Further, another major problem to world economy is the inflation. In Nepalese economy in last four months price of goods has been increasing in increasing trends and same is expected in future as well. Major reason of increase of prices of goods is due to the increase in price of petroleum products. Price of fuel and petroleum products is increases due to the war in east Europe between Russia and Ukraine. Russia and Ukraine exports the major portion of petroleum products, wheat and sunflower oil etc. Therefore price has been increased in globally as a result overall economic activities in Nepal also affected. Backbone of Nepalese economy is agriculture sector. To avoid the unnecessary import of the goods from abroad we need to increase the agricultural production to contribute in GDS. Our budget for FY 2079/80 also focused on the agricultural & industrial production for restriction of import of goods/ luxury goods from third country. Nepalese agriculture is based in primitive techniques and methods till date. So that with the optimum utilization of the modern technology, we can increase the agriculture production which can increase in GDP of the country. NRB monitory policy of last year has focused to the investment in the agricultural sector by providing the subsidy in various heading via commercial banks in Nepal. Most of the subsidy is provided to the agriculture, animal husbandry, polity business etc which has result the encouragement to the young farmer for the engagement in this sector. Therefore banks and financial institution has to focus in investing in industrial and agricultural production for the increment of economic growth and GDP of the country.

Last but not the least, today is the age of information technology and banks and financial institution are doing the financial transactions by optimum utilization of the modern technologies. Moreover in future day's information technology is expected to improve more. Paper less baking has also been taking place. So Nepalese banking sector need to adopt the new technologies to compete global competitive market. Thus, Nepalese banking sector has both opportunities and challenges in upcoming fiscal year FY 2079/80.

Why Liquidity Crunch in the banking sector? Did the money Just Disappeared?

Summer Neupane
-Recovery Department

Liquidity is a measure of the cash and other assets banks have available to quickly pay bills and meet short-term business and financial obligations.The present condition of the credit crunch has hit the banking sector severely, which has forced the banks to increase the interest rate on deposit rates to attract new deposits to keep the structural balance of deposit and credit. So, where did all the money just go? Why is this scenario created in banking right now?

Pinpointing one probable cause may not be sufficient to explore the depth of the current issue. There is a shred of empirical evidence that suggests for the creation of current crisis situation in banking. Following are some of the major highlights:-

1. Excessive lending's to unproductive sectors:-

- Most of the loans went to the sectors which were regarded as Unproductive
- Massive limits of margin lending were used by big players of stock markets and huge amount of lendable funds were invested in shares
- Later with the tied NRB policies and guidelines, the total market capitalization of tentative 44 arba was declined and dropped up to 28 arba which resulted in the massive wipeout of the investor's wealth in the stocks market.
- Huge investments in merchandise imports were increased and declining remittance resulted in pressure on liquidity
- Finance minister Janardan Sharma also blamed Governor Maha Prasad Adhikari for failing to stop excessive lending to unproductive sectors which not only resulted on crisis but also fueled imports leading to a continued decline in foreign exchange reserves

2. Remittance:-

- Remittance is a leading contributing factor to the increased disposable income of individuals as well as a country's GDP
- Based on the last seven months' data, ending mid-Feb 2021/22, the remittance inflow has been decreased by 4.9%
- Also, due to the Covid situation, most of the workers outside of the country were forcefully fired from their job and were bound to come back Nepal

3. Capital expenditure:-

- The Government have only been able to spend 16 percent of the capital expenditure in the seven months of the current fiscal year
- Inability of the government to mobilize the funds in the economy has contributed to a prolonged liquidity crisis in Nepal

4. Balance of payment:-

- The increasing Balance of Payment (BOP) deficit has become a concern for the economy
- An increasing BOP deficit implies leakage of domestic funds to the foreign economy, as payments made to businesses abroad for imports are not offset by earnings made through exports
- Therefore, increasing trade deficit that drains out the liquidity from the economy, leading to a shortage in liquidity.

5. Forex & NRB limitations for liquidity Injections:-

- The availability of foreign exchange reserves with the Central Bank increase's ability to stabilize market liquidity
- NRB injected liquidity through sale of US dollars from foreign exchange reserves
- However, in the same period, the foreign exchange reserves decreased as trade deficit increased in the FY 2021-22thereby limiting the ability of the central bank to stabilize the liquidity position.
- NRB had injected liquidity by using monetary policy instruments like repo, and Standing Liquidity Facility (SLF)
- However, the central bank is limited in its ability to inject liquidity as demanded due to increasing inflation and trade deficit
- The central bank is responsible for maintaining price and external sector stability in the economy.
- To limit the adverse impacts of increasing inflation and trade deficit, Nepal Rastra Bank has limitations on injecting liquidity to fulfill the increasing demand for liquidity in the economy.

What's Next if the situation continues?

- The increase in imports over the years has been alarming. The amount of foreign currency getting out of the nation is raising concerns about an emergency.
- The nation might be heading towards Sri Lanka's economic condition as it faces an increase in import/export imbalance, a deficit in the balance of payment, and diminishing remittance inflows and foreign exchange reserves
- Along with the Russia-Ukraine war, the prices of products have increased, precipitating inflation

Steps taken by government

- The government has taken steps to decrease the wide ratio of export and import; the import of a wide range of ready made alcohol, ready-made cigarettes and tobacco items has been restricted along with other luxury items.
- The government has made it mandatory for traders to maintain a 100 percent margin when opening a letter of credit to import certain products in order to reduce the import of minor non-essential items.
- The government has tighten the lending in Stocks Market with various policies and amendments

Conclusion:-

The liquidity crunch within the Nepali economy was exacerbated ever since the economic activities expanded after the COVID-19 induced lockdowns. Increasing government expenditure can improve liquidity conditions immediately, as it will mobilize idle funds from the government treasury into the economy, thereby increasing liquidity. The government should maintain policy measures to help resolve fiscal imbalances, increase spending efficiency, stimulate private sector development, and bring the impact of the epidemic and liquidity crisis on the financial sector into sharper focus to help limit adverse risks.

के कुरा गर्छौं

सुशिल चापागाई
- कोटिहवा शाखा

बिर्सेर नेपाली तिमी कुन जातजातीको कुरा गर्छौं ?
झोसेर घरमा आगो खोक्रो आवादीको कुरा गर्छौं ?

छिमेकी प्रत्येक अंग अंग लुछदैछन जननीको,
काटेर भाईको गला कस्तो समाधिको कुरा गर्छौं ?

छिराल्ने जातिय द्धन्द हर गाँउ अनि समाजमा,
आफै छौ जहर तिमी खै के बिषादीको कुरा गर्छौं ?

कर्तब्य बिर्सेर आफ्नो मात्र स्वार्थ हेर्ने बैमानीले,
भुलेर औकात किन उल्टै अपराधीको कुरा गर्छौं ?

रहेमा नेपाल तिमी पनि रहौला यू नेपाली भै,
नरहे के यहू छोरा नाती पनातीको कुरा गर्छौं ?

ज्ञानको भण्डार मान्छे तिमी बिर्सिएर मावबता,
लत्याई हजारौ जन कति फुलपातीको कुरा गर्छौं ?

सिटिजन्स बैंकको सोह्रौं वार्षिक साधारण सभा कार्तिक ०४ गते

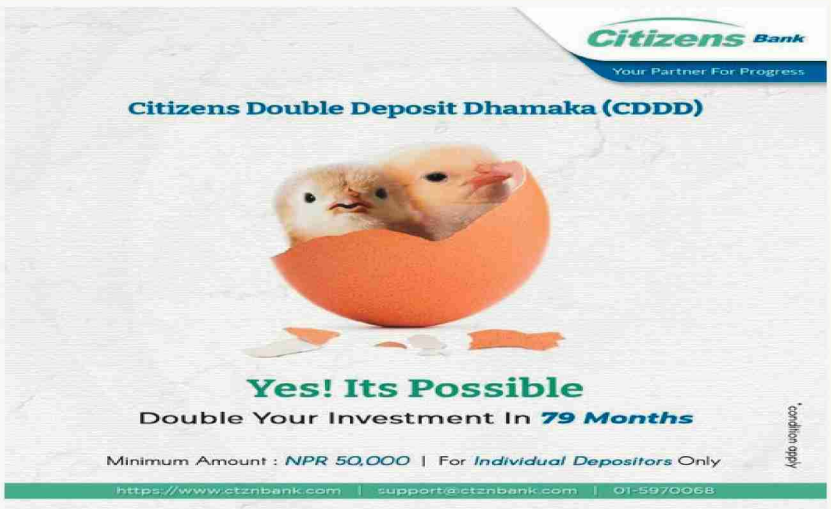
मिति २०७९/०६/१२ गते बसेको सञ्चालक समितिको ४०४ औं बैठकले निर्णय गरे अनुसार सिटिजन्स बैंकको सोह्रौं वार्षिक साधारण सभा २०७९ साल कार्तिक महिना ४ गते, शुक्रबार (तद् अनुसार अक्टोबर २१, २०२२) का दिन बिहान ११:०० बजे अमृतभोग, कालिकास्थान, डिल्लीबजार, काठमाण्डौमाबस्नेभएकोछ।आ.व. २०७८/७९ को सञ्चालक समितिको वार्षिक प्रतिवेदन माथि छलफल एवं लेखा परीक्षकको प्रतिवेदन सहित २०७९ आषाढ मसान्तको बैंक तथा बैंकको सहायक कम्पनीहरू सहितको एकीकृत वासलात र मिति २०७८/०४/०१ देखि २०७९/०३/३२ सम्मको नाफा नोक्सानको हिसाव तथा सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरू माथि छलफल लगायत सञ्चालक समितिबाट प्रस्ताव गरे अनुसार ९ प्रतिशतका दरले हुन आउने रू. १,२७,८०,८७,६६१ बराबरको नगदल ाभांश (लाभांश कर समेत) वितरण गर्न स्वीकृत गर्ने विषयहरू साधारण सभाका प्रस्तावहरू रहेका छन् ।



सिटिजन्स बैंकद्वारा आर्थिक वर्ष २०७८/७९ को लागी ९ प्रतिशत लाभांश प्रस्ताव

नेपाल राष्ट्र बैंकको स्वीकृति तथा बैंकको आगामी वार्षिक साधारण सभाले पारित गरेपछि लागु हुने गरी यस सिटिजन्स बैंक इन्टरनेसनल लिमिटेडको आज मिति २०७९ साल आश्विन ०६ गते बिहिबार बसेको ४०३ औं सञ्चालक समितिको बैठकले शेयरधनी महानुभावहरूलाई आर्थिक वर्ष २०७८/७९ को मुनाफाबाट ९ प्रतिशत लाभांश स्वीकृत गरेकोछ । सञ्चालक समितिको बैठकले प्रस्ताव गरे अनुसार आ.व २०७८/७९ को वितरण योग्य मुनाफाबाट २०७९ आषाढ मसान्तको चुक्ता पुँजी रू. १४,२००,९७४,००६/- को ९ प्रतिशतले हुने रू १,२७८,०८७,६६१ नगद लाभांश दिने प्रस्ताव गरिएको छ ।

उक्त प्रस्तावलाई नेपाल राष्ट्र बैंकले स्वीकृति तथा बैंकको आगामी वार्षिक साधारण सभाले पारित गरेपछि शेयरधनी महानुभावहरूलाई प्रस्तावित लाभांश वितरण गरिने कुरा बैंकले जानकारी दिएको छ ।



सिटिजन्स बैंकको कार्डबाहकहरूलाई नेसनल प्याथल्याबको हेल्थ प्याकेजहरूमा १७% सम्मको आकर्षक छुट



सिटिजन्स बैंक इन्टरनेसनल लिमिटेड र दरबारमार्ग स्थित "क" वर्गको नेसनल प्याथल्याब बीच सिटिजन्स बैंकको कार्डबाहकहरूलाई विशेष छुट दिने समझदारी पत्रमा हस्ताक्षर भएको छ । सो समझदारी पत्रमा हस्ताक्षर पश्चात सिटिजन्स बैंकका कार्डबाहकहरूले नेसनल प्याथल्याबका विभिन्न स्वास्थ्य सम्बन्धि जाँच र हेल्थ प्याकेजहरूमा १७% सम्मको आकर्षक छुट पाउनेछन् । यस किसिमको सहकार्यबाट बैंकका ग्राहकहरू लाभान्वित हुने साथै नगद कारोबारबाट डिजिटल कारोबार तर्फ उत्प्रेरित गर्ने विश्वास बैंकले लिएको छ । यस सुविधाबाट सेवाग्राहीहरूले गुणस्तरीय सेवा प्राप्त गर्नुका साथै अधिकतम लाभ समेत प्राप्त गर्न सक्नेमा बैंक विश्वस्त रहेको छ ।

सिटिजन्स बैंकद्वारा लक्ष्मी पूजाको दिन क्यास डिपोजिट मेसिन (Cash Deposit Machine) मार्फत नगद जम्मा गर्ने सेवाको शुभारम्भ



डिजिटल बैकिङ्गलाई सधैं प्राथमिकतामा राख्दै आएको यस सिटिजन्स बैंक इन्टरनेसनल लिमिटेडले आफ्ना सेवाहरू डिजिटलाइज (Digitalize) गर्ने क्रममा मानव सहायता बिनै सोझै मेसिनबाट क्यास डिपोजिट (Cash Deposit) गर्न सकिने सेवाको सुरूवात २०७९ लक्ष्मीपूजाको दिनबाट गरेको छ । यस नवीनतम सेवा मार्फत अब आदरणीय ग्राहक महानुभावहरूले कुनै भौतिक फारम बिना नै सहजरूपमा यस बैंकमा रहेको आफ्नो वा अन्यको सक्रिय बैंक खातामा केबल खाता नम्बरको आधारमा नगद रकम जम्मा गर्न सक्नु हुनेछ । यस सेवा अन्तर्गत आदरणिय ग्राहक महानुभावहरूले क्यास डिपोजिट (Cash Deposit) मेसिनबाट रु १,०००/- र रु ५००/- र (दरका नोटहरु मात्र जम्मा गर्न मिल्ने व्यवस्था रहेको छ ।

यस सेवाबाट आदरणीय ग्राहक महानुभावहरूले शाखामा पुगेर लाइनमा बसी फारम भरी नगद जम्मा गर्ने झन्झटबाट मुक्त हुनु हुनेछ भन्ने विश्वास बैंकले लिएकोछ । बैंकले यो सेवा हालको लागि आफ्नो दरवारमार्ग शाखा नारायणहिटी पथ, काठमाडौंमा सञ्चाल नगरेको र यस सेवालाई निकट भविष्यमा देशका अन्य शाखाहरूमा समेत विस्तार गर्ने योजना बनाइरहेको छ। कार्यक्रमको आरम्भ समारोहमा बैंकका प्रमुख कार्यकारी अधिकृत गणेश राज पोखरेले आधुनिक बैंकिङ्गको प्रमुख अंगकोरूपमा रहेको डिजिटल बैंकिङ्गलाई सिटिजन्स बैंकले अत्यन्त प्रभावकारी ढंगले अगाडि बढाएको र शसक्त ढंगले ग्राहक मैत्री सेवा अझ सहज, सुरक्षित, सर्वसुलभ, र विश्वास योग्य बनाईएको बताउनु भएको छ ।



बैंकका गतिविधिहरू

सिटिजन्स बैंकका कार्डबाहकहरूलाई होटल जंगल क्राउनको सेवाहरूमा १०% सम्मको आकर्षक छुट



सिटिजन्स बैंक इन्टरनेसनल लिमिटेड र चितवन स्थित होटल जंगल क्राउन प्रा. लि. बीच सिटिजन्स बैंकका कार्डबाहकहरूलाई विशेष छुट दिने समझदारी पत्रमा हस्ताक्षर भएको छ । सो समझदारी पत्रमा हस्ताक्षर पश्चात सिटिजन्स बैंकका कार्डबाहकहरूले होटल जंगल क्राउनले प्रदान गर्ने सेवाहरूमा १०% सम्मको आकर्षक छुट पाउने छन् । यस किसिमको सहकार्यबाट बैंकका ग्राहकहरू लाभान्वित हुने साथै नगद कारोबारबाट डिजिटल कारोबार तर्फ उत्प्रेरित गर्ने विश्वास बैंकले लिएको छ । यस सुविधाबाट सेवाग्राहीहरूले गुणस्तरीय सेवा प्राप्त गर्नुका साथै अधिकतम लाभ समेत प्राप्त गर्न सक्नेमा बैंक विश्वस्त रहेको छ।

तीजलाई लक्षित गर्दै सिटिजन्स बैंकद्वारा लकर सेवा शूल्कमा विशेष छुटको योजना सार्वजनिक

१५ बर्ष देखी अनवरतरूपले सर्व सुलभ र सुरक्षित बैंकिङ्ग सेवा पुर्याउदै आएको यस सिटिजन्स बैंक इन्टरनेसनल लिमिटेडले महिलाहरूलाई लक्षित गर्दै हरितालिका तीज २०७९ र भाद्र महिनामा पर्ने विभिन्न पर्वहरूको अवसरमा लकर सेवा शूल्कमा आकर्षक छुटहरूको योजना सार्वजनिक गरेको छ ।

यस योजना अर्न्तगत बैंकले भाद्र महिना भरि लकर शूल्कमा ७०% र लकर कि डिपोजिट (LokerKey Deposit) मा ५०% सम्म छुटको व्यवस्था गरेको छ। यस्ता छुटहरूको सुविधा आदरणीय ग्राहक महानुभावहरूले सिटिजन्स बैंकको लकर सेवा उपलब्ध हुने जुन कुनै शाखाहरूबाट पनि प्राप्त गर्न सक्नु हुनेछ । यस सुविधाबापत आदरणीय ग्राहक महानुभावहरूले आफ्ना अमूल्य गरगहना, रत्न,वित्तीय वाकानुनी कागजात,महत्वपूर्ण प्रमाण पत्रहरू सजस्तै राहदानी, र अन्य मूल्य वा नवस्तुहरु सहज र सुपत शूल्कमा सुरक्षित तवरले बैंकको लकरमा राख्न सक्नु हुनेछ । यसका साथै ग्राहाक महानुभावहरूको सहजताका लागी बैंकले निःशुल्क डेबिट कार्ड (Debit Card), मोबाईल बैंकिङ्ग (Mobile Banking) र ईन्टरनेट बैंकिङ्ग (क्लतभचलभत द्यबलपष्लन) जस्ता सेवाहरू धेरै पहिले देखिनै प्रदान गर्दै आईरहेको छ।



रमादा एन्कोर होटलमा सिटिजन्स बैंकका कार्डबाहकहरूलाई विशेष छुट



सिटिजन्स बैंक इन्टरनेसनल लिमिटेड र काठमाडौं, ठमेल स्थित रमादा एन्कोर होटल बीच सिटिजन्स बैंकका कार्डबाहकहरूलाई विशेष छुट दिने समझदारी पत्रमा हस्ताक्षर भएको छ । सो समझदारी पत्रमा हस्ताक्षर भए पश्चात सिटिजन्स बैंकका कार्डबाहकहरूले रमादा एन्कोर होटलबाट प्रदान गरिने सेवाहरूमा १५% सम्मको आकर्षक छुट पाउने छन् । यस किसिमको सहकार्यबाट बैंकका ग्राहकहरू लाभान्वित हुने साथै नगद कारोबारबाट डिजिटल कारोबार तर्फ उत्प्रेरित हुने विश्वास बैंकले लिएको छ।

आफ्ना आदरणीय ग्राहक महानुभावहरूको वित्तीय आवश्यकताहरू सुरक्षित तवरले प्रदान गर्ने अभिप्रायका साथ यस अघिनै बैंकले कियोस्क (Kiosk), ई.के.वाई.सी (E-KYC) तथा नागरिक एप मार्फत अनलाइन खाता खोल्न सक्ने जस्ता सुबिधाको सुरूवात गरीसकेको छ । साथ साथै, यस बैंकका ग्राहकहरूको बैंक सम्बन्धी जिज्ञासा तथा समस्याहरूको छिटो भन्दा छिटो समाधान प्राप्त होस् भन्ने उद्देश्यले ग्राहक साहायता केन्द्र (Customer Support Centre) को समेत स्थापना गरि सकेको छ । जसबाट बैंकका ग्राहक सेवा प्रतिनिधिहरू सँग सम्पर्क गरी आफ्ना बैंकिङ्ग सम्बन्धी जिज्ञासा तथा समस्याहरूको समाधान शाखामा उपस्थित नभईकन 01-5970068 नम्बरमा फोन गरी तथा support@ctznbank.com मा ईमेल गरी प्राप्त गर्न सक्नु हुनेछ । यस प्रकारको सेवाबाट बैंकका ग्राहकहरूले सहजरूपमा सेवा प्राप्त गरि लाभान्वित हुने तथा डिजिटल बैंकिङ्ग सभ्यताको विकास हुने विश्वास बैंकले लिएको छ । सिटिजन्स बैंक इन्टरनेसनल लिमिटेडले देशै भरी फैलिएका आफ्ना १८० वटा शाखा,१३२ वटा ए.टि.एम. र९६वटा शाखारहित बैंकिङ्ग ईकाईहरूबाट करिव १४ लाख ४६ हजार ग्राहक वर्गलाई आधुनिक बैंकिङ्ग सेवाहरू प्रदान गर्दै आएको छ ।

