

CHINA REVERSES COURSE ON
POPULATION PLANNING

DON'T SPY BUT BEWARE OF SPIES

THE TOP 5 LAPTOPS USED BY
NEPAL'S BUSINESS LEADERS

VOL 12 • ISSUE 1 • NOVEMBER 2023 • RS 100

BUSINESS^{360°}

**NPL OF
COMMERCIAL
BANKS SURGE
EXPONENTIALLY**

**THE RISE
OF FEMALE LED
HOME-GROWN
BUSINESSES**

**EV MARKET
PROS & CONS**

**MAKING
SOMETHING
FROM
NOTHING**

SURYA KARKI

COUNTRY DIRECTOR AND CO-FOUNDER, UWS NEPAL
SALES AND MARKETING DIRECTOR, DELISH DAIRIES
CO-FOUNDER AND BUSINESS DEVELOPMENT DIRECTOR
BLOOM NEPAL SCHOOL





ALWAYS ON

This is the Perpetual rotor. Rolex's automatic winding mechanism. It enables the watch to be constantly wound by the wrist's movement. Invented in our workshops, then patented, it was introduced in 1931. We have ceaselessly improved this groundbreaking innovation which, since then, has tipped the world of watchmaking off its old axis. In a constant state of unstable equilibrium, the half-moon oscillating weight is beholden to Earth's gravity and cannot escape it. Therefore, it

rotates with the wearer's every gesture, and sways in one direction or the other. The energy generated by these oscillations is transferred to the mainspring, which is continually wound, through a clever system comprised of inverters and a gear train. Thus stored, the energy is released simultaneously to activate the horological movement, ultimately moving the hands of the watch. Regularly. Precisely. For though we all seek balance, it is imbalance that drives us to move, perpetually.

#Perpetual

Regency Watch Pvt. Ltd.

ANNAPURNA ARCADE
DURBAR MARG
KATHMANDU, NEPAL



ROLEX

HUBLOT



Regency Watch Pvt. Ltd.

ANNAPURNA ARCADE
DURBAR MARG

hublot.com • f • t • i • g

CLASSIC FUSION

Titanium case.
Self-winding chronograph movement.



Every time a disaster occurs, we are faced with our own incompetence in managing it. The earthquake in Jajarkot garnered immediate attention in the midst of festivals but soon the attention faded.

Media blurbs and social media statuses were filled with who donated how much, but the fact remains that days after the incident and the subsequent aftershocks, people are dying of cold. They have lost their homes and the attention of the authorities.

Loss of lives, fear of aftershocks, homelessness, merciless weather and dwindling resources... A child was born in the toilet, a 21-year-old was raped, 12 people died of cold at the time of writing this piece... Jajarkot is in a trauma crying silently for help. Lest we forget, today it is Jajarkot and Rukum, tomorrow it could be Kathmandu.

Millions have been received in foreign aid for relief and recovery. There are NGOs and INGOs who are supposedly working on their areas of expertise for relief, the army has been mobilised and above all, young groups of social volunteers are working on the ground. Yet, it isn't enough. Does this not scream of the lack of a disaster relief operations system?

We live in an active seismic zone. But my heart trembles more at the uninspired mindset that has infested the government mechanisms. I am apprehensive of the concept of CSR in the private sector. Advertisements are released, corporate entities stand with the prime minister or ministers handing over cheques. Grief and loss are not for sale. Our culture and traditions teach us that when you give to those in need, the left hand should not know what the right is doing. The impact of your giving must advance good work, not be seen or intended as a tool of manipulation for favours or recognition.

Authorities already know after the devastating earthquake of 2015 that disaster management cannot start after disaster hits. There has to be a preparedness for better outcomes and immediate and effective response. There is a Disaster Risk Reduction and Management Act, and like with most other things we have a policy in place but we repeatedly fail when it comes to implementation. Why?

Why are we as a society becoming numb to tragedy that can be averted? Why is the narrative repeatedly the same? Why does our geography decide the level of response and attention we deserve? If public safety is a personal responsibility, then what is the role of government?

A handwritten signature in black ink, appearing to read 'Charu Chadha'.

Charu Chadha
editor

BIZ INDICATORS

FOREX MARKET	10-Oct-23	10-Sep-23	Year ago
USD	133.20	132.85	131.71
GBP	162.85	166.18	145.61
Chinese Renminbi (Yuan)	18.28	18.23	18.41
Indian Rupee (INR 100)	160.00	160.00	160.00
Euro	140.66	142.79	127.76
Australian Dollar	-	-	-
GOVERNMENT SECURITIES	Lowest	Highest	Weighted Avg.
Discount rate of T-bill (Subject to latest issuance)			
Treasury bills (28 days)	2.69	3.14	2.90
Treasury bills (91 days)	3.95	4.60	4.34
Treasury bills (182 days)	4.90	5.33	5.20
Treasury bills (364 days)	5.24	5.95	5.68
PRICE INDICES	15-Aug-23	15-Jul-23	15-Aug-22
National Consumer Price Index (base year 2014/15 = 100)	165.79	162.95	154.19

Source: Refinitiv Eikon, Nrb

P = Provisional, R = Revised

Compiled for Business 360° by



BUSINESS 360°

publisher
media9

directors
hemant golchha
saurabh jyoti
sanket lamichhane

editor
charu chadha

editorial
assistant editor
anurag verma
writers
prajwal nepali
ashika pokharel
preeti pantha

digital
content manager
suresh kumar chaudhary

coordinator
subin bhandari
content producers
harshvardhan chand
brihus neupane

art
senior designer
bikram chandra majumdar

designers
babu maharjan
yogesh chaudhary

photography
photographers
sanjay maharjan
riresh maharjan

sales & marketing
director
sudeep shakya
manager
dewaki makaju shrestha

office support
bella rana magar
ram kumar tharu

All editorial enquiries should be sent to
charu@media9.com.np

All advertising enquiries should be sent to
marketing@media9.com.np

Business 360° is published monthly from Kathmandu, Nepal
by Media Nine Pvt. Ltd., Kathmandu, Nepal
Tel: 4510440 | Email: editorial.b360@media9.com.np

All materials © Business 360°

A note to readers

The views expressed in articles are the authors' and not necessarily those of Business 360°. Authors may have consulting or other business relationships with the companies they discuss.

While every precaution is taken, no responsibility is assumed for the return of unsolicited material. All opinions expressed herein are those of the writers and do not necessarily reflect on the publisher. The contents may not be reproduced in any form without the prior consent of the publisher.

All rights reserved.

Publisher – Media Nine Pvt. Ltd.

CDO Regd. No 31/069/70

Printed at : Saugat Printers Pvt. Ltd., Tel.: 9849431415
Newstand : Kasthamandap Distribution Pvt. Ltd.
Newroad. Tel: 4247241

THE MAIN PROBLEM WITH OUR GOVERNMENT IS THEY ONLY TALK. BEFORE INTRODUCING ANY POLICY OR REGULATION THEY NEED TO CONSULT WITH THE CONCERNED STAKEHOLDERS AND GET SUGGESTIONS. GOVERNMENT OFFICIALS NEED TO READ AND BE INFORMED ABOUT THE SECTORS THEY ARE PLANNING TO INTRODUCE RULES FOR.

ASHEEM MAN SINGH BASNYAT
Managing Director,
Pathao Nepal

<http://www.b360nepal.com/>



ALPINE EAGLE

With its pure and sophisticated lines, Alpine Eagle offers a contemporary reinterpretation of one of our iconic creations. Its 41 mm case houses an automatic, chronometer-certified movement, the Chopard 01.01-C. Forged in Lucent Steel A223, an exclusive ultra-resistant metal resulting from four years of research and development, this exceptional timepiece, proudly developed and handcrafted by our artisans, showcases the full range of watchmaking skills cultivated within our Manufacture.

Chopard

THE ARTISAN OF EMOTIONS – SINCE 1860

Regency Watch Pvt. Ltd.

ANNAPURNA ARCADE
DURBAR MARG

IN THE LEAD

MAKING SOMETHING FROM NOTHING

SURYA KARKI

COUNTRY DIRECTOR AND CO-FOUNDER,
UWS NEPAL
SALES AND MARKETING DIRECTOR,
DELISH DAIRIES
CO-FOUNDER AND BUSINESS
DEVELOPMENT DIRECTOR
BLOOM NEPAL SCHOOL

NEPAL PRESENTS A UNIQUE SET OF CHALLENGES FOR ENTREPRENEURS. THE MOST DAUNTING ASPECT HAS BEEN UNDERSTANDING AND NAVIGATING THE INTRICATE WEB OF POLICIES, LAWS AND REGULATIONS. THESE ARE OFTEN AT ODDS WITH PRACTICAL IMPLEMENTATION AND CAN POSE SIGNIFICANT HURDLES FOR BUSINESSES.



26

THE RISE
OF FEMALE LED HOME-GROWN BUSINESSES

OPINION

76

"I CONSIDER DILIGENCE IN MY WORK TO BE NON-NEGOTIABLE. IT'S THIS BELIEF IN THE INTERPLAY BETWEEN ECONOMIC EMPOWERMENT, LEGAL WORK, AND THE GREATER SOCIAL GOOD THAT DRIVES ME TO STRIVE FOR EXCELLENCE IN MY CAREER, ENSURING THAT I PLAY MY PART IN CONTRIBUTING TO A SOCIETY WHERE EVERYONE HAS THE OPPORTUNITY TO LEAD A LIFE OF PURPOSE AND DIGNITY."

Nida Doon Malla
Consultant, NDM Corporate Solutions

HI 5

84

YOU MIGHT BE WORKING FANTASTICALLY BUT IF YOUR INSTITUTION COLLAPSES AFTER YOU HAVE HANDED OVER THE REIN OR DIE, IT SHOWS THAT YOUR LEADERSHIP WAS POOR. EVERY LEADER MUST CREATE A LEADERSHIP THAT WORKS EVEN AFTER THEM"

Sagar SJB Rana
President, Nepal Art Council

LEADERSHIP

WRITE TO US AT

editorial.b360@media9.com.np



LIKE US ON

Business360nepal



ON THE COVER

SURYA KARKI
PHOTOGRAPHER
SANJAY MAHARJAN
COVER DESIGN
BIKRAM MAJUMDAR

Redesigned.

Meet The New KONA Electric.



With its dynamic design, impressive battery range and a host of technology innovations, the new KONA Electric checks all the boxes for those looking to take advantage of the benefits offered by this very impressive electric vehicle.



Laxmi InterContinental Pvt. Ltd.
(An ISO 9001:2015 Certified Company) an entity of Laxmi Group Nepal

Hyundai Call Center No: 01-5970226

Dealership:

Bhaktapur: 01-6635266, 6637147, 9801201104, **Naxal:** 01-4513934, 4513942, 9801201082, **Thapathali:** 01-5911553, 5911554, 5911556, 5911457, 5911558, 5911568, 9801239277,

Thapathali-EV: 01-5912626, 5913636, 9801201508, **Maharajgunj:** 01-5911009, 9801201103

Bhairahawa: 071-575428, 9802608603, 9802606801, **Bharatpur:** 056-522776, 9801353761, 9801353765, **Biratnagar:** 021-460609, 9802763896, 9802760946, **Birgunj:** 051-527507, 9801087477,

9801005377, **Birtamod:** 023-541495, 9802672044, 9802672041, **Butwal:** 071-415278, 9801943959, **Dang:** 082-563634, 9801347966, 9801347967, **Dhangadhi:** 091-524492, 9802540105,

Hetauda: 057-520200, 9855068578, 9802641989, **Itahari:** 025-587502, 9802736982, 9802737986, **Nepalgunj:** 081-550427, 9802546481, **Pokhara:** 061-537426, 9801201010, 9801240155



KONA

FACE2FACE

"THIS IS THE FIRST TIME ANY GLOBAL ELECTRONIC GOODS COMPANY HAS BUILT A FULL-CAPACITY FACTORY IN NEPAL. WE ESTABLISHED THE FACTORY IN APRIL IN NAWALPARASI. IT IS EQUIPPED WITH THE NEWEST AND MOST ADVANCED EQUIPMENT TO ASSEMBLE AND BUILD TVS. THIS IS THE INITIAL YEAR AND WE HAVE EMPLOYED 50 PEOPLE AND LIMITED THE PRODUCTION NUMBERS BUT FROM NEXT YEAR YOU CAN LOOK FORWARD TO A MUCH BIGGER SCALE OF PRODUCTION AND ALSO A GREATER NUMBER OF EMPLOYEES. WE VIEW THIS FACTORY AS A VERY SIGNIFICANT DEVELOPMENT BECAUSE IT CAN OPEN UP A HUGE INDUSTRY OPPORTUNITY FOR NEPAL IN TERMS OF THE MANUFACTURING SECTOR."

SUNG JUNE PARK
MANAGING DIRECTOR,
NEPAL OFFICE - SAMSUNG
ELECTRONICS



40

THE EV MARKET PROS & CONS

46

NPL OF COMMERCIAL BANKS SURGE
EXPONENTIALLY

44

THE COST OF DISASTERS AND WHAT CAN
BE DONE



FEATURE

24 | BUSINESS SUTRA

50 | COMMODITY PERSPECTIVE

52 | BEED TAKE

54 | LEGAL EAGLE

56 | INNOVATION

58 | BITSNBYTES

60 | GUEST COLUMN

62 | GUEST COLUMN

64 | NATIONAL

COLUMNS

24 | BUSINESS SUTRA

Don't Spy But Beware Of Spies

50 | COMMODITY PERSPECTIVE

Oil & Central Bank Policy

54 | LEGAL EAGLE

Protecting Domestic Products with Tariff-based Remedies

58 | BITSNBYTES

The Top 5 Laptops Used By Nepal's Business Leaders

74 | BESIDES BUSINESS

- TOPPICK
- HI5
- GET FIT
- THROUGH THE MYSTIC EYE

A full-page photograph of a man with dark hair and a light beard, wearing a navy blue suit, light blue shirt, and patterned tie. He is standing outdoors with a blurred background of trees and buildings.


COUTURIER
by Harrington

Refined Poise
Confident Aura

HARRINGTON NEPAL
Narayanchaur, Naxal
+977 9802023111 / 222
customercare@harringtonwear.com
www.harringtonwear.com

Discover Premium Suits, Shoes and Shirts for Men.

MAKING SOMETHING FROM NOTHING

SURYA KARKI

COUNTRY DIRECTOR AND CO-FOUNDER, UWS NEPAL
SALES AND MARKETING DIRECTOR, DELISH DAIRIES
CO-FOUNDER AND BUSINESS DEVELOPMENT DIRECTOR
BLOOM NEPAL SCHOOL

Surya Karki's journey is one of hope, perseverance and the power of education. He struggled against many odds to not just build his own life but to create an ecosystem of goodwill and good work. Young and enterprising, he will leave no stone unturned to innovate and thrive.



Raised by a single mother in rural Chiraite in Sankhuwasabha, Surya Karki, Country Director of UWS Nepal and Sales and Marketing Director of Delish Dairies, says his childhood was financially quite challenging. "It was difficult for my mother to even put food on the table and, in fact, one of my siblings passed away because we didn't have the money to afford his treatment," he shares, adding, "I was made aware of the need to be financially sufficient from a small age."

"However, my mother believed education was necessary and she ensured that I got a good education despite all the problems," Karki says. "Today I am proud to state that despite all the challenges I have started to make a name for myself in Nepal. It's all due to my mother."

In this issue of **Business 360**, we spoke to Karki about his entrepreneurial journey and the aspects that have made him a successful person today.

Could you please tell us about your early years?

I was born into a very poor family, and the only way out for me was to receive a proper education, which I was lucky to get. After completing high school from Budhanilkantha School, I got the opportunity to study in Venezuela through a scholarship from Late Himalaya Shumsher and the United World Colleges before studying in a full scholarship at the College of the Atlantic and the Schwarzman Scholars in China at Tsinghua University. This experience laid the foundation for my journey into entrepreneurship.

My entrepreneurial journey started when I was 17 years old. Co-founding Nepal's first free private school, where parents worked on a farm in exchange for their children's education, was a solution to a critical problem I had witnessed in my early years. I saw the struggles of families like mine, who couldn't afford education,

and this experience inspired me to innovate and create a sustainable solution.

As I progressed, I pursued education in the United States, facing significant challenges along the way. Yet, my determination and problem-solving mindset persisted. When I was 21 years old, around 2013-14, I was felicitated by King Charles of the United Kingdom for my work. This recognition, especially for our free school concept, instilled in me an even stronger entrepreneurial spirit.

Throughout my early years, I had always believed in problem-solving. Whenever I encountered a challenge or issue, I would immediately start thinking of solutions. This mindset not only led to the founding of my first school but also guided me in starting various ventures. While in the US, in 2014, I co-founded a real estate company in the US and a foundation related to education, agriculture, and sustainable energy. In the same year, I became associated with Bloom Nepal School, a unique interest-based education model, aimed at making learning exciting and tailored to children's passions.

So, my early years were marked by a journey from poverty and limited access to education to the inception of innovative educational solutions and sustainable ventures, all driven by my relentless dedication to problem-solving and a desire to make a positive impact. This journey of entrepreneurship remains deeply rooted in my early experiences and the challenges I encountered.

What were the initial entrepreneurial challenges?

Nepal presents a unique set of challenges for entrepreneurs. The most daunting aspect has been understanding and navigating the intricate web of policies, laws and regulations. These are often at odds with practical implementation and can pose significant hurdles for businesses.

Upon my return from the US, I naively underestimated the difficulties ahead. The primary obstacle I encountered was dealing with government officials, who play a pivotal role in Nepal's entrepreneurial ecosystem. Here, it's not merely about what you know; it's often about who you know. This realisation taught me that connections can outweigh knowledge.

Furthermore, policies, which are intended to streamline operations, sometimes have the opposite effect. Conflicting policies from different ministries can lead to confusion, and the ever-changing nature of these policies makes long-term planning a challenge.

Another substantial challenge is the lack of available funding. Without established industrial connections or access to investors, I had to rely on institutions for financing. For those without these connections, it can be an arduous process. Moreover, collateral is often a prerequisite for loans, and the time it takes to arrange collateral can render it irrelevant due to policy changes.

In Nepal, policies can change abruptly, but not always in favour of entrepreneurs. Policymakers seldom consider the ease of doing business from our perspective, which can be frustrating.

Over my journey in Nepal, I've been involved in four different ventures, with varying levels of success. One crucial lesson I've learned is the value of patience. Unlike the US, where time is money and urgency is paramount, in Nepal, we progress steadily, and patience is an asset in overcoming these initial entrepreneurial challenges.

Tell us about United World Schools.

We began United World Schools (UWS) in 2015, establishing our first school in Mude, Sankhuwasabha. The primary objective was

to provide quality education to underserved rural areas, without charging fees. My award from King Charles provided essential contacts who became donors, and fundraising efforts in the UK with UWS and the US paved the way for the first school, a major challenge.

An early lesson was that good intentions don't always align with local perception. It took seven months of effort to gain community trust in the school's benefits. Convincing donors of progress during the interim was another challenge. I questioned my return to Nepal but persisted. The first school's success made establishing others easier.

Currently, we operate 76 schools serving 13,000 children, a feat I wouldn't have believed in 2016. Nepal often values trust over facts, and we tend to discuss others' successes or failures rather than focusing on hope and possibilities, a trend I aim to change.

Motivation comes from the desire to transform Nepal. I want quality education for children, job opportunities post-graduation, and a passport as valuable as any developed nation's. My entrepreneurial ventures are driven by these dreams.

While I've given my all, some days I question my presence seeing people leave the country. But I'm on a mission to create a prosperous Nepal where dignity, prosperity, and equal opportunities prevail.

UWS provides education up to grade eight and supports girls beyond that. I also founded Bloom Nepal School, currently offering education up to grade 10, with plans for grade 11 and 12 expansion. We have two campuses in Itahari and Lubhu, Kathmandu.

What motivates you to be in the education sector?

I work in primary education because that's where the major problem lies. Having personally faced the challenges of our education system, it was the primary driving force that



brought me back to Nepal to focus on the education sector. The struggles I encountered in my own education journey triggered a strong desire to make a difference in this field.

In Nepal, the statistics are disheartening; out of 100 children enrolled in grade one, only 32 make it to higher

education. This is a shocking reality. Sixty-eight percent of our workforce hasn't completed primary education, yet they support 33% of our economy through remittances. If this 68% had the opportunity to continue their education, they might not have left school early.

These numbers are grounded in research. The 32 children who reach grade eight go on to pursue undergraduate studies, based on our tracking. So, the question we're trying to answer is, how can we ensure that a majority of children who complete primary education continue into

secondary education? United World Schools (UWS) Nepal focuses specifically on primary education, and our success is evident in our 98% retention rate. We guide 98% of our children to reach grade eight and beyond, into grade nine as well. We've tracked their progress, and we take pride in our moderate success in delivering a solution that makes education enjoyable, offers quality teaching, and ensures that children love learning.

Could you elaborate on the operation model of UWS?

At UWS, we provide free education. We work with the local government to build and run schools. We build the infrastructure ourselves which are made of concrete and are earthquake-resistant. The schools we build are one-storey with the possibility of going up to three stories. The local government supports 30% of the funding with the community and when I say funding, I must clarify that we do not take cash. They support with local materials and land to build the school, and the local government is required to commit to funding the model after five years.

So, we are not an organisation that stays in the community for perpetuity but builds something sustainable for the local communities to lead once they are capable. We stay there with the community for five plus three years. The first five years we build the model and showcase our work, and the next three years we are there monitoring whether it works or not with them. We are trying to transform the education model of the country one school at a time.

We currently work with 19 local governments and all of them absolutely love and admire us. In fact, we also make sure that our schools include a playground and a disabled-friendly toilet.

Since our schools have classes till grade eight, we need one teacher for each grade

but teachers are not trained to do multi-grade teaching. And the government policy says you get one teacher for every 20 students, so naturally the number of teachers a school gets goes down. It is here, we come in again with the funding. We provide the teachers but we also tell the concerned local government they will have to match fund for the salary. So, if we give Rs 10,000 the government provides Rs 10,000 and we fund the teachers together. It isn't just about money but about ownership and accountability. Then after five years, they are required to fully fund the teachers that we collectively select.

We also have a special programme called UWS Nepal Teaching Fellowship where we select the young graduates and place them in schools, whereby they will have to go and live in local communities there for two years to help implement the UWS education model in collaboration with the government teachers and the teachers that the government and we select together. All of these happen with the community in the centre, especially through creation and mobilisation of mothers. So, we create mothers' groups which are critical to the success of our education model.

How do you incorporate technology into the education you offer?

We recognise the importance of technology in education and have actively started investing in this domain. It's not just about acknowledging technology but also implementing it effectively. At UWS, we've initiated technology-aided learning, particularly through the establishment of computer labs in our schools. These labs operate offline but are equipped with a comprehensive set of tools and resources that support the curriculum.

In remote areas of the country, attracting highly educated individuals to live and teach can be a challenge.

4 Nepal presents a unique set of challenges for entrepreneurs. The most daunting aspect has been understanding and navigating the intricate web of policies, laws and regulations. These are often at odds with practical implementation and can pose significant hurdles for businesses.

However, our computer labs help address this issue. Each lab is equipped with 20 workstations, and the entire curriculum is digitised. Importantly, we haven't had to develop these resources from scratch, as they are readily available through open learning exchange school labs.

This technology-aided approach ensures that children's education remains uninterrupted. Even with just one teacher, it becomes possible to manage the entire school, as the teacher's role primarily involves addressing students' questions.

As internet access gradually extends to nearly all parts of Nepal, we are taking a step further by piloting a programme where a teacher in Kathmandu can teach students in a remote village. However, we emphasise the importance of students maintaining physical interaction with teachers in the school space. This interaction fosters essential interpersonal skills, which are equally vital.

It's worth noting that technology adoption has both advantages and drawbacks. Timing is crucial when introducing it, and we have already established approximately 150 computer labs. We are working on creating an ecosystem to ensure that no child in any remote village of the country is deprived of the opportunity to access 21st-century education. Our ongoing efforts in this direction receive support from various donors, and we are committed to making this vision a reality.

How do you measure the impact and success of your initiatives?

UWS and Delish Dairies are two separate ventures operating in different spaces. For UWS, success is primarily about reversing the trend of children dropping out of primary school. In this context, success means that if any child begins their education in grade one, they should continue studying until grade eight.

To assess the achievements of our students, we have developed specific metrics. We maintain detailed data for all 13,000 children we serve, allowing us to track their progress comprehensively. Progress isn't solely measured in terms of academic performance; we also focus on developing their interpersonal skills and their ability to interact confidently. Children from rural areas often display timidity and hesitate to engage with outsiders. Our goal is to reverse this trend, fostering expressiveness, and improving their reading and counting abilities, empowering them to interact with people from diverse backgrounds.

Our tracking of students is continuous throughout their primary education journey. If 90% of the 13,000 students successfully transition into secondary education, that would signify a significant achievement for us.

How did Delish Dairies happen?

My journey into agriculture began in Venezuela, where I studied this field. However, it wasn't a path I wished to pursue for life. Growing up in a farming family, I witnessed my mother's struggles to provide for my sister and me. We often didn't have enough food on the table, and I vowed to secure a proper education, with farming as the last thing on my mind.

After the establishment of United World Schools, I found myself pondering if education alone could solve all our challenges. Education can indeed be a game-changer, but its impact is enhanced when it's coupled with economic opportunities. We serve 13,000 children through UWS, but the risk of them discontinuing their education loomed if their parents couldn't access economic opportunities. Ultimately, a person's decisions are heavily influenced by their ability to provide for their family.

In 2018, while UWS was taking shape, the idea for Delish Dairies was born. Three friends, including me, sat down over coffee and discussed the need for our country to undergo a transformation, one that could be driven by innovative entrepreneurship. Agriculture was a topic frequently discussed, but it wasn't at the centre of our economy; it merely sustained people's livelihoods. During my time in the US, I had experienced Greek yogurt, such as Chobani, and so had my other two friends who found it fascinating. We proposed the idea of starting a similar company in Nepal. We observed that we were heavily reliant on imports, even for agricultural products like butter, ghee, cheese and yogurt. This realisation prompted us to ask how we could catalyse a transformation in a traditional sector like agriculture. The dairy sector in Nepal had long been stagnant, devoid of innovation.

Hence, we embarked on the journey of Delish Dairies



with the goal of creating an industry that utilised local raw materials produced by farmers. We aimed not only to establish our company but also to uplift the farmers' livelihoods.

Currently, we collaborate with over 1,200 farmers in Chitwan, and we've recently launched our second factory in Fikkal, which is specifically dedicated to cheese production. In Nepal, cheese is a significant import because locally produced cheese often doesn't meet international standards. We believe that a Nepali company can produce high-quality cheese, potentially for export. In about six months, we plan to work with another 1,200 to 1,500 farmers in Fikkal. As it stands, agriculture is my primary focus in business, while education remains my passion.

What was starting Delish Dairies like?

The inception of Delish Dairies was marked by three energetic, passionate young individuals eager to innovate in our home country, Nepal. However, our initial enthusiasm faced a reality check during the early days. We encountered discouragement from people, including those who had already established industries, who deemed launching a company in Nepal as one of the worst decisions I could make.

Entering a traditional sector in Nepal comes with enormous challenges. The initial market entry was a Herculean task. We aspired to build a factory, but the dearth of support for such endeavours was disheartening. Basic infrastructure was a significant concern, and we realised that obtaining the necessary high-voltage electricity was an uphill battle. We had to invest in a transformer, electric poles, and wiring just to power our factory. In developed countries, these fundamental infrastructure needs are met without question, which contributes to their thriving economies.

Another challenge revolved around sourcing milk,

People may not have initially believed in my ability to deliver on education commitments, and yet here I am today, sitting with you and the people of Nepal, saying that we've transformed the education landscape and set it on the right path.

our primary raw material. While the milk industry may seem appealing from the outside, a closer look revealed complications. The milk industry was rife with tampering, making it difficult to obtain high-quality milk. Additionally, the Covid 19 pandemic struck during our factory construction, causing delays to our planned launch. Despite the challenges, we pressed on, even living alongside construction workers at the factory site during the pandemic lockdown.

Securing machinery from abroad posed another hurdle in the process. Once the factory was established, we faced the difficulty of finding the right individuals to produce the specific type of Greek yogurt we aimed for. Consistency in product quality was paramount.

Throughout the journey, we've faced numerous challenges, but we've worked diligently to overcome them. It's essential to note that we began as bootstrappers in 2018, and we continue to operate with a bootstrap mindset. However, the results have been encouraging. In the fiscal

year ending in July 2023, we generated satisfactory revenue, a significant milestone for a startup like ours. We've also received funding from NIBL, our private equity partners, underscoring the success of our bootstrapping strategy.

Nevertheless, the challenges persist for entrepreneurs worldwide, from assembling the right team to finding committed individuals who will stay the course. Securing shelf space in stores is another unique challenge, particularly for a new company with an innovative product. The trust factor comes into play, and supermarkets and marts often allocate shelf space based on profit margins. Startups, especially home-grown ones, struggle to offer high margins. We are grateful to partners like Nina and Hager for recognising the quality of our brand and supporting our products. Additionally, the unwavering support of individuals like Prithvi Bahadur Pande has been invaluable, who continues to stand by Delish.

Besides UWS and Delish, we learnt that you also have a keen interest in politics and once mentioned that you want to be the youngest Prime Minister of Nepal. Tell us about that.

I made that statement during my fellowship with Daayitwa when I had the privilege of working closely with politicians. The experience of interacting with politicians daily led me to question, "Why do we always criticise politicians? Is there anything I could do as an alternative?" Every time I voted, I encountered the same familiar faces, and I began to wonder if there was an alternative candidate. Did I have any influence over the candidate selection process? Unfortunately, no. So, in 2014, when I made that statement, I was certainly in that frame of mind, and that sentiment still resonates with me. However, my perspective has matured since then.

If the opportunity to become the youngest Prime Minister were to present itself, why wouldn't I consider it? Why wouldn't I take that chance? I'm genuinely interested in doing so. However, making politics my career is a decision I must contemplate seriously. It's not a choice I should make on my own. The answers should come from the people.

I hail from Sankhuwasabha, and it's crucial that the people in my own village and district believe I'm the right person to lead them toward a positive change in their history. Without their trust, I shouldn't be attempting to convince people in other districts that I'm the right leader for them. This is a lesson that applies to all.

At the moment, I feel like the youngest "education minister" because I continue to support approximately 13,000 children. Even the official education minister might not engage at this level.

Currently, the political landscape in our country doesn't always align with my focus on putting people and prosperity first, while creating an enabling environment for both. The established political parties and their traditional mindsets still dominate. They often peddle unattainable dreams. Until our parliament functions as a true representation of the people, individuals with my mindset may struggle to gain political traction.

I leave this trajectory to the people, just as I did eight years ago. I will do what is necessary. People may not have initially believed in my ability to deliver on education commitments, and yet here I am today, sitting with you and the people of Nepal, saying that we've transformed the education landscape and set it on the right path. People trust it, the government recognises and supports it, and it has become a model for change. **B**

Tailor-made events in dynamic meeting spaces



HOTEL ROYAL SINGI
KATHMANDU

**Exquisite Packages
Available**

For Inquiries:
+977-01-4524 190, 4524 191
E-Mail: eventsales@royalsingi.com
sales@royalsingi.com

Lal Durbar, Kamaladi, (5 mins walk from Durbar Marg)
Kathmandu, Nepal

www.royalsingi.com

[royalsingi](https://www.facebook.com/royalsingi)

[royal_singi_hotel](https://www.instagram.com/royal_singi_hotel)



Sung June Park
Managing Director, Nepal Office - Samsung Electronics

“This is the first time any global electronic goods company has built a full-capacity factory in Nepal. We established the factory in April in Nawalparasi. It is equipped with the newest and most advanced equipment to assemble and build TVs. This is the initial year and we have employed 50 people and limited the production numbers but from next year you can look forward to a much bigger scale of production and also a greater number of employees. We view this factory as a very significant development because it can open up a huge industry opportunity for Nepal in terms of the manufacturing sector-”

Sung June Park, Managing Director of Nepal Office, Samsung Electronics has been with the company for close to two decades. Prior to being positioned in Nepal, he was in Singapore overlooking the South-East Asia market. And prior to that, he was in South Korea with the mobile division of the company.

“I have been looking after various markets and when I was in South Korea I was mostly looking after the India market which is a very dynamic and diverse market and one of the largest in the world,” he says. Park came to Nepal in the midst of the Covid 19 pandemic, a challenging and unstable period for all businesses, but in less than four years, he continues to drive demand for Samsung with the enthusiasm of a professional who seeks to find opportunities in challenges.

Park has a range of interests as an individual and is a professional on all things tech. He is a keen observer of new developments in IT besides understanding how the human ecosystem is evolving within these frameworks.

In this edition of **Business 360**, we spoke to Park about Samsung's operations in Nepal and what he plans to achieve here. Excerpts:

Could you give us an overview of Samsung's operations and presence in Nepal?

I overlook all of Samsung's operations in Nepal. We have a very diverse portfolio here ranging from mobile devices

such as smartphones and tablets to TVs and home appliances such as refrigerators, washing machines, air conditioners, among others. Besides these products, we are also engaged in hospital equipment. We have some hospital focused corporate products like x-ray machines and ultrasound devices. So, the product offerings we have are diverse in nature. In fact, when we talk about TVs it is actually divided into two sections – one is the household segment and the other is for big institutions like hotels. We have a full line-up of products in Nepal the way we have in other countries. Any Samsung product that is available abroad is available in Nepal too and the only difference is the market dynamics of each economy.

How does Samsung contribute to the local economy?

During my stay here in Nepal this is probably the biggest aspect that I have been privileged to focus on. We do provide world-class products and services in Nepal but more importantly, we want to be more engaged and a part of the community here. One such initiative was building a full-scale TV factory here. This is the first time any global electronic goods company has built a full-capacity factory in Nepal. We established the factory in April in Nawalparasi. It is equipped with the newest and most advanced equipment to assemble and build TVs. This is the initial year and we

have employed 50 people and limited the production numbers but from next year you can look forward to a much bigger scale of production and also a greater number of employees. We view this factory as a very significant development because it can open up a huge industry opportunity for Nepal in terms of the manufacturing sector. For Nepal as a country to be growing and to be able to really boost its economy more of this kind of local manufacturing needs to be happening. And I am privileged and proud to be a part of this kind of initiative.

I also have not only focused on building infrastructure and the hardware aspects of production and manufacturing but also in training the youth of Nepal in terms of IT knowledge. We have started a collaboration with Tribhuvan University from last year. This is a part of a global training session which we call Samsung Innovation Campus. Through this training course we provide the interested youth all of Samsung's knowledge in terms of our IT capabilities. We have developed this into a full package course so that we can teach students how Samsung has actually become a leader in the fields of IT such as artificial intelligence, or big data, or IoT, or even just general programming and coding. This training programme is fully funded by Samsung for the students of Tribhuvan University.

What are the challenges and opportunities for Samsung in Nepal?

The biggest challenge in terms of business is of course and it is not limited to Nepal only but on a global scale, that economic growth has more or less slowed down. This is an external challenge that we are facing at the moment and this is not only a problem in Nepal but is more of a global problem. Economic growth has slowed down globally. When we look at Nepal alone, it has become a very competitive market as there are so many options available for consumers in terms of products, in terms of the brands of various corporates that are entering our industry – the IT industry and electronic goods market. Nepal has become a very competitive and congested market where we need to constantly showcase our core values and competitiveness to win over the minds of the consumers in terms of what is the benefit that Samsung offers to the users of Nepal.

How is Samsung adapting to the local preferences and market dynamics that you just talked about?

At Samsung, whenever we design any new product, we gather the values of feedback from the market and this gathering of feedback is done on a global scale and is not limited to only a few selective countries. We gather information on what the consumer is after, what they are

trying to find in a product. We conduct this form of research in all of the countries including Nepal. The biggest aspect about Nepal is that it is a very young country. And in young countries, there are young users of IT products who are very much into the technical aspects. They want to be connected with the community; they want to be connected to their peers. They are very much socially engaged and that reflects the usage of our smartphones. These are the aspects that we try to listen to and we try to gather as much information as possible so that we can accommodate them when we actually design our products.

In terms of innovation and technology are there any recent developments or upcoming products that Samsung is particularly excited about?

One thing about innovation these days is that smartphones, whether they are Android phones or iOS phones, have become very much alike. If one company comes up with an innovation, it can be easily and quickly adapted thereby creating a monotonous form of market in terms of the product. However, we are proud to say we have been able to be on the cutting edge of introducing innovations and standing out from this kind of uniform manner of products. A good example of this is the foldable technology we introduced lately, which is one of the industry standard breaking, out of the box innovations that we have made, because this is an innovation where we are able to fold and bend the display. The technology behind this innovation is very complex. And we have also launched the fifth generation of foldable phones. So, over the five years we have been able to now technically master this order of foldables. The beauty about the foldable smartphones is that it is not only about showing off our technology but it is actually giving the users the usability in terms of being able to use a phone that is virtually a tablet and a phone. In terms

of the usability, users are able to use the phone for their work purpose and their daily lifestyle has significantly changed due to this kind of innovation that we were able to introduce.

How does Samsung ensure the quality and reliability of its products and services in Nepal?

Whenever we launch any product, we highly prioritise the usability for the users. This basically means that when we come out with a product it should be a product which the users can apply to their lifestyles and not just some technology for the technology purpose only. We want it to be blending into the lifestyle of the users, whether it be for their working purpose or just for entertainment purpose. Hence, we do this type of usability test vigorously. We have a rigorous process for the usability test. Besides that, we also have a rigorous product test as well.

As the head of Samsung in Nepal what is your vision for the company's growth and success here?

We want to be a brand that is loved by the consumers. It is not only about the products we launch; we want to be known to the general public as a brand that is here to stay in Nepal. Like I mentioned earlier, we do not want to just manufacture and supply our products in the market. We want to be connected with the people of Nepal. We want to become more of a localised brand where people connect with us as a brand that they trust and love. These are the brand aspirations that we are trying to build. Also, the most standout aspect about our business and operation are the diverse and vast range of products that we are able to provide to the market in Nepal. It is not only about the various categories of products we launch. Even within our smartphone category, we have a full range of products that range all the way down from Rs 12,000 all the way up to Rs 200,000. Due to this full range of product availability, we

are able to cater to the entire population of Nepal in terms of affordability as well as premium products. I believe this kind of range of products is something that actually only Samsung can provide here in Nepal.

What are the key factors that you think differentiate Samsung from its competitors?

We can look at it in two aspects – one is the mobile industry and the other is the home appliance industry. When we talk about the mobile industry, we have a very robust distribution system with approximately 300 local distributors spread across Nepal. We have a regional distribution system that is able to cater to the markets from the east to the west of the country. We look at our local and regional distributors as partners of our business here in Nepal. It is not just a seller and buyer relationship but a very strategic partnership relation that we have been able to build with them. This is something that maybe needs to be fact-checked, but I think Samsung is the only company which has a brand office presence here in Nepal unlike other brands that just supply their products. In terms of the mobile industry because the market is bigger compared to that of home appliances, most of the brands will be having a brand presence with.

When we look at the home appliances, what we call the consumer electronics category, we would be the only company which actually has a presence in Nepal. This is a very critical aspect because we are able to connect with the market whereas with other brands only a very simple import procedure happens. Due to our presence, we are able to go to the market and be connected, and listen to the voice of the customers, the voice of our retailers and our distributors to be able to very dynamically and quickly adapt to the changing environment of the market. This is something that stands out compared to the competition.

Besides the product offerings, what makes Samsung a market leader?

I would say consistency. Of course, the product is the backbone because if we don't have a great, firm product it will be impossible to sustain. However, I feel more than the product it is our consistency that has been Samsung's highlight. For instance, no other brand has been able to consistently be in this market for 20 years. It's been actually over 20 years that we first set foot in Nepal and started our operations. What you have to keep in mind is that the market situation keeps changing with time and there are companies that are in and out of the market according to the change. The consistency part comes from the commitment of Samsung as a global unit, and as a global corporate. We have a very strong commitment that we are here as part of Nepal's community, and not just have a short-term selling and buying relationship. So, I think this type of consistency and commitment coming all the way from our corporate level of decisions have driven us to become the biggest and most beloved brand in Nepal.

Is there any new service or product that you are about to launch?

We usually launch most of our premium products or the flagship products across the year. In the first half of the year, we launch the 'S' series and in the later half we launch the foldable smartphones. We recently launched our foldable phones in August. However, like I mentioned earlier we have a wide range of product sections, so every segment of the product is being launched even as we speak. The next biggest launch for the entry level category will happen in November. This is a very important aspect because some brands just focus on premium customers and some on entry level customers, whereas we cater to entry, mid-segment, high-end, all segments.

Does Samsung have any policy for dealing with electronic waste?

In countries where there is an e-waste policy and e-waste procedures implemented by the government, we fully implement them there. In Nepal, there is no such e-waste policy which is enforced and implemented at the government level, which is why at the local level we actually do not have any link coming from the consumers' side. For the waste that comes from our company's side in terms of various samples and testing samples, these are scrapped in a very strict manner so that it does not affect the environment. At a global level, Samsung is known to be a very environmentally conscious company. Even in our products we use waste materials. We recycle the materials that have been in the waste to produce new products. While manufacturing in the factory, materials are actually being recycled. So, this is one form of being environment friendly or environment conscious and this is something that we are driving very heavily so we can contribute to the environment enhancement aspect.

Does a mobile phone have a lifespan? Every year there is an upgrade to what we are using. Speaking from personal experience after a year the phone starts declining in performance. Is it an inbuilt mechanism of the company? How does it work?

Our endeavour is such that the products can be fully enjoyed beyond the span of two years, five years and so on. We do not manipulate anything. We try to build a product with a very long-lasting lifecycle, which is why I am very proud to say that the lifespan of our products are significantly longer as compared to other competing brands in the market. The reason behind this is when we are tuning our products, we make sure it is long lasting. The other aspect is that we have a very robust and biggest network of service centres in Nepal catering to breakages and repairs. So, we



have this innate production methodology of the product where we focus on long-lasting lifespan along with after-sales service which can also contribute to the long lifecycle of a product.

Is expensive necessarily better?

Our endeavour has always been to deliver the value of a product to the consumers. Our most recent launch was the foldable phone which is priced beyond Rs 200,000. Of course, it is considered quite an expensive phone by many standards. However, more than the actual pricing of the product, we look at the value that this product can deliver to the consumers. This product has three layers of display. At

the front it has a display and at the back it holds two layers of foldable display which are actually interconnected. This means that the phone is giving a value to the user whereby they can use it for multiple purposes – they can use it in the normal way that people use phones but when they open it they are going into the world of a tablet. So, this is a product which can deliver the value of a small phone as well as a tablet at the same time. This is the type of value we aspire for in our innovations.

Since the price of the phone is on the higher side, we also have to look at the affordability aspect. To help our consumers we have very recently adopted what we call

instant EMI. Previously, when people wanted to buy a phone through EMI one needed to be registered as a credit card holder and there was a lot of documentation – going back and forth between the retailer and the bank and even to their employers to obtain the needed documents and approve them. We have started a programme in association with HFL (Hulas Fin Serve), one of the leading finance companies of Nepal, whereby we were able to come up with an instant EMI which is completely hassle free at zero percent interest for the consumers. And this EMI programme is something that I think can really help consumers in terms of financing their purchase of our products. **B**

DON'T SPY BUT BEWARE OF SPIES

BUSINESS ESPIONAGE IS GROWING AS COMPETITION INTENSIFIES



Basant Chaudhary is a Poet, Writer, Chairman of BLC and Basant Chaudhary Foundation. (feedback@basantchaudhary.com)

October 7 proved to be one of the darkest days in the 75-year-long Palestine-Israel conflict. Gaza Strip-based Hamas terrorists rained a barrage of over 5,000 rockets on Israeli territories killing over a thousand unsuspecting citizens in a single blow. The Jewish state vowed to neutralise

Hamas' political and military leadership in the Gaza Strip.

As I pen this piece, the Israeli-Hamas conflagration has escalated. Bombardment by Israel has claimed about 9,000 lives in Gaza Strip. Tragically, the toll is set to rise as both sides refuse to relent.

However, I need not dwell upon the details of the West Asian war as readers are receiving minute-to-minute information about the violent, gory and inhuman fallout through the internet. I am also not in the game of apportioning blame to the respective warring parties and their supporters. I would rather focus on the lessons which corporates and managers can draw from the on-going war.

The question doing the rounds in geopolitical and business circles is: how could

Israel's intelligence agency Mossad, one of the sharpest and most ruthless players in the sphere of espionage and retribution, be caught sleeping? After all, the massive attack by Hamas ultras must have been in the making for a very long time.

Delve deep into this mystery and you will find parallels in the corporate world too. Failure to monitor competition has proven to be the undoing of the mightiest business enterprises. That is why business espionage or spying has become a thriving business in its own right today. It involves unethical or illegal actions to gather confidential information about a competitor. Examples include cyber-espionage, wiretapping, bugging, hacking, or even bribing employees of the competitors for inside

information. But such activities can lead to legal repercussions and damage a company's reputation. I, therefore, suggest that managers, young and old, should desist from such acts while remaining aware that rival companies may not be equally moral and principled. We should, however, remain alert against unscrupulous designs of our competitors.

So, what should managers do without crossing ethical and legal boundaries? Opt for competitive intelligence – aggressively. Smart companies use market research, competitive analysis, and data analytics to track their competitors. They analyse public information, such as financial reports, press releases, and social media activity, to gain insights into the strategies and performance of the

“

Failure to monitor competition has proven to be the undoing of the mightiest business enterprises. That is why business espionage or spying has become a thriving business in its own right today.



competition. Readers would certainly be aware of SWOT analysis which is commonly employed to assess strengths, weaknesses, opportunities, and threats.

For example, in the tech industry, Apple closely monitors its competitors. It keeps an eye on Android phone releases and features to stay competitive. It uses public information like patents, product announcements, and market research data to adapt its strategies. One infamous case is the 2014 hack of Sony Pictures attributed to North Korea. This cyber-attack exposed sensitive information, including unreleased movies and emails, revealing confidential competitive strategies and causing significant damage to Sony. In the ever-going Pepsi-Coca-Cola business war, a Coca-Cola employee tried to sell trade secrets to PepsiCo in 2006. The Federal Bureau of Investigation uncovered the plot and the culprit was jailed. The risk of insider espionage was highlighted again in 2011 when automobile company

Renault accused three of its executives of stealing and selling its electric vehicle technology to competitors. In 2010, Google alleged that it was targeted in a cyber-espionage campaign originating from China, leading to a major diplomatic incident. The goal was to access Gmail accounts of Chinese human rights activists. In 2008, Siemens and Mitsubishi were caught in a corporate espionage dispute pertaining to trade secrets of gas turbines.

Keeping in view the growth in corporate spying, companies like IBM and Microsoft have established ethical guidelines for competitive intelligence, focusing on respecting laws and maintaining ethical standards. But no one knows as to what extent these guidelines are put in practice.

Many business schools teach competitive intelligence, emphasising ethical and legal methods for gathering information. Harvard Business School, for instance, includes courses on competitive strategy.

Though all espionage does not happen via digital means, it would be worthwhile for managers to pay adequate attention to data encryption and access control on a need-to-know basis, creation of robust and proven cyber security tools such as firewalls, intrusion detection systems, and anti-virus software. Vulnerabilities have a way of dodging our attention. Constant vigil is of the essence.

We often tend to ignore physical security in the flurry of IT and cyber precautions. This can prove costly. Secure physical premises with surveillance cameras, restricted access areas, and visitor logs. Limit the number of employees with access to sensitive physical documents. Implement regular monitoring and auditing of network traffic and access logs to detect unusual or unauthorised activities. This can help identify potential breaches early.

Ensure that suppliers and contractors follow stringent security practices. In 2013, US retail giant Target experienced

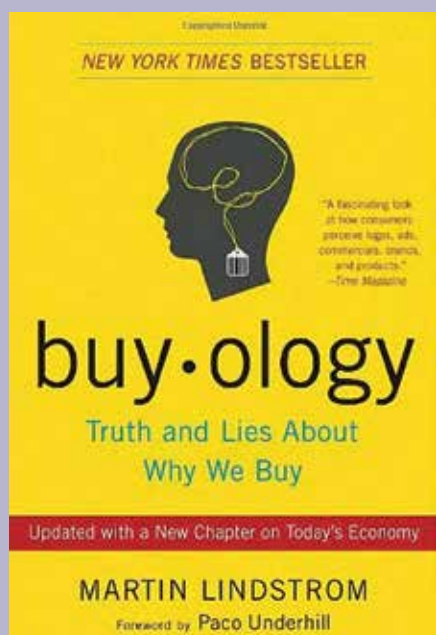
a data breach through a third-party HVAC (heating, ventilation and air conditioning) contractor, highlighting the importance of a secure supply chain.

Develop a comprehensive incident response plan that outlines the steps to take in the event of a breach. Practise and update this plan regularly. Be ready with a well-defined communication plan to address customers, employees, and the public if a breach occurs. Be transparent and maintain trust. Be prepared to take legal action if necessary. Apple filed a lawsuit against a former employee who allegedly stole trade secrets and sold them to a Chinese company. Legal action can act as a deterrent.

Don't spy. But do keep spies away.

Failure to monitor competition has proven to be the undoing of the mightiest business enterprises. That is why business espionage or spying has become a thriving business in its own right today. **B**

BOOKS OF THE MONTH



BUYOLOGY: Truth and Lies About Why We Buy

Author: Martin Lindstrom

How much do we know about why we buy? What truly influences our decisions in today's message-cluttered world? In *Buyology*, Martin Lindstrom presents the astonishing findings from his groundbreaking three-year, seven-million-dollar neuromarketing study—a cutting-edge experiment that peered inside the brains of 2,000 volunteers from all around the world as they encountered various ads, logos, commercials, brands, and products. His startling results shatter much of

what we have long believed about what captures our interest—and drives us to buy. Among the questions he explores:

- Does sex actually sell?
- Does subliminal advertising still surround us?
- Can “cool” brands trigger our mating instincts?
- Can our other senses—smell, touch, and sound—be aroused when we see a product?

Buyology is a fascinating and shocking journey into the mind of today's consumer that will captivate anyone who's been seduced—or turned off—by marketers' relentless attempts to win our loyalty, our money, and our minds.

THE RISE OF FEMALE LED HOME-GROWN BUSINESSES

Home-grown products have gained considerable significance in Nepal as the nation continues to explore opportunities for self-sufficiency and economic independence. In a market where imports have historically dominated, the promotion of local goods is not just a matter of pride but a strategic move to reduce dependency on foreign products and bolster the nation's economy. Home-grown products encompass a wide range of items, from agricultural produce to handicrafts, textiles and manufactured goods, all produced within the country's borders. The importance of these products lies in their ability to invigorate local industries, generate employment, and contribute to overall economic growth. One of the primary drivers behind the emphasis on home-grown products is the need to address the imbalance in Nepal's Balance of Payments. The country's substantial trade deficit is primarily attributed to the import-driven nature of its economy.

By nurturing and promoting local industries, Nepal can reduce the outflow of foreign currency and strengthen its financial position. Additionally, home-grown products often hold unique cultural and

environmental value. They are a reflection of the nation's rich traditions and heritage, fostering a sense of identity and preserving cultural diversity. Moreover, the growth of these products translates to improved livelihoods for local communities, as it generates employment opportunities in both rural and urban areas. Consequently, the significance of home-grown products extends beyond economic considerations to encompass cultural preservation and community well-being, making them an integral part of Nepal's journey towards self-reliance and sustainability.

In terms of government policy in Nepal, there have been notable developments aimed at promoting and prioritising home-grown products in Nepal. One such policy introduced is the awarding of bids to home-grown product-based companies, even if their costs exceed that of competing foreign products by up to 15%. This policy shift reflects a commitment to bolster domestic industries and reduce the dependency on imports. Further, the government is actively considering a new policy that would extend this threshold to 20%, signaling a more significant dedication to supporting local businesses. In addition to these cost-related

policies, the government has also expressed a positive inclination towards the concept of establishing a dedicated website exclusively featuring domestic products. This digital platform would serve as a central hub for consumers to discover and purchase locally-produced goods. However, the government is currently grappling with the challenge of determining the ideal approach to implement this idea effectively.

Home-grown products, though often more sustainable and supportive of domestic employment, can struggle to compete in a market that heavily favours imported goods. Addressing this issue requires a concerted effort to reduce import dependency and create a more balanced trade environment. Additionally, in Nepal, these businesses encounter several formidable challenges. Foremost among these is the pervasive lack of visibility, which often hinders their ability to compete with established imported brands due to limited marketing resources. Maintaining consistent quality and adhering to international standards also presents an ongoing challenge. The absence of effective distribution networks further compounds these issues, making it difficult for local

products to reach a broader consumer base. Moreover, the perceived value of imported products frequently surpasses that of their domestic counterparts, creating a consumer preference for foreign goods, despite the economic benefits of supporting local industries.

Within the landscape of home-grown brands in Nepal, there are notable success stories that offer valuable insights into achieving growth and sustainability. These thriving businesses owe their success to a combination of factors. Innovation stands out as a driving force while quality assurance plays a pivotal role. Successful brands invest in robust marketing and branding strategies to build a strong presence in the market and connect with their target audience effectively. These brands also engage with local communities and cultivate a loyal customer base which has been instrumental in their growth and resilience.

Women play a strong role in leading the domestic goods business. In this edition of **Business 360**, we specifically spoke to four women entrepreneurs about the importance of home-grown products. Here is what they had to say:



AAYUSHA SHRESTHA
Founder, AAMO by Aayusha Shrestha

What inspired you to start a business focused on home-grown products, and how does it align with your personal values and vision for the future?

I was inspired to start a business focused on home-grown products because of my deep connection to Nepal and a strong alignment with my personal values and vision for the future. Having spent nearly half of my life studying and living outside of Nepal, I had developed a profound

sentimental attachment to products made in Nepal. However, upon returning to my homeland, I noticed a concerning trend – a lack of growth in terms of design and quality in the products available for locals. The market seemed to be inundated with low-quality imported goods, while the truly exceptional products were primarily being exported. As I reacquainted myself with Nepal, I began to immerse myself in our

incredibly rich and diverse crafts. I couldn't help but realise just how underappreciated and undervalued our skilled artisans were within our own country.

This neglect had dire consequences, with many artisans no longer passing down their precious skills to the next generation due to inconsistent incomes. It was clear that unless something changed, these generational skills would eventually fade away. My background as

a Graphic Design major at Kathmandu University gave me a unique perspective on how to harness our traditional skill sets to create contemporary designs. I saw the opportunity to not only preserve our cultural heritage but also address pressing issues like fair pay for artisans and unemployment. I envisioned a way to offer consumers authentic, handmade Nepali products. In a developing nation like ours, home-grown brands play a crucial role in contributing to the economy.

This realisation fuelled my determination to establish 'AAMO by Aayusha Shrestha' with a clear vision. Our mission was to understand, document, preserve and promote traditional skill sets within our country and, eventually, worldwide. The brand was not just a business endeavour; it was an extension of what I practice and deeply believe in. Our approach at AAMO by Aayusha Shrestha is distinct. We produce only limited quantities of each design to ensure exclusivity and uniqueness. We're committed to sustainability and minimise waste and environmental impact by incorporating recycled and upcycled materials into our products.

I don't let passing trends dictate our production; instead, I design and create pieces that resonate with my values and vision for authentic, timeless and sustainable Nepali craftsmanship. Furthermore, we offer repair services for our products, allowing consumers to fully utilise and cherish what they've invested in. This holistic approach reflects not only my passion for preserving our heritage but also my dedication to environmental responsibility and ethical business practices. AAMO by Aayusha Shrestha is not just a business; it's a manifestation of my deep love for Nepal, my commitment to preserving our cultural heritage, and my vision for a more sustainable and inclusive future for our artisans and consumers alike.

What challenges did you face when launching your business?

Launching came with its fair share of challenges, but I believe that overcoming them was an essential part of my journey. One of the first hurdles I had to tackle was gender bias. Even before I could bring my designs to life, I faced reluctance from artisans who had never worked with women designers or business owners. It was a matter of breaking through preconceived notions and stereotypes. It took a considerable amount of patience and time for us to establish a mutual understanding and reach a middle ground.

Once I was able to get started, new challenges emerged, primarily in the areas of marketing and creating a brand image. At that time, social media was just gaining momentum, and there were no other brands doing precisely what I was doing. This unique positioning certainly helped AAMO by Aayusha Shrestha stand out in the market. To further build our brand recognition, I ensured the consistent use of my logo and brand colours. Additionally, I focused on developing specific photography and graphic styles that would be instantly associated with our brand. These efforts helped in creating a strong, recognisable brand identity.

Another significant challenge was the price point. Many potential clients had the notion that products made in Nepal should be inherently cheap or, at the very least, more affordable. To address this misconception, I embarked on a mission to educate and inform our audience. I shared detailed narratives about the inspirations behind each

design, offering a glimpse into the creative process. Through photos and videos on our social media platforms, I provided a transparent view of the work that went into each piece.

I made sure to be readily available to answer any and all questions thoroughly. This approach allowed potential customers to understand and appreciate the value we were striving to create. By offering insights into the craftsmanship, dedication, and artistry behind our products, I was able to shift perceptions and demonstrate that quality and authenticity should be recognised and valued, even if the products were made in Nepal. The journey of launching my product was not without its share of challenges, from breaking gender biases to educating potential customers about the true worth of our products. However, by persistently working to overcome these obstacles, I was able to build a brand that stands for quality, authenticity and innovation in the field of Nepali craftsmanship.

Can you share some key strategies you have used to ensure consistent quality and innovation in your products?

Ensuring consistent quality and innovation in our products has been a fundamental part of our mission. Several key strategies have allowed us to stand out from imported alternatives. First and foremost, being a homegrown brand already sets us apart from imported brands. This is because we have a much better awareness of the local market and the unique needs of our local consumers. We are deeply connected to the community, which allows us to not only understand but also cater to their specific requirements.

It's a significant advantage, and local information and feedback play a pivotal role in guiding our product

development. This real-time connection with our customers provides us with the opportunity to adapt and respond quickly, ensuring that we offer products that are specific and tailored to our clients. While our local insight is valuable, it's not the only factor at play. Research is another essential component of our strategy. We invest time and resources into studying global trends, innovative design techniques, and sustainable materials. This research helps us stay at the forefront of the industry and incorporate cutting-edge elements into our products. Dedication is also a cornerstone of our approach.

We are committed to upholding the highest standards of craftsmanship and quality in every product we create. Our team is passionate about what we do, and this passion drives us to continually push the boundaries of creativity and design. It motivates us to go the extra mile to ensure that every piece we produce is a masterpiece. In addition, authenticity is a core value that guides our product development. We believe in staying true to our roots, celebrating our traditional crafts, and showcasing them in a contemporary light.

This blend of tradition and innovation is what sets us apart, as it allows us to offer products that are not just beautiful and functional but also deeply rooted in our culture and heritage. Our key strategies for ensuring consistent quality and innovation are grounded in our local awareness, driven by research and dedication, and guided by our commitment to authenticity. These elements work together to create products that truly stand out from imported alternatives, and they form the foundation of our success.

How have you tackled the issue of distribution and market reach?

Handling distribution and expanding market reach has been a unique journey for me. I have a specific production approach that focuses on limited quantities, and this strategy might make the question of distribution different from the norm. The limited quantity production model I adopt is intentional and fundamental to our brand. By producing in limited quantities, I can maintain exclusivity, ensuring that our products remain distinctive and not overly saturated in the market.

This approach aligns with our commitment to quality and authenticity, as it allows us to dedicate the necessary time and attention to each piece. Because of our limited quantity production, the traditional challenges associated with mass distribution and market reach may not be as relevant. Instead of striving for broad distribution, we target a more niche market of individuals who appreciate the uniqueness and value of our products. This approach creates a sense of exclusivity and allure around our brand. Our marketing efforts are also tailored to this strategy. We emphasise quality over quantity, focusing on building a loyal customer base that values the craftsmanship and authenticity of our products.

In essence, we don't rely on widespread distribution; instead, we prioritise building a strong, dedicated community of customers who resonate with our values and designs. That being said, even with limited resources, we have harnessed the power of digital platforms and social media to connect with our target audience. These platforms have provided us with the opportunity to reach a broader audience, both locally and internationally, without the need for extensive physical distribution networks.

So, the issue of distribution and market reach is a unique one, given our deliberate focus on limited quantity production. We've embraced this strategy as a way to maintain exclusivity, and it has allowed us to cultivate a dedicated customer base that appreciates the quality and authenticity of our products. This approach has allowed us to thrive, even with limited resources typically available to products.

In a market where imported products often enjoy a perception of higher value, how have you managed to position your home-grown brand as a preferred choice among consumers?

Positioning a home-grown brand as a preferred choice among consumers in a market where imported products often enjoy a perception of higher value is undoubtedly a challenge, but it's a challenge that I have been actively working on. Here's how I've managed to address this:

Imported or international brands are often held in high regard because they've already established specific brand images, and consumers tend to resonate with those images. As a startup or small homegrown brand, it can take time to build that level of recognition and trust. To overcome this, I've focused on executing a proper brand image with a strong emphasis on quality and consistent products. This is essential for gaining the trust and value of our customers.

Moreover, the power of social media has significantly accelerated the process. In today's digital age, consumers can connect with and associate themselves with brands much more rapidly. Social media platforms have created a direct channel for interaction and engagement, enabling us to

share our brand story, values, and products directly with our audience. This kind of direct connection has allowed consumers to get to know our brand on a more personal level.

Consumers have evolved in their buying habits. They are more open, informed, opinionated and capable of processing the information shared by brands. They actively engage with brands and often become brand advocates. This shift means that consumers are actively involved in positioning brands in the market, not just the brands themselves. It's no longer just a top-down approach where brands dictate their image; it's a more dynamic, interactive process.

In conclusion, this change in consumer behaviour has provided an opportunity for homegrown brands like mine to gain a foothold in the market against imported competitors. By leveraging social media and focusing on delivering quality and consistency, we can actively shape our brand's image and more importantly, allow our customers to become an integral part of our brand's narrative. This level of engagement and connection is what helps us position ourselves as a preferred choice among consumers, even in a market where imported products often enjoy a higher perceived value.

In terms of government support and policies, what specific areas would you like to see improvements or changes to create a more favourable environment for home-grown businesses?

When it comes to government support and policies, there are several specific areas in which I believe improvements or changes would create a more favourable environment for home-grown businesses like mine. Here are my thoughts on this matter:

Access to Information: One of the most basic and primary forms of support that the government can provide is improved access to information, especially for homegrown small and medium-sized enterprises (SMEs). While Nepal has made significant progress by constitutionally recognising the right to information as a fundamental right, there are still challenges in practice. Many public bodies have not been able to comply with providing transparent and clear information to the public. This lack of access to essential information can hinder the growth and decision-making process for SMEs. Therefore, improving the dissemination of information and ensuring that it reaches those who need it is crucial.

Effective Implementation of Existing Policies: The government has introduced numerous positive policies and regulations aimed at promoting economic growth and development. However, it's essential to ensure that these policies effectively reach their targeted audience. This often requires hands-on follow-ups and evaluations to see if the policies have directly benefited the intended groups, including SMEs. Effective implementation and monitoring of existing policies can make a substantial difference in creating a favourable environment for home-grown businesses.

SME-Specific Policy Framework: I believe that the government should develop an SME-specific policy framework. This framework should provide a clear and comprehensive guideline for initiating programmes and schemes designed to build and strengthen the capacity of SMEs. It should address the unique challenges faced by small businesses and offer

solutions tailored to their needs. Such a framework can encompass various aspects, including fiscal incentives, facilities, quality assurance, infrastructure, and concessions for manufacturing and exporters. These measures should be carefully designed to support and boost the growth of SMEs in the country.

Regulations for a Fair Economy: Lastly, the government should implement regulations that ensure a safe and fair economy for small businesses and consumers alike. It's essential to prevent SMEs from being disadvantaged or drained by larger corporations and unfair business practices. Creating a level playing field through regulations and policies can encourage fair competition and support the growth of home-grown businesses.

In conclusion, for home-grown businesses like AAMO by Aayusha Shrestha to thrive and contribute to the economy, the government needs to focus on improving access to information, effectively implementing existing policies, creating an SME-specific policy framework, and ensuring a fair and competitive economic environment. These changes can significantly enhance the environment for home-grown businesses and foster a more vibrant entrepreneurial landscape in Nepal.



MONIKA SHRESTHA
COO & Co-founder, Grihini Foods Udhog

What inspired you to start a business focused on home-grown products, and how does it align with your personal values and vision for the future?

My journey with Grihini Foods started from a deeply personal place for me. Witnessing the challenges our mothers faced in their pursuit of financial independence deeply resonated with us. It became clear that empowering women through entrepreneurship was a cause we felt passionately about. Additionally, we had the privilege of firsthand experience in recognising how precious and endangered

traditional food crafts, such as pickle-making, had become in the modern world.

This awareness fuelled our desire to preserve cultural heritage while simultaneously uplifting women in our communities. We knew that by establishing a business centred around homemade pickles, we could stay true to time-tested techniques while providing sustainable livelihoods for women in need. Grihini is underpinned by our vision to honour tradition, shine a light on local flavours, and make a meaningful impact at the grassroots level.

We are unwavering in our commitment to using local, sustainable ingredients to reduce our carbon footprint. This not only aligns with our personal values but also reflects our responsibility toward the environment and the communities we serve. We firmly believe that the women pickle-makers are the heart and soul of our extended Grihini family. Their dedication and skills are at the core of what we do, and their empowerment remains central to our mission.

Our dream for Grihini Foods is to serve as a representation of the incredible skills and diversity that exist

within our communities. We hope to be an inspiration to other young entrepreneurs, encouraging them to envision what business can look like when purpose takes the lead. By weaving together, the threads of tradition, sustainability and women's empowerment, we aspire to create not just a successful business but a meaningful legacy that touches lives and fosters positive change in the world.

What challenges did you face when launching your business?

When we initially launched Grihini Foods, we encountered a set of distinct challenges that were pivotal in shaping our journey. One of the foremost hurdles was gaining shelf space with retailers. As a fledgling company, it was quite a task to convince established retailers to take a risk on a new and relatively unknown supplier. To overcome this obstacle, we decided to offer favourable trade terms and demonstrate the strong demand for our products through e-commerce channels. This strategy allowed us to build trust with retailers, showcasing the viability and appeal of our homegrown products.

Another significant challenge we faced was scaling our production. Initially, we had limited capacity for handmade production, primarily due to our focus on empowering women from underprivileged backgrounds who were new to the pickle-making craft. To address this, we embarked on an important initiative: we expanded our workforce by bringing on more women producers. We viewed this as an opportunity not only to increase our production capacity but also to provide livelihoods and valuable skills training to women who needed it the most. This approach not only improved our output but also aligned perfectly with our mission of women's empowerment through entrepreneurship.

The third major challenge revolved around export

regulations and logistics. Navigating the intricate web of licences and export regulations proved to be a formidable task, particularly as a startup. However, we managed to overcome this hurdle by establishing partnerships with chartered accountants, courier companies and export agencies. These collaborations provided us with the necessary expertise and support to efficiently handle the complexities of exporting our products. By relying on the knowledge and experience of these professionals, we were able to ensure compliance with all regulations and streamline our export operations.

In retrospect, these challenges were instrumental in our growth and development as a business. They pushed us to be innovative, resourceful, and persistent. Each obstacle became an opportunity for us to learn and adapt, ultimately strengthening our commitment to our mission and the values that underpin Grihini Foods.

Can you share some key strategies you have used to ensure consistent quality and innovation in your products?

First and foremost, we have chosen to leverage traditional family recipes that have been perfected over generations. Instead of taking shortcuts, we are committed to following these time-tested recipes meticulously. This approach not only guarantees an authentic and consistent taste but also connects our customers with the rich culinary heritage of our region. We firmly believe that this dedication to tradition is a cornerstone of our success.

In addition to traditional recipes, we hand-make our pickles in small batches using natural fermentation processes. This labour-intensive method preserves the texture and flavour nuances that make our products stand out. By avoiding mass production and maintaining the artisanal approach, we ensure that every jar of our pickles carries the same homemade goodness that our customers have come

to love. To maintain quality and consistency, we have established centralised facilities for the initial processing of raw materials and for final quality control. This centralised approach acts as a critical checkpoint in our production process, ensuring that our decentralised workforce can create products that consistently meet our high standards. This way, we bridge the gap between traditional craftsmanship and modern production methods.

Empowering our women producers is another key strategy. We provide in-depth training and standardise techniques to ensure that our handmade ethos is retained even as we scale our operations. These women are at the heart of our production, and their skill and dedication are essential in delivering the quality and authenticity that our customers expect. Furthermore, we place a strong emphasis on sourcing the freshest, seasonal ingredients. We've carefully selected and cultivated relationships with local farmers to ensure the superior quality of our raw materials. This dedication to quality ingredients is the foundation of our product excellence and is a testament to our commitment to supporting local agriculture.

In terms of innovation, we continuously invest in research and development to create new pickle flavours and products, such as chutneys. This ongoing exploration keeps our offerings fresh, exciting and relevant to changing consumer preferences. We are dedicated to providing our customers with a diverse range of options while staying true to our commitment to authentic and high-quality products. Finally, our focus on sustainable and healthy packaging allows us to maintain control over the entire production process, from ingredients to packaging.

This comprehensive approach ensures that our products not only taste great but are also aligned with our values of sustainability and health consciousness.

In conclusion, our success in delivering consistent quality and innovation can be attributed to our unwavering commitment to tradition, handmade craftsmanship, rigorous quality control, empowering our workforce, sourcing the best ingredients, investing in R&D, and maintaining control over every aspect of our production process. These strategies form the foundation of Grihini Foods, setting us apart in a competitive market.

How have you tackled the issue of distribution and market reach?

We have employed a combination of strategic approaches that have proven effective. First and foremost, we have leveraged e-commerce channels extensively to access customers not only locally but also nationally. The online marketplace provides us with a cost-effective and efficient means of reaching a broader customer base. This approach has allowed us to bridge geographical barriers and introduce our products to a much wider audience than traditional brick-and-mortar distribution alone would have permitted.

In addition to e-commerce, we have pursued trade marketing opportunities such as in-store sampling and promotions, with major retailers. This has been instrumental in building awareness about our products among consumers. By establishing a presence on the shelves of well-known retailers, we've been able to tap into their customer base and introduce our offerings to a broader demographic. Distributor partnerships in export markets have also played a significant role in expanding our reach. Collaborating with distributors in foreign markets has enabled us to overcome the complexities of international distribution and access new customer segments. This approach has allowed us to tap into the global market and introduce our products to a diverse set of consumers.

Participating in local and international food fairs has been another strategy we've embraced. These events provide us with a platform to showcase our products to a wider audience and establish connections with potential distributors and partners. This not only helps us in expanding our reach but also fosters important industry relationships. Furthermore, we've harnessed the power of influencer marketing, focusing on food and culture both locally and internationally. Collaborating with influencers who share our passion for culinary traditions and authentic flavours has helped us to connect with audiences that resonate with our values.

Their endorsement and reach have been instrumental in building our brand and expanding our market reach. Optimising online discoverability has also been a priority. We work closely with e-commerce platforms on listings and promotions to ensure that our products are easily located by potential customers. This strategy has proven effective in capturing the attention of online shoppers and driving sales. Investing in sharp, culturally-relevant branding and packaging has been the cornerstone of our premium shelf presence.

Our products not only taste authentic but also carry a distinct visual identity that resonates with our target audience. This branding strategy not only sets us apart on the shelf but also tells a compelling story that customers can connect with. In conclusion, addressing distribution and market reach with limited resources has been a multifaceted endeavour, encompassing e-commerce, trade marketing, distributor partnerships, participation in food fairs, influencer marketing, online optimisation, and strategic branding. These approaches, when combined, have allowed us to effectively overcome resource limitations and expand our market presence.

In a market where imported products often enjoy a perception of higher value, how have you managed to position your home-grown brand as a preferred choice among consumers?

We have employed several key strategies that have proven effective in building our brand's reputation and changing consumer perceptions. One of our primary strategies has been to promote our authentic artisanal production methods and the use of family recipes that have been passed down through generations. By emphasising the cultural credibility and heritage of our products, we've successfully positioned ourselves as guardians of tradition. This not only sets us apart but also resonates with consumers who value authenticity.

Investing in premium packaging and design that rivals imported products has been pivotal in reinforcing quality perceptions. We wanted our packaging to communicate the quality and care that goes into our products, creating a visual identity that matches the excellence of our offerings. Sampling programmes have played a significant role in challenging preconceived notions. Allowing customers to taste the superior flavour of our pickles themselves has been an eye-opening experience for many. It's a direct way to confront assumptions and demonstrate the exceptional taste and quality of our products.

Targeted digital marketing has been instrumental in showcasing our local heritage and ethical practices. By appealing to national pride and highlighting our commitment to sustainable and ethical production, we've connected with consumers who share these values and who appreciate the importance of supporting local businesses. Consistently participating in gourmet food fairs has helped us build credibility within the industry. These events have provided us with a platform to interact with discerning consumers, food enthusiasts,

and industry professionals who recognise and appreciate the distinctiveness of our brand.

One of our most effective strategies has been to promote the stories of our women producers. This personal touch humanises our brand, and by sharing the inspiring journeys and dedication of these women, we've managed to create a deep emotional connection with our customers. This connection goes beyond the product itself and fosters loyalty and advocacy. We've also adopted a competitive pricing strategy against imports by controlling costs while retaining the high quality of our products. This approach makes us accessible to a wider audience while ensuring that consumers don't have to compromise on quality for affordability.

Investing in research and development to create new flavours that cater to local tastes has been crucial in making our brand relatable. By offering a diverse range of products that resonate with the preferences of our target market, we've expanded our appeal and addressed the unique needs of our customers.

Changing consumer perceptions takes time, but by relentlessly communicating our differentiation and demonstrating it through taste and quality, we've managed to convert many sceptical customers into vocal brand advocates. Grihini Foods is not just a brand; it's a testament to the rich culinary heritage, authenticity, and the unwavering commitment to quality that we represent.

In terms of government support and policies, what specific areas would you like to see improvements or changes to create a more favourable environment for home-grown businesses?

When it comes to government support and policies, there are several specific areas where I believe improvements or changes could significantly enhance the environment for home-grown businesses. These

adjustments have the potential to foster growth, innovation and sustainability in our sector. First and foremost, relaxing regulations and compliance requirements for small businesses is essential. Reducing red tape is critical to making it easier for startups to stay legally compliant. We've encountered challenges in obtaining essential elements such as trademarks and export licences, which can be quite burdensome for businesses at our stage of development. Streamlining these processes would undoubtedly alleviate some of the administrative overhead, allowing us to focus on what we do best – creating quality products.

Providing subsidies, tax breaks and financial incentives targeted specifically towards food manufacturing, agriculture technology, sustainability and social entrepreneurship would be a game-changer. These sectors are often associated with higher initial costs due to the nature of their operations. Government support in the form of incentives would not only encourage more entrepreneurs to venture into these areas but also facilitate sustainable business practices. Access to early-stage grant funding beyond traditional bank lending is another critical need. Grants can be instrumental in helping more entrepreneurs get started, especially when bank loans might be challenging to secure. Encouraging the development of grant programmes aimed at supporting small and medium-sized enterprises would be a significant step forward in empowering budding entrepreneurs.

Export assistance programmes are essential for local brands looking to expand into overseas markets. These programmes could encompass support for market research, licensing, logistics and promotional activities. Entering new markets often presents numerous hurdles and government assistance can help navigate these complexities effectively. This is particularly

relevant for businesses like ours, which have ambitions to go global while maintaining the authenticity of our products. Improving the distribution and availability of authentic artisanal products within the national retail and hospitality ecosystems is a critical aspect. Creating platforms that bridge the gap between producers like Grihini Foods and consumers through national retailers and restaurants is key to increasing the reach and visibility of homegrown brands. It can lead to more widespread acceptance and appreciation of local products.

Promoting 'Made in Nepal' brands to domestic consumers and enhancing their perceptions is an area where government initiatives can make a significant impact. Often, there is a lack of pride in local goods, which has been a barrier to success for homegrown businesses. Initiatives that emphasise the quality, authenticity and cultural significance of domestic products can help reshape consumer attitudes and boost the domestic market for such brands. Finally, implementing training programmes and community support specifically focused on upskilling women entrepreneurs is vital.

Women entrepreneurs often face unique challenges and providing them with the necessary training, mentorship and resources can empower them to take the lead in various sectors. This, in turn, contributes to the growth of home-grown businesses and the broader economy. In conclusion, by addressing these areas through well-crafted government policies and support initiatives, we can create an environment that is more conducive to the success and growth of home-grown businesses. These changes would not only support individual entrepreneurs but also contribute to the overall economic development and cultural preservation of our region.

What inspired you to start a business focused on home-grown products, and how does it align with your personal values and vision for the future?

I was truly inspired to start a business focused on home-grown products, particularly in the realm of coffee, due to the remarkable legacy of my father-in-law, Krishna Ghimire. He hails from Gulmi, the place where coffee seeds were first sown in Nepal back in 1938. Over the years, Gulmi has evolved into the second-largest coffee growing district in Nepal. In 1983, my father-in-law embarked on a groundbreaking endeavour by establishing Nepal Coffee Company, which marked the inception of coffee production in Nepal. He set up this pioneering coffee facility in Manigram, Rupandehi. What's truly remarkable about his journey is that despite the scarcity of coffee farms and coffee farmers in Nepal, he fearlessly embraced the challenge of educating and empowering farmers about the advantages of cultivating coffee.

His dedication led to the establishment of multiple processing facilities in various parts of the country, laying the foundation for Nepal's coffee industry. In my own journey, in 2015, I found myself in the United States, working as a professor of Mathematics. It was during this time that I began a company dedicated to importing Nepali green coffee beans and roasted coffee into the US. I started selling these products to roasters and retail stores across the country. As I delved deeper into this venture, I swiftly recognised the high global regard and demand for organic Nepali Arabica coffee. This realisation ignited a passion within me, prompting me to make a pivotal decision. I chose to return to Nepal with a clear purpose: to expand and nurture this business.

Today, I am proud to serve as the CEO of this enterprise, steering it towards a brighter future. My personal belief is deeply rooted in the conviction that a vibrant local business ecosystem can be a catalyst for innovation and



SUNNIE JOSHI
CEO, Nepal Coffee Company

entrepreneurship. I firmly hold the belief that investing in local businesses and home-grown products is pivotal for propelling our country's economy forward. This belief is not only the cornerstone of our business but also my personal vision for the future. Our vision for the company is unequivocal: we aspire to create an institution dedicated to providing exceptional quality coffee beans from the Himalayas to the world.

We are committed to promoting sustainable and ethical practices at every juncture of our journey. By doing so, we aim not only to

deliver outstanding coffee but also to contribute to the betterment of the communities and environment from which we source our coffee beans. In essence, our business is a testament to the enduring legacy of my father-in-law's pioneering spirit and a testament to the belief that by nurturing local businesses and championing home-grown products, we can create a positive impact that resonates far beyond our borders.

What were the initial challenges of launching this business?

Launching our product in the early days was an ambitious

undertaking and it came with its fair share of challenges. You see, when we first set out on this journey in 1983, the concept of coffee consumption was quite nascent in Nepal. The majority of the coffee we painstakingly collected was destined for export to different countries. That's the backdrop against which we embarked on a mission to introduce and popularise coffee in Nepal. We decided to take the bold step of creating Nepal's very first roasted coffee brand, which we affectionately named Necco, a shortened form of Nepal Coffee Company. This was a pivotal moment for us, but it came with

its unique set of challenges. The foremost challenge we faced was the need to not just market our product, but to do so in a way that made it stand out amidst the limited coffee landscape in Nepal at that time. It was about breaking new ground and sparking an interest in coffee that was, until then, largely foreign to our local customers.

This necessitated innovative marketing strategies, from branding to promotions, that could capture the imagination of the Nepali audience. However, the challenges didn't end there. We also had to address the fact that coffee culture, particularly in terms of home brewing, was in its infancy. Educating our local customers on how to properly brew and enjoy coffee was a fundamental component of our strategy. We wanted to demystify the process, making it accessible and enjoyable for everyone. This required a combination of outreach, training and a deep commitment to fostering a coffee culture within Nepal. Fast forward to today, and the landscape has dramatically transformed.

It's heartening to witness the evolution. Most of the coffee we produce and collect is now consumed locally, signifying a significant shift in the coffee culture of Nepal. Moreover, we've witnessed an ever-increasing demand for Nepali coffee, both within our borders and on the global stage. This transformation, from a humble beginning to a thriving coffee industry, is a testament to our perseverance and the growing appreciation for the exceptional coffee we produce in Nepal. Thus, our journey has been marked by challenges that we overcame through innovation, dedication and a relentless belief in the potential of Nepali coffee. It's a journey that has not only paved the way for our success but has also contributed to the burgeoning popularity of coffee in our beloved nation. It's a story of resilience, growth and the

power of introducing something new and exciting to a receptive audience.

Can you share some key strategies you have used to ensure consistent quality and innovation in your products?

As Nepal's pioneering coffee company with a rich history spanning over 40 years, we've dedicated ourselves to establishing a brand that epitomises trust and unwavering quality. Maintaining this commitment to excellence has been at the core of our strategy, allowing us to consistently deliver top-tier products that set us apart from imported alternatives. One of our primary strategies for ensuring the utmost consistency in quality revolves around the implementation of rigorous benchmarks and stringent quality control policies at every stage of production. This meticulous approach covers a range of aspects that are pivotal to our success.

To begin with, we place a significant emphasis on empowering our coffee producers. We believe that quality begins at the source, and thus, we provide extensive training, capacity building campaigns, and technical support to our producers. This ensures that they have the knowledge, tools and skills required to cultivate coffee beans that meet our exacting standards. In doing so, we not only guarantee quality but also support local communities in their journey to becoming skilled coffee producers. Moreover, our commitment to quality extends to our farming practices. We strictly adhere to organic farming methods, which are monitored and certified by the USDA organic certification. This certification is a testament to our dedication to sustainable and environmentally-friendly farming.

It not only reflects our commitment to delivering high-quality coffee but also reinforces our responsibility toward the planet. In the critical phase of evaluating coffee

beans, we conduct cupping sessions for every new batch we receive. These sessions serve as an indispensable quality check, ensuring that our coffee consistently maintains its distinctive flavour and aroma. By rigorously tasting and assessing each batch, we're able to catch any deviations from our standards and make the necessary adjustments.

Another key element of our strategy involves roasting our coffee beans in small batches. This approach is pivotal in preserving the freshness, aroma and flavour of our coffee. Small-batch roasting allows us to have meticulous control over the roasting process, ensuring that every batch is roasted to perfection. It's this attention to detail that results in the exceptional taste and quality of our coffee. In essence, our strategies for ensuring consistent quality and innovation in our products are deeply embedded in our commitment to quality, sustainability and the empowerment of our producers. We believe that by adhering to these principles, we not only set our products apart from imported alternatives but also contribute to the growth and success of Nepal's coffee industry.

How have you tackled the issue of distribution and market reach?

Navigating the challenges of distribution and expanding our market reach, especially when resources are often limited, has been a significant part of our journey. Here's how we've tackled these issues:

Market Research for Targeted Marketing: To make the most of our limited resources, our team has conducted thorough market research. Understanding the needs and preferences of our target audience has been instrumental in tailoring our marketing efforts effectively. We've developed specific product lines for different customer segments. For example, our brand Necco caters to the preferences of

cafes and hotels across the country, while Belizi is designed to appeal to retailers and local consumers.

Building a Strong Online Presence: Establishing a robust online presence has been a game-changer for us. Through our website and various social media platforms, we've been able to reach a broad and diverse audience. This online presence not only connects us with potential customers throughout Nepal but also engages us with a global clientele. It's a cost-effective means of extending our market reach and engaging with coffee enthusiasts from all around the world.

Retail Partnerships: We've strategically partnered with key retail chains in Nepal, such as Bhat Bhateni Supermarket and Salesberry. These partnerships make our products locally accessible to a wide customer base. Additionally, our products are readily available on most e-commerce platforms like Daraz and Gyapu, making it convenient for customers to purchase our coffee online.

Global Expansion: Despite our humble beginnings, we've managed to expand our reach globally. Through an expansive network, we export our products to several countries, including Japan, South Korea, Australia, Sweden, Switzerland and the United States. This international reach not only allows us to introduce Nepali coffee to new markets but also generates revenue that supports our growth initiatives back home.

Networking and Industry Engagement: As the CEO of the company, I dedicate a substantial portion of my time to networking and building relationships within the coffee industry. Attending coffee expos and conventions worldwide has been instrumental in forging connections with other entrepreneurs, exploring new opportunities and staying updated with industry trends.

Supporting Local Initiatives: To promote local products

and align with the 'Swadeshi' campaign, an initiative by Confederation of Nepalese Industries (CNI), our company actively participates. This involvement allows us to contribute to the growth of Nepali products and connect with a wider audience who value locally-made goods.

Participation in Local Events: We also actively participate in local trade shows and events. These platforms provide us with an opportunity to showcase our products and engage directly with potential customers within Nepal. Such events have been invaluable in building brand awareness and loyalty within our home market.

In essence, our strategy for tackling distribution and expanding market reach revolves around a combination of targeted marketing, a strong online presence, strategic partnerships, global expansion, networking and active participation in local initiatives and events. While resources may be limited, our determination and innovative approaches have allowed us to carve out a niche in the competitive coffee industry.

In a market where imported products often enjoy a perception of higher value, how have you managed to position your home-grown brand as a preferred choice among consumers?

Positioning a local home-grown brand in a market that predominantly favours imported products indeed presents its set of challenges. However, we've devised a strategy that's enabled us to carve out a distinctive space for our brand in this landscape. Here's how we've managed to do it:

Leveraging Our Unique Story and Local Roots: Being the oldest coffee company in Nepal, we've leveraged our rich history and authenticity to promote our products. We've found that consumers are increasingly valuing the unique story and local roots behind products. By highlighting our heritage, we emphasise our deep connection to the local

culture and our commitment to Nepal's coffee industry. This strategy allows us to stand out and resonate with consumers who appreciate the story behind the brand.

Commitment to Exceptional Quality: Quality is paramount in our approach. We ensure that our coffee meets the highest standards in terms of flavour, aroma and overall quality. In a market where imported products are often perceived as having a higher value, we've positioned our brand as a standard-bearer for quality. This focus on delivering exceptional quality has helped us build trust and loyalty among our customers.

Comparative Advantages of Nepali Coffee: Nepali coffee possesses inherent advantages. It's known for its high quality, unique aroma and distinctive taste. Furthermore, it tends to be more cost-effective compared to many imported brands. We've capitalised on these strengths, positioning Nepali coffee as not just a local choice but a choice that offers a superior coffee experience at a competitive price point. This comparative advantage has been pivotal in winning over consumers.

Educating Customers on the Benefits of Buying Local: Whenever possible, we've made efforts to educate our customers on the broader benefits of buying local products. This includes how it creates jobs and strengthens the local economy. By raising awareness about the positive impact of supporting local businesses, we've encouraged a sense of community and pride among our customer base. This, in turn, has helped position our brand as a preferred choice among consumers who want to contribute to the growth of the local economy.

In summary, our strategy for positioning our home-grown brand involves highlighting our unique story, emphasising our commitment to quality, capitalising on the comparative advantages of Nepali coffee, and educating our customers

on the broader benefits of buying local. Through these efforts, we've been able to not only differentiate ourselves but also resonate with consumers who are increasingly valuing authenticity and the positive impact of their choices on the local community.

In terms of government support and policies, what specific areas would you like to see improvements or changes to create a more favourable environment for home-grown businesses?

Creating a favourable environment for home-grown businesses is a multifaceted endeavour, and it's crucial to address a range of areas to truly empower local businesses and entrepreneurs. From my perspective, there are several key areas where I believe improvements or changes in government support and policies would significantly benefit home-grown businesses:

Engagement and Collaboration: Policymakers should actively engage with business leaders, entrepreneurs and local communities. This collaborative approach is essential for developing and refining strategies that genuinely support the growth and sustainability of local businesses. By involving those who are on the front lines of the local economy, policies can be tailored to address the unique needs and strengths of each region.

Access to Capital: One of the most pressing needs for small home-grown businesses is access to capital. The government can play a pivotal role in providing easier access to affordable financing options, whether through low-interest loans, grants or venture capital. This support is critical for enabling businesses to expand, innovate and create jobs.

Tax Credits and Incentives: Implementing tax credits and incentives specifically designed for local businesses can be a game-changer. These measures can help reduce the financial burden on home-grown businesses and encourage them

to invest, expand and hire more employees. Tax incentives for research and development, job creation and green initiatives can be particularly impactful.

Promoting Local Industries: For the coffee industry, and agriculture in general, there should be a focus on increasing production to meet the exponentially growing demand. Government policies can support this by offering incentives for farmers to cultivate coffee. This can include land leasing policies that make it more accessible for farmers to grow coffee instead of traditional crops like rice and wheat. Promoting the benefits of coffee cultivation through awareness campaigns can also encourage more farmers to consider this lucrative option.

Technical and Financial Support: Small-scale coffee producers, in particular, can benefit from financial and technical support. Government programmes can offer training, resources and funding to enhance the capabilities of local coffee producers. By strengthening the skills and knowledge of these producers, we can improve the quality and quantity of locally grown coffee, making it more competitive in both domestic and international markets.

The government plays a crucial role in fostering a thriving ecosystem for home-grown businesses. By prioritising access to capital, offering tax incentives, promoting local industries and providing essential support to small businesses, policymakers can create an environment that encourages entrepreneurship, innovation, and job creation. This, in turn, benefits not only local businesses but also the broader economy. It's my hope that policymakers will continue to work closely with the business community to develop and refine these strategies, ultimately creating a more favourable environment for home-grown businesses to flourish.



VIDUSHI RANA

Executive Director, Kiran Shoes Manufacturers

What inspired you to start a business focused on home-grown products, and how does it align with your personal values and vision for the future?

I was deeply inspired to embark on the journey of running a business focused

on home-grown products, and this inspiration stems from the remarkable legacy of Goldstar, a family business initiated by my late father-in-law, Noor Pratap JB Rana. He was a visionary and a true entrepreneur, and witnessing

his dedication and passion for this venture left an indelible mark on me. Goldstar shoes, which commenced nearly four decades ago, is more than just a business for us; it's a legacy that we are committed to preserving and expanding.

This legacy, handed down through generations, serves as a constant reminder of the immense potential and untapped opportunities within the business.

It was this legacy that called me to join forces with my husband, Amir Pratap JB Rana, in steering Goldstar towards a brighter future. With my background in marketing and branding, I recognised a unique opportunity to contribute to Goldstar's growth by enhancing our brand presence and marketing efforts. I felt that my skills in these areas could breathe new life into the business, helping it reach new heights and connect with a broader audience. Despite the footwear industry traditionally being seen as a male-dominated field, I was determined to bring my knowledge and expertise to the table and prove that gender should never be a barrier to success.

Our journey in this business is deeply intertwined with our personal values of hard work, dedication, passion and dreams. These values are not just words; they are the guiding principles of our lives. We believe in putting our hearts and souls into everything we do, and we are dedicated to realising our vision for Goldstar. Our vision is clear: we aim to have our home-grown products recognised and available on every continent in the world. It's an ambitious goal but it's one that drives us every day.

We dream of making Goldstar a globally recognised brand and our journey is a testament to the belief that with determination, anything is possible. Likewise, we are driven by the idea that our products can enrich the lives of people all over the world and this is what keeps us pushing forward, no matter the challenges we face. In conclusion, our commitment to Goldstar and our mission to share our home-grown products with the world is a labour of love. It's a blend of heritage, passion and the relentless

pursuit of our dreams. We want to make Goldstar a household name, and we are determined to see this vision through to the end.

What were some of the initial challenges and how did you overcome them?

Launching a business is a formidable task, and Nepal, like many places, presents its own unique set of challenges. Goldstar has confronted numerous obstacles on our entrepreneurial journey, and each hurdle has been a test of our resilience and determination. Over the years, we've encountered a series of significant challenges, some of which would have deterred even the most determined individuals. These challenges include the Maoist insurgency, the devastating earthquake of 2015, an embargo with India, the global upheaval caused by the Covid 19 pandemic, as well as liquidity crunch and recession.

Each of these events had the potential to cripple our business and undermine our efforts. However, our unwavering commitment to core values such as hard work, perseverance and the refusal to give up has been the driving force that enabled us to overcome these adversities. We firmly believe that these values are not just fundamental to our business but are critical for sustaining any enterprise in Nepal, a place where resilience is a prerequisite for success. The Maoist insurgency, for instance, posed significant security and operational challenges. The earthquake in 2015 left a trail of destruction in its wake, causing widespread disruptions and hampering our operations. The embargo with India further strained our supply chain and tested our ability to adapt.

Then came the unexpected and unprecedented challenge of the Covid 19 pandemic, which brought global commerce to a standstill. These challenges not only shook our business but also tested our character and commitment. We've had to make difficult decisions, adapt rapidly and innovate to stay afloat during these tumultuous times. While it wasn't easy, it reinforced our belief in the importance of hard work and resilience. Our dedication to these values has allowed us to navigate these challenges, pivot when necessary, and emerge stronger on the other side.

We have learned that in times of crisis, the ability to persevere and adapt is what sets apart successful businesses from those that falter. Despite the difficulties, we remain resolute in our mission to make Goldstar a global brand and our products accessible worldwide. We understand that challenges are part and parcel of entrepreneurship, and we are better equipped to face them head-on, thanks to the lessons we've learned from these past trials. Our journey has not been easy, but it has been deeply rewarding, and we are more committed than ever to our vision of success and growth.

Can you share some key strategies you have used to ensure consistent quality and innovation in your products?

Ensuring consistent quality and innovation in our products has been a cornerstone of our business at Hattichap and Goldstar. We believe that to stand out from imported alternatives, we must uphold certain key strategies that are fundamental to our success.

Affordability: One of our core strategies is to make our products affordable without compromising on quality. We understand the importance of offering value for money to our customers. We strive to strike a balance between quality and cost, ensuring that our products

are accessible to a wide range of consumers.

Durability: Durability is non-negotiable when it comes to footwear. To achieve this, we've invested in state-of-the-art machinery imported from Italy, renowned for its quality and precision. These machines allow us to create robust and long-lasting soles, ensuring that our shoes can withstand the wear and tear of everyday use.

Comfort: Comfort is a paramount factor in the footwear industry. We are dedicated to providing our customers with shoes that not only look good but feel good too. We invest in materials and design that prioritise comfort, so our customers can wear our products all day without discomfort.

Fashion: Staying in tune with the ever-evolving trends in the footwear fashion world is another critical strategy for us. We understand that fashion is a dynamic industry and to remain competitive, we maintain the largest design cell in the industry. This allows us to hire and collaborate with talented designers and engineers who keep us updated on the latest trends. By constantly innovating our designs and styles, we ensure that our products are always at par with or ahead of the imported alternatives.

Research and Development: Innovation is a cornerstone of our strategy. We recognise the importance of staying ahead of the curve, which is why we invest significantly in research and development. We are continuously on the lookout for new technologies and machines that can enhance our production processes and the quality of our products.

These strategies, including affordability, durability, comfort, fashion and a robust commitment to research and development, have helped us maintain consistent quality and innovation in our products. This commitment is what sets our

products apart from imported alternatives. We believe that by focusing on these aspects, we can not only meet but exceed the expectations of our customers, and this is our ultimate goal.

How have you tackled the issue of distribution and market reach?

Tackling the issue of distribution and market reach with limited resources has been a crucial challenge for us. We are deeply committed to making our products accessible to customers across Nepal and we have adopted several strategic approaches to achieve this, despite resource constraints.

Building a Robust Distribution Network: Establishing a significant distribution network has been a cornerstone of our strategy. We've diligently worked to cultivate partnerships with numerous wholesalers and retailers across the country. These collaborations have allowed us to reach customers in even the most remote areas, extending our market reach far beyond the major urban centres.

Franchise Stores: To further bolster our market reach, we have invested in opening approximately 80 franchise stores. These stores serve as not only points of sale but also as a means to establish a direct presence in various regions. This strategy has not only increased our accessibility but has also contributed to the local economies by creating employment opportunities in these areas.

Online Platforms: Recognising the significance of the digital era, we've actively ventured into selling our products through various e-commerce platforms. This online presence has been instrumental in expanding our reach within Nepal and reaching customers beyond our national borders. It provides a cost-effective way to tap into a broader market and connect with tech-savvy consumers.

Navigating the challenges of limited resources has required us to be highly strategic and creative in our approach. We've focused on optimising our distribution processes, minimising overhead costs, and making the most of the resources available to us. Our commitment to expanding our market reach is unwavering and it reflects our belief in the quality and appeal of our products.

We are resolute in our belief that everyone, regardless of their location or economic circumstances, should have access to high-quality, affordable footwear. Our strategic efforts to broaden our distribution network have not only allowed us to reach more customers but have also been pivotal in fulfilling this mission, despite the inherent difficulties posed by limited resources.

In a market where imported products often enjoy a perception of higher value, how have you managed to position your home-grown brand as a preferred choice among consumers?

Navigating the market where imported products often enjoy a perception of higher value has been an intriguing journey for us. I firmly believe that healthy competition keeps us motivated and alert, encouraging us to continually improve our offerings and strategies. However, there's no denying that the rise of under-invoiced and smuggled shoes in the market poses a significant challenge, especially with the unorganised trade in footwear, where a substantial percentage of products are illicit. This scenario complicates our efforts to sustain our business, as we must contend with unfair competition that threatens the integrity of the market.

To overcome this hurdle, we've developed a strategy that revolves around reinforcing our brand's reputation for quality, durability and affordability. Our commitment to delivering high-quality products remains unwavering. We firmly believe

that quality is the bedrock upon which any brand must build its reputation. We've invested in machinery imported from Italy, renowned for its precision and reliability, to ensure that our shoes are not only stylish but robust and long-lasting. This focus on durability sets us apart in a market where longevity is often compromised for cost.

Affordability is another key pillar of our strategy. We aim to provide customers with value for their money, ensuring that our products are not only of high quality but also accessible to a wide range of consumers. This approach, we believe, gives us a competitive edge in a market where imported products often come with a higher price tag. Consistency is our guiding principle. We remain dedicated to delivering on the promise of quality, durability and affordability with every product we offer. By doing so, we aim to establish a brand that customers can trust. We want our home-grown brand to be the preferred choice among consumers, not just because it's locally produced but because it genuinely meets their needs and expectations.

In conclusion, while the challenges posed by the presence of under-invoiced and smuggled products in the market are undeniable, we are confident that our unwavering commitment to quality, durability and affordability will help us stand out and position our home-grown brand as the preferred choice among consumers. We are determined to maintain our integrity and to provide customers with the best value for their money.

In terms of government support and policies, what specific areas would you like to see improvements or changes to create a more favourable environment for home-grown businesses?

I strongly believe that for our country to thrive and progress economically, we must shift our focus towards developing robust industrial and manufacturing sectors. Over-reliance on remittances and trade is not a sustainable long-term strategy. At Goldstar, we've witnessed firsthand the positive impact that the manufacturing industry can have on our nation. We currently employ over 3,000 people, and what's particularly significant is that 70% of our workforce comprises women from marginalised backgrounds.

This not only addresses issues of gender inequality and social inclusion but also underscores the potential for significant employment generation within the manufacturing sector. The footwear industry, in particular, plays a vital role in this regard. Furthermore, the footwear industry contributes to import substitution and export promotion, both of which are crucial for a balanced economic ecosystem. By producing our footwear locally, we reduce our dependency on imported goods, which can drain foreign exchange reserves.

Simultaneously, we export our products, thus bringing foreign currency into the country. To create a more favourable environment for home-grown businesses like ours, several critical areas need attention and improvement:

Subsidies for Employment-Generating Industries:

The government should consider providing subsidies to industries that have the potential to generate substantial employment opportunities. This support can help alleviate unemployment and contribute to the overall well-being of the population.

Tackling Illicit Trade:

The rampant issue of illegal trade poses a significant challenge to home-grown businesses. Implementing stricter measures and penalties to curb this activity is essential. Addressing illegal trade not only ensures a level playing field for businesses but also bolsters government revenues.

Differentiated Interest Rates:

Differentiating interest rates for trading and manufacturing activities is a prudent move. It incentivises investment in manufacturing, as it is a sector that holds great promise for economic growth and job creation.

Special Economic Zones:

Creating business-friendly special economic zones can provide a conducive environment for businesses. SEZs offer advantages such as tax incentives, simplified regulatory procedures and infrastructure support that can attract local and foreign investments, further boosting the manufacturing sector.

It is imperative to recognise that manufacturing industries currently represent less than 3% of our economy. To foster a more balanced and self-reliant economy, the government should prioritise and actively support the growth of these industries. This support will not only stimulate economic growth but also contribute to job creation and ultimately lead to a more prosperous and self-sufficient nation. In summary, we need a shift in our economic priorities towards the development of manufacturing and industrial sectors. Government policies and support in the areas of employment subsidies, tackling illegal trade, differentiated interest rates and the establishment of special economic zones can create a more favourable environment for home-grown businesses, foster economic growth and promote self-reliance. **B**

Tiles With *STYLE*



AdMedia/Prime Tiles/2023

▪ CERAMIC TILES ▪ GVT ▪ PGVT

PRIME CERAMICS PVT. LTD.

Corporate Office

Level 4, Saket Complex,
Tripureshwor, Kathmandu, Nepal
Ph: +977 1 5918860/61/62, 9802310000

Factory

Sakhuwa Dhamaura
Brindavan Municipality-6
Rautahat, Nepal

TOI FREE No. 18105000062
www.primeceramics.com.np

THE EV MARKET PROS & CONS

Today an environmental solution, tomorrow it should not turn into an environment hazard.

Text: Ashika Pokharel



The market for electric vehicles (EVs) in Nepal has seen tremendous growth in recent years. As per data of the Department of Customs, the country imported 3,070 EVs worth Rs 11.23 billion in the first 11 months of fiscal year 2022/23, which is an increase of 122% compared to the same period in the previous fiscal year.

The White Paper 2018, released by the Ministry of Energy, Water Resources and Irrigation states, “By 2023 half of the vehicles imported in the country will be electric.” The Periodic Plan 2019-2023 of Bagmati Province has also announced the removal of all fossil fuel vehicles from four urban centres – Kathmandu Valley, Chitwan, Hetauda and Kavre – by 2028.

Globally, sales of electric vehicles are expected to continuously grow strongly. Worldwide, over 2.3 million electric vehicles were sold in the first quarter of 2023, about 25% more than in the same period last year. Sales of EVs are expected to touch 14 million by the end of 2023, representing a 35% year-on-year increase with new purchases accelerating in the second half of the year.

With demand rising, the market for EVs has subsequently become more competitive. A growing number of new entrants, primarily from China but also from other emerging markets, are offering more affordable models. Major incumbent carmakers, especially European automobile companies, have also shown a growing interest in electric vehicles.

Though Nepal does not manufacture EVs, it has become a major market for imported variants and the reason behind this is due to their affordability, which has been possible because of the lowering of customs duties. “There are various unique factors driving the surge in EV demand in Nepal. Foremost among them is the significant reduction in customs duties for EVs. This policy decision has brought the price of EVs closer to that of internal combustion engine (ICE) vehicles, where customs duties are considerably higher,” said Gaurab Raj Pandey, Manager-Research and Development, thee GO, adding the more affordable price point has made EVs accessible to a wider range of consumers.

“Another compelling factor is the lower operating and

maintenance costs associated with EVs. These savings over the lifespan of the vehicle make EVs an attractive proposition for Nepali consumers,” stated Pandey. “We have also witnessed the introduction of high-quality EV models into the Nepali market. These vehicles offer state-of-the-art features, safety, and performance, which resonate with discerning consumers,” he added.

Ram Chandra Poudel, Director of the Ministry of Physical Infrastructure and Transport, said, “People appreciate EVs because of the various features such as performance, safety, the latest technologies they come with and most importantly the environment benefits,” adding, “EVs play a great role in controlling emissions, in fact, they do not emit any toxic

fumes at all. If we could have electric public vehicles, then we will no longer have air pollution due to combustion. On top of that, we will also be able to save on the fuels we import which runs into billions of rupees every year. For a normal city dweller, Rs 200 worth of charge can operate the EV for at least a week."

Many developing countries in Asia, Africa, the Caribbean, Oceania, Europe and South America have adopted EVs in recent years and research shows that more than half would benefit economically through electric mobility. In some countries the higher investments in EVs initially balances out through the lower operational cost. However, many find EVs expensive and refrain from buying because of the initial purchasing cost, low resale value and battery lifespan.

"EVs can be somewhat costlier than their equivalent internal combustion engine counterparts. However, I would like to highlight that over the past few years, the situation has evolved significantly," mentioned Pandey, adding, "Five years ago, the cost might have been a significant barrier, but as of now, I do not see it as a major issue." He further emphasised it is worth noting that lithium batteries, which are commonly used in electric vehicles, can have a lifespan of up to 15 years under normal usage conditions. "Even after this period, the batteries can find a second life and be repurposed. I am confident that new companies will emerge to utilise these lithium batteries and customers may even have the option to sell their batteries, providing added value," he stated.

Pandey further said that he acknowledges the concern about the resale value of electric vehicles but it is a common phenomenon with new technologies and we have seen similar situations with diesel and petrol vehicles during



"People appreciate EVs because of the various features such as performance, safety, the latest technologies they come with and most importantly the environment benefits,"

Ram Chandra Poudel
Director of the Ministry of Physical Infrastructure and Transport

their early days. "However, as more and more people embrace electric vehicles, their resale value will naturally increase. It's a matter of time and adoption," he stressed.

"The cost of manufacturing an EV is pretty high and the price of batteries too is expensive, as a result of which EVs are pricier and people choose vehicles that operate on fossil fuels. Most people also believe they will not be spending Rs 15 lakhs on fuel in five years, the average battery lifespan after which it needs to be replaced," said Anup Baral, Managing Director, Narayani Auto Business. "But again, I want to emphasise that we all should be encouraged to believe in the development of technology and the cost of a battery will surely be affordable in the next five to 10 years. I agree that the resale value of EVs at present is very low but I also want to add that if second hand EVs are traded in volume then the resale value will increase," he stated.

Meanwhile, Poudel said, "The initial cost of EV is high and the average Nepali customer cannot afford it. Combustion engine vehicles might look cheaper but again if we calculate all the expenditure on fuel, it comes to the same as the initial cost of an EV. Even if we reduce the customs duty on EVs to zero, the selling price



"There are various unique factors driving the surge in EV demand in Nepal. Foremost among them is the significant reduction in customs duties for EVs. This policy decision has brought the price of EVs closer to that of internal combustion engine (ICE) vehicles, where custom duties are considerably higher,"

Gaurab Raj Pandey
Manager-Research and Development, thee GO

of an electric vehicle will be double that of a petrol or diesel engine vehicle."

To encourage the use of electric vehicles the government has reduced their customs duty, states Poudel. "The customs duty on other vehicles is around 270% to 300 % but when it comes to EVs then the customs duty on two-wheelers has been reduced to 24.3%, and for four-wheelers with 50-kilowatt-hour battery also it is the same. Four-wheelers with over 300-kilowatt-hour battery face customs duty of 200%. The customs duty charged for micro buses is 14.13% only. Even though the customs duty has been reduced, EVs are still expensive," he said.

Nepal's economy is largely reliant on fuel imports. The encouragement to use EVs will definitely impact fuel import. According to data of Department of Customs for fiscal year 2022/23, the country spent Rs 321 billion on petroleum imports which reveals that our economy is largely dependent on imported fuel. Therefore, with the benefits that EV provides to the environment, it will also provide a possibility to reduce fuel dependency and the ever-increasing trade deficit.



"The cost of manufacturing an EV is pretty high and the price of batteries too is expensive, as a result of which EVs are pricier and people choose vehicles that operate on fossil fuels. Most people also believe they will not be spending Rs 15 lakhs on fuel in five years, the average battery lifespan after which it needs to be replaced,"

Anup Baral
Managing Director, Narayani Auto Business

Further, the government has emphasised EVs and planned to provide 100% electricity access to its population in the coming two years. It is working on several initiatives to promote EVs. In context to infrastructure development, multiple private sector businesses have also started working on establishing charging stations to provide more accessible e-mobility. But again, people are hesitant to take their vehicles to remote areas because of the unavailability of charging stations and load-shedding. According to Pandey, "Nepal Electricity Authority (NEA) has already established 51 fast charging stations throughout Nepal, and their commitment to expanding this network is commendable. However, there's room for growth, and we should aim to have fast charging stations within approximately every 40 km to alleviate range anxiety among consumers."

Baral added that if brands start increasing their trust and faith by providing higher range batteries to their customers then we can think of a good environment for EVs. "People tend to have greater confidence in buying EVs which have longer battery range as they will not have to worry about recharging," he stated, adding,

"People might start having range anxiety if this is not addressed on time."

Another aspect that also features in discussions related to electric vehicles is the e-waste that could be generated when batteries expire. According to Global E-waste Monitor 2020, Nepal tossed out 28,000 tonnes of electronic waste consisting of unusable phones, computers and TV sets in 2019. Most of the e-waste is dumped in landfills or sold to scrap dealers and very less go for recycling. The increasing number of EVs will also contribute to the increasing number of e-waste and to manage this, Nepal does not seem to have any concrete plan. EV batteries contain elements such as lithium, cobalt, nickel and many other elements. These batteries are harmful to the environment and human health if not disposed of properly.

"We have a blind economy where we consume imported products but have no lifecycle planning. Previously, during the load-shedding era expired batteries of inverters were also given to scrap dealers and they used to throw the acid in the mud which harms the soil and used to take the covers to India, get them recycled and used for new batteries," said Poudel. He adds that we have never had an organised way to recycle our batteries and we still don't have one.

"We do not have the technology that can help recycle lithium ion. If we do not start working in this regard, this is going to become a very big problem in the near future. In other countries, such batteries are used as power banks and are charged through solar panels," Poudel shared, adding, "In that way, batteries have been kept as an energy storage mechanism. The only solution that I see in Nepal is that the battery should be returned to the country from where the respective EVs are imported. We do not have any system. Even if we try to store, the

waste increases. The batteries in the EVs are bigger in size and after six to seven years, the battery stops working by 80%," he shared.

Pandey, on the other hand, stated, "I would like to emphasise that there's no immediate need for worry, at least for the next five years. Instead, our focus should be on exploring opportunities for battery pack reuse and recycling. Most EVs come with an eight-year warranty on lithium ion battery pack and they typically have a lifespan of 12 to 18 years if used for normal commute. Under normal usage a lithium ion battery pack can last for up to 15 years on average."

"When a battery's State of Health (SoH) decreases by around 30 to 40%, it may no longer be suitable for mobility use, however, it can find a valuable second life as an energy storage system (ESS)," shared Pandey, adding, "These repurposed batteries can be utilised in homes, office buildings, and even in power stations to support the grid supply during peak demand. This represents an excellent and sustainable use of EV battery packs, potentially extending their usability for another five to 15 years, depending on their condition."

However, as of today, the EV industry in Nepal has not fully developed a mechanism for the second life use, recycling, and proper disposal of EV battery packs, said Pandey. "E-waste management is a growing concern globally, and Nepal is no exception. Nepal is also engaged in e-waste management but the current efforts are not sufficient to keep pace with the growing amount of electronic waste. I see a tremendous business opportunity in e-waste management and believe it's an area where we can make a significant positive impact on the environment and the economy," he added.

Nepal is yet to develop a proper management plan for

the recycling of e-waste. The Solid Waste Management Rules, 2013 has made provisions for the management of harmful and chemical waste but this does not provide the management for e-waste. It is also believed that producers and manufacturers are the ones who should be looking after the management plan. "While announcing this year's budget, the government stated that importers must submit their battery management plan to the customs office before entering the country," said Poudel.

On the other hand, Baral stated that though the government has appealed to importers to submit the battery management plan to the customs office, the following offices do not have the potential to analyse the planning as well as the depth of the problem.

Therefore, with no plans for e-waste management we must think on whether the push to adopt environmentally-friendly alternatives would be actually sustainable or create more issues.

Another concern for EV owners in Nepal are the roads, which are poor in quality and there is lack of management during the monsoon and this is one area the government should prioritise. Pandey emphasised, "The importance of quality roads cannot be overstated, particularly for electric vehicles. Smooth and well-maintained roads not only enhance fuel efficiency for combustion engine vehicles but also reduce battery consumption in EVs." Additionally, it minimises the wear and tear on EVs, ultimately reducing repair and maintenance costs, he added. "While Nepal's road network has expanded significantly over the past decade, we still face challenges related to high-quality roads, and it's an area that the government should look into with utmost priority," he stressed.

Along with the rise in use of electric vehicles the concept of hybrid vehicles is also gaining a foothold globally. According to

a report published by Statista, "It is expected that by 2025, global production of hybrid electric vehicles will grow to around 5.4 million units. Hybrid electric vehicles are powered by an internal combustion engine and one or more electric motors, which use energy stored in batteries. The battery is charged through regenerative braking and by the internal combustion engine. The extra power provided by the electric motor can potentially allow for a smaller engine. The battery can also power auxiliary loads and reduce engine idling when stopped.

On hybrid electric vehicles, Pandey said, "In the context of Nepal, where the topography is diverse, including rough hilly terrain and mountain routes, hybrid vehicles may offer certain advantages, especially for long drives. The combination of the internal combustion engine and electric motor can provide the needed power and range for such challenging terrains. Those who frequently embark on long drives or navigate rugged terrains, hybrids may be a better fit."

The number of people buying EVs in Nepal has been rising steadily and there probably is no stopping this trend. Every other month, newer versions with more advanced features are being imported. Also, many people are exchanging their fossil fuel vehicles for electric vehicles. However, for a more sustainable EV market in the country, the government along with the stakeholders need to have a comprehensive approach that addresses various aspects of EV adoption considering the different terrain and climate conditions of our country. The one good aspect for Nepal is we have an abundance of hydropower potential. Thus, if Nepal utilises its full potential and minimises the problems such as load shedding then it can encourage more EV buyers as we can set up more charging stations which can

be operated at full capacity. Baral further mentioned that if charging stations are not fully maintained and managed then there is a high chance of getting electric shocks which can be life threatening too, which is another aspect that needs to be seriously looked into.

Another aspect that the government needs to focus on is developing the standards for electric vehicles. There are a few standards mentioned by the government but they are not specifically designed for EVs. Pandey mentioned that one crucial step to make EV sustainable in Nepal is to establish standards for charging protocols and electric vehicle performance that are suitable for our diverse terrain and climatic conditions. "This will ensure that EVs can perform optimally in the challenging conditions found in Nepal," he asserted.

Battery management policy is another area that the government should really work on. As per Baral, "For long-

term sustainability of EVs in Nepal, representatives from government and dealers and suppliers must sit for a meeting to plan the management policy." Pandey further added, "Developing policies and standards for the reuse, recycling and proper disposal of EV batteries and other electrical components is vital. This ensures that as EV adoption grows, we can manage waste responsibly and sustainably."

"Though not in our hands because we import the vehicles, it would be nice to have a broader range of EVs so that they can be imagined in rural places in Nepal too, said Baral. He emphasised that the battery range should be increased. "An EV becomes easier when the batteries are made smarter with a long charge holding capacity. Also, the charging stations should be faster so that we can better imagine a smart electric world," he added. Pandey further stated, "To alleviate range anxiety and encourage EV adoption, we need to

promote the development of fast charging stations. Having a charging station within every 40 km along major routes will make EVs more practical for long-distance travel."

One other aspect that needs to be promoted is increasing the number of public electric vehicles and the government has reduced customs duty on public EVs to encourage its use. Poudel asserted, "If we invest in bigger-capacity EVs such as trolleybus, metro, railway and cable car where a huge quantum of electricity is consumed and better service is provided to the public as they are the ones benefiting directly then it will be meaningful. But if we invest in cars and scooters and do not look into battery management then batteries will be discarded in a haphazard manner and if the lithium ion leaks into the soil, it will create pollution which becomes a long-term effect."

Another area where stakeholders need to focus on is training and educating the masses. Most people are buying electric vehicles without appropriate knowledge about them. Therefore, it is crucial to make them understand the potential benefits and risks of EVs. Baral emphasised, "EV literacy is one most important thing that will help promote EVs in a more sustainable way. This is not the responsibility of the government only. Every stakeholder is responsible for this. The dealers and suppliers must make buyers understand about EV. In the process of providing education on EV, let us also keep in mind that the right information flows."

With proper initiatives, policies, plans, investments and commitment, a more prosperous future for electric vehicles can be imagined in Nepal, but the associated risks should also be taken into due consideration. Today an environmental solution, tomorrow it should not turn into an environment hazard. **B**

WWW.



<http://www.b360nepal.com/>

THE COST OF DISASTERS AND WHAT CAN BE DONE

Text: Pushpa Raj Acharya

The recent earthquake on November 3 devastated Jajarkot and West Rukum claiming the lives of 157 people with several hundreds injured, and a colossal loss of property. The post-disaster needs assessment is yet to be conducted, however preliminary investigation reveals that 5,561 houses have been totally destroyed and 10,871 are partially damaged. It is estimated that reconstruction and restoration will require billions of rupees. This is the country's biggest tragedy after the 2015 Gorkha earthquake.

Despite frequent catastrophic incidents, Nepal has yet to give priority to developing the resilience of vulnerable communities. This has meant that in the face of a natural disaster, the loss of life and livelihood continues to grow.

Former Finance Secretary, Ramesh Khanaal, shares that the numerous major catastrophes causing loss of lives and property including private and public facilities and critical lifeline infrastructure such as roads and highways in the last 30 years has accrued significant liability on the government. He called attention to the need for urgent action to cope with nature

induced disasters which have compounded in recent times due to climate change impacts.

Nepal has in recent memory already faced two major earthquakes and floods in the Koshi basin are a perennial occurrence. There have been devastating floods, landslides and avalanches besides many incidents of fire.

Eight years since the 2015 Gorkha earthquake, Jajarkot and West Rukum faced the same lack of preparedness in immediate response for victims of the earthquake, specifically in areas of rescue and relief work.

A study conducted by the National Disaster Risk Reduction and Management Authority under the Ministry of Home Affairs has revealed that from 2012 to 2020, the government has spent approximately Rs 451 billion or Rs 50 billion per year in disaster response: rescue, relief, reconstruction and rehabilitation, among others.

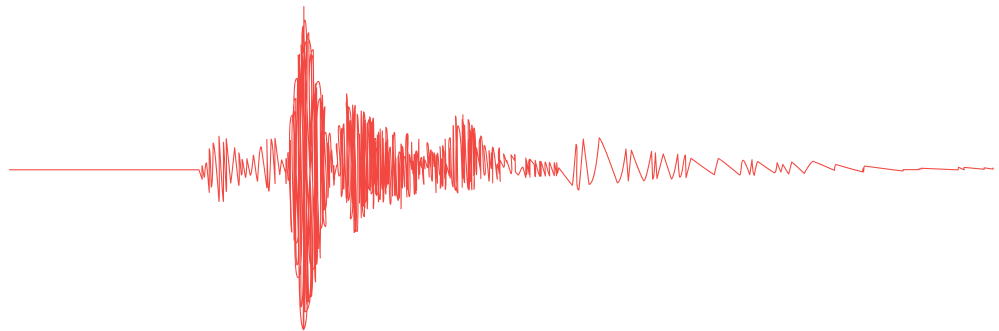
Out of Rs 410 billion committed at the donors' conference (International Conference on Nepal's Reconstruction), Rs 67 billion has been spent on rescue and relief efforts while Rs 49 billion from the Indian Exim Bank has been reimbursed to the government of Nepal. Hence, the actual commitment was only Rs 294 billion.

The frequency and severity of disasters that are natural or induced through human activities are increasing but what is missing is the capability build of managing disasters.

The Upper Bhotekoshi Hydroelectric Project in Sindhupalchowk District of central Nepal witnessed multiple disasters like floods, inundation and earthquake within 2015 and 16, and the cost of rehabilitation was Rs three billion, according to Narendra Prajapati, erstwhile General Manager of Bhotekoshi Power Company. Melamchi Water Supply Project

faced a similar situation. The government developed the project by obtaining a loan from Asian Development Bank (ADB) and it took 22 years and expenses of Rs 30.15 billion, yet the signature government project has been unable to meet the expectations of Kathmandu denizens who were desperately waiting for the completion of the project and adequate supply of water. The project further spent around Rs 300 million in maintenance of headworks damaged by the floods, yet it remains not fully operational. There is a need to relocate the headworks as per the authorities which could cost up to Rs five billion.

Such expenses accrued as unforeseen liabilities on the government narrows down the fiscal space, according to Govinda Nepal, economist and former member of the National Planning Commission. "We have to look into viable alternatives



to compensate such damages and loss caused by catastrophic incidents such as encouraging insurance coverage,” he said.

Nepal says that the loss of paddy due to floods was not covered by insurance and the government was compelled to compensate the farmers who had been affected from its coffers as they do not have insurance coverage.

The Ministry of Finance, Nepal Rastra Bank, and Nepal Insurance Authority are taking some steps to minimise risks. The Finance Ministry has made insurance coverage mandatory in construction contracts and provided 80% grant on crops and livestock insurance through its fiscal policy. It has taken the responsibility of bearing 50% of the insurance premium on interest subsidised credit mainly for the productive sector, as declared in the fiscal policy.

Nepal Rastra Bank – the central regulatory and monetary authority – has also introduced the provision of Environmental and Social (E&S) Guideline under which banks and financial institutions (BFIs) have to develop and enforce the E&S guidelines to minimise credit risks.

Further, to encourage investment in clean and renewable energy as well as in agriculture, the central bank has introduced the provision of the issuance of green bonds for the BFIs.

Nepal Insurance Authority has been encouraging insurance coverage not only for the loan amount but the entire asset in addition to promoting insurance for crops and livestock as well to safeguard farmer interests. However, insurance penetration is still low and stands at just 39.03% of the population, according to NIA.

Climate change is the most pressing issue currently. Rapid rise of temperature in recent years despite the global commitment of nations to lower emissions requires immediate result-oriented actions from all stakeholders. Erratic monsoon and colossal loss of lives and properties have been

witnessed in Nepal in recent years including impacts on crop cycle and production in agriculture. Not only the change in water discharge of snow-fed rivers due to the melting of the Himalayan glaciers but also the unexpected floods have affected crucial public services like drinking water and hydroelectricity, among others. Floods, landslides, soil erosion, inundation in terai plains, drought, erratic rainfall, drying of water sources have manifold impacts on the economy due to loss of infrastructure.

A study carried out jointly by the International Centre for Integrated Mountain Development (ICIMOD) and the United Nations Development Programme (UNDP) flagged the risk of 47 glacial bursts in Nepal, India and China. ICIMOD recently disclosed a study titled ‘Inventory of Glacier Lakes in the Koshi, Gandaki and Karnali River Basins of Nepal and Tibet, China’, and has urged for necessary precautions to minimise loss. Among these glacier lakes, 25 are in China, 21 in Nepal and one in India. Burst of glaciers threaten lower riparian people residing near riverbanks in Nepal and India.

If the global temperature remains at existing levels, the study of ICIMOD states that 80% of the snow might melt by the end of this century citing the unnatural change in glaciers, snow and deposit of snow in recent years. However, erosion of glaciers and snow-fed rivers differ in different regions. It is reported that if the temperature of earth rises by 3°C, 75% of the snow in the Himalayan region of Nepal and Bhutan might melt and if it surges by 4°C, then 80% of the snow will melt by the end of the century.

Against this backdrop, Nepal needs regional and global cooperation to minimise the impacts of climate change and achieve its net zero emission target by 2045. Development financing in this regard needs to be delivered along with proper analysis of disaster risks in projects, according to development finance experts.

For Nepal – a low-income country with a \$40 billion economy – managing resources is paramount to cope with the challenges and threats posed by climate change. Carbon trade can be the most potential source to avail resources in light of Nepal’s announcement to achieve net zero emission by 2045.

The Asian Development Bank has said that investment in clean and renewable energy will be substantive in the next decade to lower carbon emission, and Asia-Pacific investments in renewable energy generation by 2030 may double to \$1.3 trillion from the previous decade. Nepal which has the potential of clean and renewable energy, i.e., hydroelectricity, could benefit from investment in energy. What is heartening is the announcement made by the Indian government to purchase 10,000 MW of electricity in the next 10 years from Nepal.

Forecast of investment requirement in energy sector

Investment in energy production	2030	2040	2045
Capacity (Giga Watt)	15.2	28.5	52
Investment requirement (USD in billion)	5.34	6.69	15.05

(Source: Nepal’s Long-term Strategy for Net-zero Emissions, Government of Nepal)

Indian firms are also engaged in developing several hydroelectric projects in Nepal.

The Alternative Energy Promotion Centre (AEPD) has received Rs 2.52 billion through promotion of climate-friendly technology, its promotion and integrating it with Clean Development Mechanism. The amount has been received following the reduction of 5,198,358 tonnes of carbon through eight projects. Nawa Raj Dhakal, Executive Director of AEPD, said that among these eight projects, five are related to biogas and the remaining three are micro hydro, improved cooking solutions, and watermill.

Likewise, the Green Climate Fund (GCF) has approved the

proposal submitted by AEPD regarding reducing greenhouse gas (GHG) emissions through promotion of modern, efficient and climate-friendly cooking solutions. The proposal was approved on October 6, 2021.

The GCF has been providing support to various countries in line with the Paris Agreement on Climate Change to reduce carbon emissions. In a recent interview with **Business 360**, Anupa Rimal Lamichhane, Regional Manager, Asia-Pacific – Division of Country Programming, Green Climate Fund, South Korea, shared that Nepal has received a total of \$87.83 million from GCF for three projects, one of which directly targets providing clean energy to local communities.

AEPD has been working as the national designated authority on behalf of the Ministry of Finance to deal with GCF. The programme approved in October 2021 shall reduce 6.514 million tonnes of carbon through the distribution of at least one million clean cooking solutions – five lakh electric stoves, 490,000 three-layer improved cooking solutions – at 150 local levels of 22 districts in the terai region of Nepal. The total cost of the project including cost sharing will hover at \$49.1 million or Rs 5.9 billion. The government has also received a commitment of Rs 3.33 billion from GCF to develop resilience with holistic ecosystem for the vulnerable communities living along the riverbanks.

Experts have advised that the government focus on insurance coverage, green bonds, disaster risk reduction debentures, crowd funding-based disaster relief fund and mobilising expenses that come under corporate social responsibility in climate change adaptation and climate risk reduction activities along with carbon trade to cope with the resource constraints that the government is facing in disaster preparedness and response. **B**

NPL OF COMMERCIAL BANKS SURGE EXPONENTIALLY

Text: Pushpa Raj Acharya



Despite the stress on the economy along its slowdown, commercial banks have maintained sound profit in the first quarter (mid-July to mid-October) of 2023-24 with moderate impact. The profits made temperately shrunk to Rs 13.47 billion in the first quarter compared to Rs 18.75 billion in the corresponding period of the previous fiscal year.

However, the non-performing loans (NPL) of the 20 commercial banks in

operation surpassed their Q1 profit. Average NPL of banks in the review period increased substantially from 1.77% of the first quarter of the previous fiscal to 3.40% as of the end of mid-October of this fiscal year. Considering the net loan portfolio of commercial banks worth Rs 4,399.51 billion, the amount of non-performing loans of commercial banks hovers at Rs 149.58 billion from Rs 74.66 billion in the corresponding period of the previous fiscal year.

Sunil KC, President of Nepal Bankers' Association (NBA), said that the rising NPL is due to slackness in the economy. "We have to take the soaring NPL seriously. It has increased but is within a manageable level, yet we need to be cautious," he said. KC further stated that the profit of the banks was affected as the provisioning amount expanded due to the non-performing loans. Banks have to allocate funds from their profit to cover the potential default in their loans.

However, the International Monetary Fund (IMF) has been consistently raising concerns on the asset quality of the banks. The capital adequacy ratio of banks is above the regulatory threshold, and the consistent high interest rates have deteriorated the loan repayment capacity of borrowers as a result of which the asset quality of banks is worsening, according to the IMF.

Finance Minister, Prakash Sharan Mahat, has urged Nepal Rastra Bank – the central

Profit/loss, base rate and NPL including deposit and loan mobilisation in Q1 of 2023-24

Bank	Total Deposit (Rs in billion)	Total Loan Portfolio (Rs in billion)	Profit in Q1 of 2023-24 (Rs in billion)	Base Rate in Q1 (%)	NPL (%)
Nepal Investment Mega Bank	361.19	314.31	1.52	9.99%	4.83%
Nabil Bank	414.85	363	1.47	9.58%	3.69%
Global IME Bank	443	370.73	1.23	10.07%	4.38%
Prime Commercial Bank	195.99	173.99	1.15	10.64%	3.67%
Himalayan Bank	280.36	245.12	1.06	10.86%	4.67%
Prabhu Bank	276.14	244.63	1.03	10.14%	3.97%
NIC Asia Bank	363.64	303.81	1.01	10.56%	1.37%
NMB Bank	201.70	199.58	0.963	9.85%	2.84%
Rastriya Banijya Bank	325.63	250.32	0.859	8.70%	3.62%
Standard Chartered Bank	119.1	92.93	0.827	8.42%	1.10%
Everest Bank	213.77	173.39	0.780	9.70%	0.90%
Machhapuchchhre Bank	148.85	134.67	0.542	10.01%	2.56%
Sanima Bank	185.55	154.70	0.482	9.75%	1.79%
Nepal SBI Bank	160.69	125.07	0.479	10.25%	2.35%
Citizens Bank	172.44	144.60	0.402	10.60%	3.97%
Kumari Bank	321.68	286.03	0.263	10.91%	4.89%
Nepal Bank	251.06	185.78	0.142	9.19%	3.84%
Laxmi Sunrise Bank	292.19	257.68	0.103	10.80%	4.69
Siddhartha Bank	216.65	191.96	0.042	9.53%	3.44%
Agricultural Development Bank	209.17	187.10	(0.888)	10.38%	5.33%

(Source: First quarter (2023-24) unaudited financial statements of commercial banks)

regulatory and monetary authority – as well as banks and financial institutions (BFIs) to work on lowering non-performing loans stating that high NPL shrinks the loan mobilisation capacity of the BFIs, which could hit the desired growth target of the government in the near term and pose challenges to financial stability.

Seven banks in billionaire club in Q1

One-third of the commercial banks in operation made a lucrative profit of above a billion rupees in the first quarter of this fiscal. Nepal Investment Mega Bank topped the rank with total profit of Rs 1.52 billion followed by Nabil Bank (Rs 1.47 billion), Global IME Bank (Rs 1.23 billion), Prime Commercial Bank (Rs 1.15 billion), Himalayan Bank (Rs 1.06 billion), Prabhu Bank (Rs 1.03 billion) and NIC Asia Bank (Rs 1.01 billion), as per the unaudited financial statements disclosed by the banks. The

interest rate of banks in the first quarter remained in the higher zone and most maintained a base rate in the double digit.

Banks at the bottom of the list in terms of profit were Agricultural Development Bank, Siddhartha Bank, Laxmi Sunrise Bank, Nepal Bank and Kumari Bank. Agricultural Development Bank was the only bank that faced a loss in the review period.

Ashoke Shumsher Rana, CEO of Himalayan Bank, stated that the availability of loanable funds has increased against the slumping loan demand which will drive banks to lower their interest rates. In the first quarter of this fiscal year, total loan mobilisation stood at Rs 115.23 billion against deposit collection of Rs 149.38 billion. “Banks have the appetite to expand credit,” said Rana, adding, “Hopefully, demand will be generated along with a downward revision in credit rates in the subsequent quarters.”

How will banks manage NPL?

Agricultural Development Bank has witnessed the highest level of NPL that stood at 5.33% of its total loan portfolio of Rs 187.10 billion. The soaring NPL has hit the bank's earnings hard. The bank witnessed a loss of Rs 888 million in the first quarter of this fiscal year which posed manifold challenges to maintain other regulatory requirements. Kumari Bank, Nepal Investment Mega Bank, Laxmi Sunrise Bank, Himalayan Bank and Global IME Bank are others with high NPL.

The top five banks in terms of low NPL that is below the average of the banking sector are Everest Bank (0.9%), Standard Chartered Bank (1.10%), NIC Asia Bank (1.37%), Sanima Bank (1.79%) and Nepal SBI Bank (2.35%). Nara Bahadur Thapa, Former Executive Director of Nepal Rastra Bank, said that the current NPL considering the circumstances of Covid 19 pandemic and slowdown in the economy is not as alarming.

“This will help banks to course correct. They will do some soul searching of the credit floated in the real estate, stock market and automobile sectors, among others,” said Thapa, adding “Given the scenario, banks will be more focused on the real sector of the economy, rather than creating a bubble by fuelling loans or concentrating their resources in a particular sector of the economy, which the central bank has been flagging since long.”

Financial sector analyst, Anal Raj Bhattarai, was of a similar opinion. He said, “Banks will be more cautious of asset quality considering the scenario. Loan-loss provisioning set aside by the banks in consideration to maintain the resilience will not push the banks into trouble. Once the economy gradually revives, the NPL will recover.” **B**

CHINA REVERSES COURSE ON POPULATION PLANNING

China's 180 is a condemnation of a century of central population policy.



PETER JACOBSEN IS A WRITING FELLOW AT THE FOUNDATION FOR ECONOMIC EDUCATION.

The 20th century was full of attempts to centrally plan population. Scientists like Paul Ehrlich and

businessmen like Hugh Moore spent their lives putting direct pressure on politicians and citizens into addressing the looming spectre of 'overpopulation'.

Population doomer language was often dramatic and often included predictions of mass death within just decades.

The predictions never got anywhere close to happening. Humanity never ran out of food – or any other resources for that matter – before the turn of the century.

But population doomers did have an impact. Governments like the United States through USAID and organisations like the United Nations Fund for Population activities (UNFPA) focused extensive organisational resources into curbing world population.

This push manifested in the first UN Population Award given to leaders in China and India in 1983.

Both countries at the time had utilised coercive tactics to slow population growth, but one has stuck in the zeitgeist as the primary example of population planning – China and its infamous one child policy.

A little over a week ago on October 30, CCP leader Xi Jinping implicitly made a monumental admission – China's population policy was a big mistake.

2022 marked the first year in over six decades where China recorded a population drop. This isn't just a blip. Unless something changes, China's population will fall increasingly quickly for the foreseeable future.

To combat this, Xi says, "We must actively cultivate a new culture of marriage and childbearing." Although CCP



leaders would never admit the population policies of the past were a mistake, for fear of admitting a failure of late dictator Mao Zedong, this course reversal comes as close to an admission as anyone is likely to get.

The key takeaway in this moment, though, is not just the failure of Mao and the one child policy. The failure rests in the very idea of centrally planning a population and all central planners who promoted it throughout the 20th century. Let's look at why it failed.

Humanity + Creativity > Tragedy

The call for central planning of population ultimately stems from a single intellectual exercise which goes something like this. Imagine you live near a pond which no one owns. Each person who lives on the pond quickly realises that each time a neighbour fishes, the neighbour receives the whole benefit of the fish but everyone who lives near the pond experiences the loss of having one less fish.

This situation incentivises each person to fish more often because it means each person claims more of the fish. This recognition leads to a vicious cycle where everyone

rushes to fish and, in doing so, catches all the fish in the pond so it remains empty forever.

This scenario is known as the tragedy of the commons. Ecologist Garrett Hardin was the first person to formalise this concern and he did so in the context of the so-called population problem. Hardin's theory was that if there were common resources, people would overproduce children because the children received the full benefit of common resources without the parents bearing the cost.

Justifications for central planning of population vary over time with respect to the common resource. In the 1970s, many were concerned food (not really a common resource in any formal sense) would be overconsumed by a growing population. Today, academics write papers about population overconsuming our common resource of 'climate'.

These justifications have turned out to be wrong every time. Economists Julian Simon and Elinor Ostrom explained why throughout their careers. Simon highlighted how population growth increased the number of creative people who would

Population doomer language was often dramatic and often included predictions of mass death within just decades. The predictions never got anywhere close to happening. Humanity never ran out of food – or any other resources for that matter – before the turn of the century.

respond to resource scarcity with clever solutions. During his life he debated Hardin on this point ('Is the Era of Limits Running Out?' Public Opinion, 5, February/March, 1982, pp. 48-57) and won a bet against Paul Ehrlich demonstrating resources were becoming more abundant.

Ostrom tackled the problem another way. She highlighted how groups of people frequently came up with clever cultural and institutional rules which protected the commons from over-exploitation, and she won the Nobel Prize in economics for doing so.

The overall message of both scholars is the same – people are not trapped in the tragedy of the commons. They are able to think of intelligent solutions which ecologists like Ehrlich and Hardin were apparently unable to conceive of. This inability to recognise human creativity as the ultimate fix to the problems associated with a higher population is the first reason for the failure of central population planning.

Humans Are Not Fruit Flies

The second reason for the failure of central population planning is also related to the importance of human creativity. Unlike the assumptions that underlie many models of animal population growth, people are able to consider and weigh the future costs and benefits of having children for themselves.

This problem with population planners has long been noted. In a 1932 paper titled 'Population and Culture' by Lyman Bryson with commentary from economist Frank Fetter, Bryson dismantles the 'biological approach' whereby humans are treated the same as animals. Defenders of this approach argue it would work if you ignore the fact that humans respond to changing conditions. Bryson responds, "and is that not another way of stating that data derived from the laboratory, from controlled experiments with fruit flies, would have some meaning in demographic interpretations if it were not for the obstinate tendency of men to be men and not fruit flies?"

Fetter's commentary reinforces this point: "...we have the spectacle

of the biologist, badly untrained in the elements of thought in the social field, endeavouring to reduce the complex problem of human population to the size and content of a bottle of maggots in his laboratory."

In short, humans are not fruit flies. By and large they make intelligent decisions about important questions like having children. That doesn't mean humans are without any mistakes, but it also means we're not simply servants of our impulses.

In many developing countries, children serve an important function of providing social security for parents. Couple this with cultural male preference locking many women out of the job market, and it becomes easy to see how very large families are a rational response of poor people based on their situation.

Rich countries often decouple social security from parents and their direct descendants. Instead, the older generation as a whole is theoretically supported by the work of the younger generation as a whole.

Notice, though, that this decoupling of parents and children means a decoupling of incentives. When your children directly provide your social security, you have an incentive to have children. When someone else's children can provide your social security, you have less incentive to have them yourself.

That isn't to say the decoupled system cannot work. The country using it simply needs to be wealthy enough to deal with this issue. The problem is, central population planning ignored this reality entirely. In forcing an artificial one child policy, China cut down the number of people in future generations by millions.

Now China faces the issue of a relatively small workforce compared to a large older generation. Had the country relied on the decision-making of individuals, it seems likely the population pyramid in China would be much less problematic than it is.

The Order of Many Plans

Central population planning's failure in China is a microcosm of central population planning's tendency to always fail. The attitude of the central planner is captured

4 The fundamental mistake made here is the claim that without central planning there is no governing, organisation, or rules. This simply is not true. Formal and informal institutional rules outside of the state govern most of our daily actions and interactions. The absence of central planning is not the absence of a plan. Rather it's the presence of millions of plans created by intelligent individuals who know more about their situations than a central planner ever could.

well by a quote from Mao Zedong who said,

"(Re)production needs to be planned. In my view, humankind is completely incapable of managing itself. It has plans for production in factories, for producing cloth, tables and chairs, and steel, but there is no plan for producing humans. This is anarchism – no governing, no organisation, and no rules."

Ironically, this quote from 1957 comes just eight years after Mao proclaimed population growth would always be a boon for China.

The fundamental mistake made here is the claim that without central planning there is no governing, organisation, or rules. This simply is not true. Formal and informal institutional rules outside of the state govern most of our daily actions and interactions. The absence of central planning is not the absence of a plan. Rather it's the presence of millions of plans created by intelligent individuals who know more about their situations than a central planner ever could.

To quote the economist Ludwig von Mises in his book Socialism: "What those calling themselves planners advocate is not the substitution of planned action for letting things go. It is the substitution of the planner's own plan for the plans of his fellow-men. The planner is a potential dictator who wants to deprive all other people of the power to plan and act according to their own plans. He aims at one thing only: the exclusive absolute pre-eminence of his own plan"

Perhaps supporting the plans of the many is a kind of anarchism, but it is anything but chaotic.

Contrast this with the chaos of central population planning. In the last 80 years China has swerved from pro-natal sentiment, to anti-natal sentiment, to anti-natal policy, to pro-natal sentiment, and likely to pro-natal policy soon. With plans like these, who needs chaos?

The best hope for humanity on the question of population growth is that people look back on the history of China's population policies and realise that this wasn't just a case of bad luck. Rather, the demographic instability is a predictable result of what happens when government meddles in the plans of citizens. **B**

Source: fee.org



Oil & Central Bank Policy

B360 Correspondent-

We are living in an intertwined world where one factor drives the other. In the global financial markets, the preceding line holds since one aspect directly or indirectly influences the other in the same asset class or across asset classes. In the commodity market, crude oil is one such asset; its bullish and bearish nature significantly impacts global economies. In the past few months, the rise in prices of crude oil gently pushed the headline inflation rates higher and compelled central banks around the world to revise their policies.

In September, Russia and Saudi Arabia agreed to extend their 1.3 million barrels per day production cuts through December. Market pundits believe that this will result in a market shortage of more than 1.5 million barrels per day in the last quarter of 2023. While OPEC+ member nations have decided to review their decisions monthly, the extended cuts will boost both the Brent Oil and WTI Crude Oil markets. This will complicate things for the US Federal Reserve and other global central banks. These organizations are concerned that a gradual rise in crude oil prices could derail some of the progress they had made on inflation. In hindsight, energy prices are the nuanced aspect of inflation that central banks cannot control directly.

Correlation Between Crude Oil Prices and Inflation

Examining the correlation between crude oil prices and inflation begins with understanding that crude oil is a fuel that drives the global economic engine. In other words, the price of oil can influence the cost of energy, transportation and production thereby affecting the prices of goods and services. This interlinking means that a



hike in oil prices contributes to inflation. However, the level of influence is a topic of debate among strategists and economists. However, a significant increase in the price of crude oil may drive modifications in the policies of central banks.

Rewinding the clock to our economics classes, let us first understand the major points of difference between cost-push and demand-pull inflation.

Cost-Push Inflation

As per Investopedia, "Aggregate supply is the total volume of goods and services produced by an economy at a given price level. When the aggregate supply of goods and services decreases because of an increase in production costs, it results in cost-push inflation. Cost-push inflation means prices have been "pushed up" by increases in the costs of any of the four factors of production—labor, capital, land, or entrepreneurship. In order to compensate, the increase in costs is passed on to consumers, causing a rise in the general price level: inflation."

The rising prices of crude oil are a preview to cost-push inflation. Numerous analysts note that the percentage of a consumer's total budget spent on energy products is only in the range of 3% to

6%. However, this is not the only place where the value of oil may influence consumer budget. High oil prices boost production costs, increasing the prices for goods and services thus increasing consumer inflation. The industries which are heavily reliant on oil such as transportation and manufacturing feel the pressure and transfer the additional costs to the consumers.

Demand-Pull Inflation

According to Investopedia, "Demand-pull inflation occurs when there is an increase in aggregate demand, categorized by the four sections of the macroeconomy: households, businesses, governments, and foreign buyers. When concurrent demand for output exceeds what the economy can produce, the four sectors compete to purchase a limited amount of goods and services. That means the buyers "bid prices up" again and cause inflation. This excessive demand, also referred to as "too much money chasing too few goods," usually occurs in an expanding economy."

For example, as the cost to manufacture and transport a new television starts driving the price higher, consumers decide to rush out and buy one immediately before the price increases even more.

This is not only relevant to the consumers. When oil-producing countries experience a windfall due to elevated oil prices, their increased purchasing power can globally fuel additional demand-pull inflation. This increase in the total demand, outpacing supply exerts upward pressure contributing to inflation and the circle continues.

The impact of inflation can generate a global central bank response. Central banks may try to modify via higher rates, which can hurt small organizations and consumers who rely on short-term loans to drive their spending forward. A slowdown may occur when higher crude oil prices combine with higher rates. Higher energy prices for consumers may result in reduced disposable income for families, dampening their consumer spending on other goods and services. This will increase the reliance on short-term loans such as credit cards and home loans which now may be set at higher rates than before. Since consumer spending activities account for a significant portion of economic activity, a decline can affect corporate revenues and eventually stock prices.

Conclusion

A ray of hope was ignited as OPEC's crude oil production climbed in August by an average of 113,000 barrels per day coupled with the news from the USA that the production surpassed 13 million barrels a day during the first week of October, the highest since March 2020. If the other oil-producing nations follow suit and demand does not spike beyond expectations, the central banks may have dodged a bullet at the growth they have made so far on inflation. **B**



HOTEL SHANKER
Old World Elegance

SEAMLESS BUSINESS EXCELLENCE

Elevate your corporate ventures with our dedicated MICE services. We create an environment where success meets sophistication.

Book your unforgettable experience today!

#hostedatshanker



Beed's take on the market

During the review period of September 25 to October 31, 2023, the Nepal Stock Exchange (NEPSE) index declined by 147.81 points (-7.35%) to close at 1,864.40 points. The secondary market reached its lowest to 1,851.43 points on October 16. The festive season created high selling pressure in the market. The total market volume during the review period increased by 34.49% to reach Rs 25.76 billion.

During the review period, all 10 of the sub-indices fell in the red zone, indicating strong selling pressure across all sectors.

Hotels and Tourism sub-index (-14.39%) was the biggest loser as the share value of Chandragiri Hills (-Rs 186), City Hotel (-Rs 129), and Kalinchowk Darshan (-Rs 127.1) decreased substantially. Life Insurance sub-index (-10.47%) was second in line as it witnessed a fall in the share prices of Life Insurance Corporation Nepal (-Rs 114.9), Suryajyoti Life Insurance (-Rs 77) and Sanima Reliance Life Insurance (-Rs 73).

Similarly, Non-Life Insurance sub-index (-9.27%) followed suit with a decrease in the share prices of Rastriya Beema Company (-Rs 1,229), Sanima GIC Insurance (-Rs 141.5), and United Ajod Insurance (-Rs 90.9). Likewise, Hydropower sub-index (-8.59%) also fell as share value of Shuvam Power (-Rs 250), Three Star Hydropower (-Rs 170), and Mountain Energy Nepal (-Rs 93.5) went down.

Meanwhile, the Finance sub-index (-7.45%) went down as share prices of Goodwill Finance (-Rs 56), Gurkhas Finance (-Rs 48) and ICFC Finance (-Rs 37) declined. Along the same lines, Manufacturing and Processing sub-index (-6.84%) witnessed a decline in the share prices of Bottlers Nepal (Terai) (-Rs 131), Himalayan Distillery (-Rs 110), and Ghorahi Cement (-Rs 89).

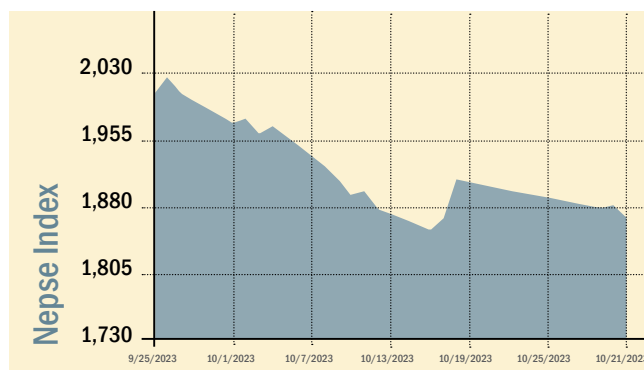
Likewise, Development Bank sub-index (-6.59%) saw a decrease in the share values of Green Development (-Rs 38.8), Lumbini Bikas (-Rs 34.6), and Shangrila Development (-Rs 33.7). Microfinance sub-index (-5.81%) was also on the losing end with a decrease in share prices of BPW Microfinance (-Rs 208), Nesdo Sambridha Microfinance (-Rs 161), and Aatmanirbhar Microfinance (-Rs 155).

Further, Commercial Bank sub-index (-5.77%) also followed suit with a decline in the share value of NIC Asia (-Rs 267), Everest Bank (-Rs 115) and Machhapuchchhre Bank (-Rs 61.1). Finally, Others sub-index (-5.48%) lost the least with a decline in the share value of Nepal Reinsurance Company (-Rs 70.6), Sonapur Minerals and Oil (-Rs 33) and Nepal Republic Media (-Rs 23.1).

News and Highlights

The Securities Board of Nepal (SEBON) has amended the Securities Dealers (Securities

Figure 1 NEPSE Index during the review period
(September 25 to October 31, 2023)



Source: Nepal Stock Exchange

Brokers and Securities Dealers) Regulations, 2064 by reducing brokerage fees. It is awaiting final approval from the Ministry of Finance. On a positive note, Nepal Rastra Bank (NRB) has also increased the margin lending ceiling, removing the previous upper limit of Rs 120 million. As per the new decision, the margin lending ceiling is now fixed at Rs 150 million for individuals and Rs 200 million for institutional investors.

On the public issues front, SEBON has approved the initial public offering (IPO) for one company under Manufacturing and Processing, and three under the Others sector. Under Manufacturing and Processing, SEBON approved the IPO of Sarbottam Cement worth Rs 4.29 billion. Global IME has been appointed as its issue manager. Under Others sector, the IPOs of Muktinath Krishi Company, Nepal Warehousing Company, and Himalayan Reinsurance worth Rs 700 million, Rs 687.5 million and Rs 10 billion, respectively have been approved. Their respective issue managers are NIMB Ace Capital, Himalayan Capital and NMB Capital.

Likewise, SEBON has also kept the IPO of Jagdamba Steels worth Rs 6.02 billion with Siddhartha Capital as its issue manager under preliminary review. Similarly, the IPOs of Apex Hospitality and SY Panel Nepal worth Rs 240 million and

Rs 523.25 million with Himalayan Capital and Prabhu Capital as their respective issue managers have also been placed under preliminary review. Moreover, SEBON has also done the same with six hydropower companies: Richet Jalbidhyut Company (Rs 117.65 million), Beni Hydropower Project (Rs 208 million), Yambaling Hydropower (Rs 280 million), Mabilung Energy (Rs 189.05 million), Solu Hydropower (Rs 2 billion) and Taksar Pikhwa Khola Hydropower (Rs 423.07 million). Their respective issue managers are NIMB Ace Capital, NMB Capital, Muktinath Capital, Laxmi Capital Market, Nabil Investment Banking, and Prabhu Capital.

Outlook

All the sub-sectors lost ground during the review period, in contrast to the preceding one. Following the central bank's decision to raise the margin lending threshold, a favourable market momentum was expected. Despite this, the market was unable to sustain the upward trend from the preceding month as selling pressure increased due to the festive season. As a large number initial public offerings are anticipated to hit the primary market soon, the market is expected to maintain its current momentum. The decision to lower the current stock brokerage fees is also something that investors are anxiously anticipating being approved. **B**

This is an analysis from beed Management Pvt Ltd. No expressed or implied warrant is made for usefulness or completeness of this information and no liability will be accepted for consequences of actions taken on the basis of this analysis.

Table 1 Sub-indices during the review period
(September 25 to October 31, 2023)

	September 25, 2023	October 31, 2023	% Change
NEPSE Index	2,012.21	1,864.40	-7.35%
Sub-Indices			
Commercial Bank	1,265.19	1,192.24	-5.77%
Development Bank	3,857.67	3,603.56	-6.59%
Hydropower	2,143.67	1,959.47	-8.59%
Finance	1,759.37	1,628.30	-7.45%
Non-Life Insurance	10,609.12	9,625.94	-9.27%
Others	1,464.41	1,384.22	-5.48%
Hotels and Tourism	5,485.83	4,696.64	-14.39%
Microfinance	3,702.44	3,487.42	-5.81%
Life Insurance	10,795.79	9,665.49	-10.47%
Manufacturing & Processing	5,284.32	4,923.02	-6.84%

Source: Nepal Stock Exchange



CITROËN



ALL ELECTRIC CITROËN ë-C3

#EXPRESSYOURëSTYLE



Upto 320km Range*
DC Charge Everytime
Experience Citroën Advanced Comfort
*As per ARAI Standard Testing

STARTING FROM

Rs. 32.99 LAKHS

Kathmandu : 9801050700 | 9801050500 | 9801125884

Birtamode : 9852677189 | **Narayanghat** : 9801090438 | **Dang** : 9801353895

Butwal : 9857058015 | **Pokhara** : 9802803652 | **Nepalgunj** : 9802522771

Itahari : 9820730455 | **Biratnagar** : 9702630199 | **Dhangadi** : 9801721571

#FrenchDNA 

Protecting Domestic Products with Tariff-based Remedies



Nirvana Rawal is an Associate at Pioneer Law Associates and specialises in commercial law and foreign direct investment.

Nepal is a member of the World Trade Organisation (WTO) and is subject to its rules and regulations. Some of the WTO agreements allow member countries to employ tariff and non-tariff measures to protect domestic trade. Tariffs, which are customs duties, are taxes imposed on the import or export of goods and services. Non-tariffs contain forms other than tariff, like quotas, subsidies and standardisation. The Safeguards, Anti-dumping and Countervailing Act, 2019 (SACA) is a legislation based on the below-mentioned agreements of WTO that empowers the Government of Nepal (GON) to impose safeguard measures, anti-dumping and countervailing duty on imported goods that pose as a challenge to the domestic products of Nepal from unfair or injurious imports.

The WTO's Agreement on Implementation of Article VI of the General Agreement on Tariffs and Trade (Anti-Dumping Agreement) provides member countries with the right to impose anti-dumping duties on imported goods that are sold below their normal value in the domestic market of the exporting country. The Agreement on Subsidies and Countervailing Duty provides members with the

right to impose countervailing duties on imported goods that are subsidised by the government of the exporting country. The Agreement on Safeguards allows countries to take temporary measures like quantitative import restrictions, such as quotas, or duty increases to protect their domestic industries from surges in imports.

then domestic industrialists producing similar goods can file a complaint before the Department of Commerce, Supplies and Consumer Protection (Department of Commerce).

As an interim measure, the government can impose an interim anti-dumping duty to prevent injury, serious injury or threat of injury to domestic

of the investigating officer appointed by the Department of Commerce.

Countervailing Measures

Countervailing measures are used to combat unfair subsidies provided by foreign governments to their industries. A subsidised import is a product that is imported into a country at a price that is

below its cost of production because the government of the exporting country provides direct or indirect financial assistance, grants, discount, or support to the producer of the product. These subsidies can lead to distortions in international trade and harm domestic producers. If there is import of concessional or directly or indirectly subsidised goods, then a complaint can be filed by domestic industrialists producing similar goods before the



Anti-Dumping Measures

Anti-dumping measures are designed to address unfair trade practices, specifically the dumping of goods at prices lower than their fair market value. Dumping can be done by exporters to gain local market share or to drive domestic competitors out of business. Under the SACA, if imported goods are being dumped causing or likely to cause injury/serious injury to domestic industries

industries based on the initial report of the investigation. The interim duty may last up to six months on the request of domestic industries producing similar/ identical goods, or up to 120 days in other cases. The government can impose anti-dumping duty in addition to the customs duty according to the final report. Such, anti-dumping duty may be imposed for a term up to five years, which may get extended for an additional five years at the recommendation

Department of Commerce. The government can impose countervailing duty on the imported goods in addition to the customs duty for a period of 120 days from the initial report. Likewise, the countervailing duty may be imposed for up to five years, which may get extended for another five years at the recommendation of the investigating authority.

Safeguard Measures

Safeguard measures are temporary actions taken to shield domestic industries from sudden and unforeseen increases in imports that may cause serious injury to domestic industries. These increases can be caused by a number of factors, such as a sharp decline in the value of the exporter's currency or a natural disaster that disrupts domestic production. The Ministry of Industry, Commerce and Supplies may either initiate Suo moto investigation, or complaint from domestic industries producing similar/identical goods can initiate investigation process.

The government can impose an interim safeguard duty based on the initial report of the investigating authority for up to 200 days only if the (a) the initial report finds that safeguards should be immediately imposed, or (b) the evidence collected in the initial investigation finds that the goods have caused/ is likely to cause serious injury / threat of serious injury to domestic industries. After the final report, the government can impose these common/ different/ quantitative rates of duties. (a) additional customs duty exceeding the duty chargeable under the prevailing laws; (b) additional duty on the duty charged, in case of import of goods exceeding prescribed quota (c) full or partial quantitative restriction on import of such goods (d) other measures as prescribed.

Benefits of anti-dumping, countervailing and safeguard measures

These measures can benefit domestic industries in a number of ways. They can help to:

- Decrease import of goods that hamper sale of domestic products
- Protect domestic jobs
- Prevent domestic industries from closing down

- Encourage investment in domestic industries
- Promote fair competition between domestic and foreign industries
- Reduce trade deficit

Challenges and Considerations

While anti-dumping, countervailing and safeguard measures are crucial for protecting Nepal's domestic industries, they must be employed judiciously. Some challenges and considerations include:

- Transparency and Due Process: Ensuring transparency and adhering to due process in investigations and the imposition of trade remedies are vital to avoid disputes with trading partners.

- Monitoring and Review: Periodic monitoring and review of trade remedy measures are essential to assess their effectiveness and ensure they do not become long-term barriers to trade.

- Capacity Building: Nepal needs to continue building the capacity of its government agencies to effectively administer trade remedies.

Conclusion

Nepal's utilisation of anti-dumping, countervailing and safeguard measures reflects its commitment to fostering fair trade and protecting domestic industries. While these measures play a vital role in maintaining a level playing field, they must be used judiciously and in line with international trade rules. A well-balanced approach is essential to ensure that Nepal's trade interests are safeguarded without unduly hindering the flow of international commerce. **B**

RAGE FITNESS

CARDIO KICKBOXING | MMA
FIGHT SHAPE | MUAY THAI
BODY COMBAT | SPINNING
TRX TRAINING | BODY PUMP
STEP IT UP AEROBICS | ZUMBA
BOXING | YOGA | BODY BUILDING
CIRCUIT TRAINING STRENGTH
TRAINING & CONDITIONING
PERSONAL TRAINING & GROUP
CLASSES



☎ 4511288

Central Plaza, Naxal | Email: ragefitness@live.com



“We aim to expand not just our branches but the range of services we offer. We have recently started day care services for pets. This month, we started a Pet Mama Bakery. We are also building dog hostels and planning a swimming pool as a recreational activity for dogs”

Nikita Jalan, Co-founder and CEO of Pet Mama, transitioned from working in the corporate world to opening her pet care business after losing her beloved dog in a car accident. She was determined to make something out of his life and took a professional course on dog behaviour and professional pet grooming. On completing her training, she started out with helping friends and relatives deal with their pet's behaviour and activities. When she realised there were more people out there who were looking for such help with their pets, she decided to set up shop. The first branch of Pet Mama was started in Jhamsikhel in April 2022.

“Pet Mama was started from blood and sweat. I don't come from a wealthy family, so I invested all of my earnings from my job and even had to borrow from my father on interest,” she recalls. However, setting up business was not enough. To change the mindset of people was her biggest challenge. “Even when we went to register ‘Pet Mama’ as a dog salon people were shocked. The legality of the process was tedious and confusing. And to add to it, I was showered with questions like: ‘Will it work?’ ‘Who will come?’,” she says.

She learnt that not many people understood her business concept and even those who knew worried because it wasn't common. “But resilience and adaptability got us through. The initial months were not easy but we chose not to be afraid



NIKITA JALAN
CO-FOUNDER & CEO, PET MAMA

of the challenges coming our way. We patiently continued to create awareness that pet care is not a luxury, it is a necessity,” she says.

“Nepal is just an emerging market in pet care business but the global scene is advanced. It has reached a state of technology and innovation where they have e-collars for dogs and even GPS systems to trace a dog's location. We are slowly trying to adapt and learn from these innovations as well,” she says.

There are grooming services in Nepal, but Pet Mama offers a dedicated state

of service and the tools they use are used only by the top professional groomers of the world. For example, everyone can use a razor but the system of how to cut the hair length in a way so that it'll regrow better is carefully considered by Pet Mama.

They take into account detailed study of the dogs brought to them ensuring customised service based on the dog's needs. They also offer consultation services, recreational activities for dogs like pet yoga, and kukur bhoj.

“If you notice, all the colours we have used on our

premises are blue and yellow. That's because dogs are usually colourblind, they see red as green. They can see a little bit of black, grey and white. And when it comes to colours, they see blue and yellow the brightest. So, we wanted to make them feel welcome and provide them with a wholesome experience,” says Jalan.

“After starting Pet Mama, I have seen many other pet care businesses open up and this gives me immense pleasure as the market benefits when it grows. It also means that people are understanding pet care needs. Initially, there used to be just one or two brands of pet products in stores but now people are welcoming variations. Overall, the market is witnessing positive changes and pet owners are also embracing it,” she says.

Not that long into business, they opened another branch in Baluwatar in May this year. They have also noted the demand for their business in other cities. “Now we aim to expand not just our branches but the range of services we offer. We have recently started day care services for pets. If you are busy, you can leave your pet with us. Every few months we are introducing a new service. This month itself we started a new service named Pet Mama Bakery,” shares Jalan. “Likewise, we are building dog hostels. This is like dog onboarding. We are also planning a swimming pool as a recreational activity for dogs,” she concludes. **B**



UNILEVER NEPAL LIMITED

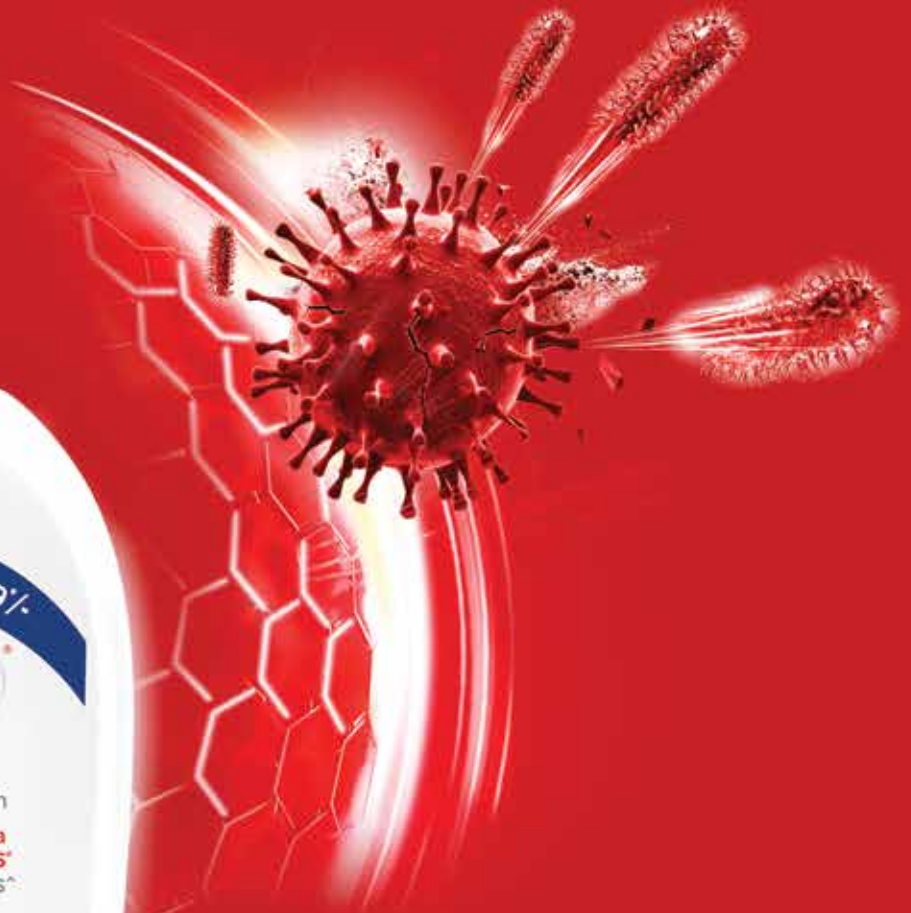


WORLD'S NO. 1
SELLING GERM PROTECTION SOAP**

PUMP RUB CHOO
THE VIRUS



**BASED ON NIELSEN UNIT SALES FOR THE SKIN CLEANSING CATEGORY (LATEST 12 MONTHS AVAILABLE) © 2021 NIELSEN. DETAILS AVAILABLE ON: <https://www.lifebuoy.com/Nepal>
BASED ON AN INDEPENDENT SURVEY, 2020. AS PER LAB TESTS ON REPRESENTATIVE ORGANISMS.



NEW LIFEBOUY
HANDWASH

**FIGHTS 99.9%
BACTERIA & VIRUSES
IN SECONDS¹**



The Top 5 Laptops Used By Nepal's Business Leaders

Laptops are an indispensable tool for professionals and entrepreneurs. While the concept of a portable computer had been around for some time, it was not until the early 1980s that the first true laptop, the Osborne 1, was introduced. It was a bulky machine by today's standards, with a tiny screen and limited functionality, but it marked the beginning of a technological revolution. Laptops have transformed the way we work. The ability to work from anywhere has increased productivity and flexibility. This newfound freedom is especially relevant in today's world, where remote work has become the norm. As technology continues to evolve, laptops will remain at the forefront of business operations becoming thinner and lighter, making them even more portable.

Here are the top 5 laptops available in demand by business persons and professionals in Nepal.

Lenovo ThinkPad X1 Carbon

The Lenovo ThinkPad X1 Carbon is a standout choice for professionals in Nepal. Its reputation for sturdiness and robust performance is well-deserved. This laptop offers a powerful platform for business operations. Its sleek design and remarkable battery life are a boon for on-the-go professionals, while the exceptional keyboard and security features, including fingerprint recognition, keep sensitive business data safe. It boasts a high-resolution display, making it ideal for detailed presentations and data analysis.

ASUS ROG Zephyrus G14

Although it's primarily recognised as a gaming laptop, the ASUS ROG Zephyrus G14 has found a niche among



business professionals in Nepal who demand high-performance hardware. This laptop's powerful internals, including AMD Ryzen processors and NVIDIA graphics, make it suitable for resource-intensive tasks. The display quality is crisp, making it ideal for graphics and presentations. Despite its gaming pedigree, the Zephyrus G14's portability and build quality ensure it's also an excellent choice for on-the-go professionals who need powerful multitasking capabilities.

Dell XPS 13

The Dell XPS 13 is a top choice for business users and professionals in Nepal who want a combination of portability and performance. Its compact design, superb display quality, and premium build make it an appealing option. The laptop's powerful

specifications ensure smooth multitasking, while the compact form factor suits professionals who are frequently on the move. Dell's commitment to quality and reliability shines through in the XPS 13, and it's particularly suitable for professionals who need to make a lasting impression during meetings and presentations.

HP Spectre x360

The HP Spectre x360 marries style with substance, making it a popular choice. Its 2-in-1 design offers versatility, making it ideal for presentations and collaborative work. This laptop impresses with its build quality and vibrant display, ensuring that business users can make a strong impact during meetings. The Spectre x360's long battery life and reliable performance are valuable for business tasks, and its strong

connectivity options facilitate seamless communication in a professional setting.

Apple MacBook Pro

The Apple MacBook Pro is a globally acclaimed laptop, and its popularity extends to business professionals in Nepal as well. Apple's seamless ecosystem integration enhances workflow efficiency, allowing users to easily switch between their MacBook and other Apple devices. The MacBook Pro is renowned for its Retina display, which offers high-resolution visuals perfect for presentations and graphics work. It's a reliable workhorse, offering strong performance for business tasks. Security features like Touch ID and the T2 chip ensure data protection, making it a trusted choice for business users who value reliability and data security. **B**



• Scan , pay and go with QR Payments now using SC Mobile App •

Transform your transaction experience with QR codes: the magic is the scan.

Enjoy the perfect solution for cashless payments through our SC Mobile App - it is fast, safe and easy.

The QR payment feature is available in all Nepalpay/Smartpay QR accepted merchant outlets and online portals.

For more information, please contact our 24X7 Client Care Centre at +977 1 4791800/5424198 or visit your nearest branch.



standard
chartered

Investing in Green Infrastructure for a Sustainable Future

THE NEPAL GOVERNMENT'S AMBITIOUS GOAL OF 100% RENEWABLE ENERGY BY 2045 IS ADMIRABLE, BUT DOES IT HAVE THE REQUIRED COMMITMENT TO ACHIEVE THIS GOAL.



Basu Gautam is the President of Lumbini World Peace Forum and a Green Economy Campaigner.

The energy sector is the largest source of greenhouse gas emissions in South Asia, posing a serious environmental and economic risk. The recent global energy crisis, exacerbated by the Ukraine conflict, has highlighted the urgency of the region's transition to clean energy. Nepal, with its abundant renewable energy resources, such as hydropower, solar, and wind, has the potential to meet

its domestic energy demands and become a net exporter of clean energy. However, this will require significant investments in infrastructure and technology. The Nepal government's ambitious goal of 100% renewable energy by 2045 is admirable, but it will require concerted efforts from all stakeholders.

Collaboration among South Asian countries is essential to accelerate the decarbonisation of their energy sectors. This could involve sharing resources, learning from each other's experiences, and exchanging expertise.

A diversified strategy is needed to achieve this goal. This could include:

- Investing heavily in renewable energy infrastructure, such as solar and wind farms, hydropower plants, and energy storage systems.

- Increasing energy efficiency across all sectors of the economy, including buildings, industry, and transportation.
- Phasing out coal-fired power plants and other fossil fuel-based energy generation technologies.
- Implementing efficient carbon pricing mechanisms to incentivise businesses and individuals to reduce their emissions.

While the upfront costs of these actions may be significant, the long-term benefits are clear: cleaner air, better health, reduced energy costs, and increased economic growth. Renewable energy is crucial for the development of green, secure, and affordable energy, as it can help countries build resilience to volatile prices, lower energy costs, and mitigate climate change.

Bhutan and Nepal are the only South Asian countries

that currently meet their primary energy needs through renewables, although Nepal still relies heavily on imported petroleum products for transportation. The region has significant potential for renewable energy, but other countries, such as India, despite its rapidly expanding solar and wind energy markets, still rely heavily on fossil fuels.

Shifting the overall energy balance away from fossil fuels to renewable energy will require a financial and policy framework that includes phasing out coal-fired power plants, reforming energy subsidies, and implementing carbon pricing. South Asia's energy transition is a critical endeavor, and it is one that must be undertaken with urgency. By working together, the region's countries can create a clean energy future that benefits all.





Green Investment and the Sustainable Development Goals (SDGs)

The Sustainable Development Goals (SDGs) and green investment are intrinsically connected and mutually supportive; their link is not only fortuitous. As the name implies, green investments give top priority to programs, goods, and procedures that not only provide financial gains but also have a positive impact on the environment, so directly aiding in the attainment of the SDGs. These investments cover a wide range of important concerns, such as protecting marine habitats, conserving land, and reducing the effects of climate change.

The role that green investments play in fostering economic growth is one of the most obvious ways that they are in line with the SDGs. These investments create employment opportunities, promote economic prosperity, and help communities escape poverty. As a result, they support SDGs like No Poverty (SDG 1) and Decent Work and Economic Growth (SDG 8), which call for ending all forms of poverty by 2030. Additionally, green investments actively promote cooperation on both a local and global scale, a quality that is consistent with the SDGs' core principles. They make it easier for international cooperation, public-private partnerships, and information sharing—all of which are essential to attaining the SDGs.

Innovations in Green Infrastructure Technology

How we design, build, and maintain sustainable urban settings is being revolutionised by advancements in green infrastructure technologies. The incorporation of smart grid technologies into our energy infrastructure is one of the most remarkable developments. These smart networks allow for effective two-way communication between energy producers and consumers, optimising energy distribution, lowering waste, and allowing

for the grid integration of renewable energy sources like solar and wind. Smart networks have significant promise for improving energy availability and resilience in areas like Nepal while lowering carbon footprint.

The construction sector is also being transformed by green infrastructure technologies through the use of sustainable building techniques and materials. Construction projects are increasingly using cutting-edge materials like carbon-negative concrete, which absorbs more carbon dioxide than it generates during manufacture. Urban planning is also include green walls and roofs to reduce the impact of urban heat islands and improve energy efficiency. By constructing more livable, environmentally friendly urban areas that foster wellbeing and lessen environmental impact, these technologies help to achieve Sustainable Development Goal 11 (Sustainable Cities and Communities). With the development of technology, managing assets for green infrastructure is increasingly using artificial intelligence, blockchain, and the Internet of Things (IoT).

The Business Case for Green Infrastructure

The compelling example of Nepal's green infrastructure project serves as a powerful illustration of how sustainable investments may change a country. The benefits to the economy of adopting green initiatives are becoming more obvious as we manage the difficulties of a fast-changing global context. With its enormous potential for the production of renewable energy, sustainable agriculture, and eco-friendly urban development, Nepal is well positioned to profit significantly from investments in green infrastructure.

In addition to the economic benefits, these expenditures might improve Nepal's reputation as a nation that

values the environment and draw money and partnership from abroad. It is impossible to overestimate the favorable environmental effects of such expenditures, notably in reducing climate change and maintaining Nepal's spectacular natural beauty. Businesses who emphasise green infrastructure will also find themselves in a good position as customers grow more environmentally sensitive, aligning with consumer values and gaining a competitive edge. Green infrastructure investments in Nepal are essential to creating a resilient and thriving country for future generations as the country moves towards a sustainable future in Nepal is a clear example of how sustainable investments may have a positive social and economic impact.

The benefits to the economy of adopting green initiatives are becoming more obvious as we manage the difficulties of a fast-changing

global context. With its enormous potential for the production of renewable energy, sustainable agriculture, and eco-friendly urban development, Nepal is well positioned to profit significantly from investments in green infrastructure.

In conclusion, the development of green infrastructure in Nepal is a necessary step towards a sustainable future. This step has far-reaching economic ramifications. Nepal's dedication to renewable energy, sustainable agriculture, and eco-friendly urban development serves as a shining example of the transformational impact of green investments as we face the global energy crisis and environmental concerns. Adopting green projects has many financial benefits, from significant cost savings to improved international relationships and a boosted reputation as an ecologically conscious country. **B**

Discover
Cakes & Pastries

JULIE'S
CAKES & PASTRIES

Kupondole Tel. 5180180 | Tel. 9843882614



Building The Startup Pipeline

SUPPORTING NEPAL'S PROMISING URBAN FOUNDERS



Adhish Gurung is the Community Lead at UTOPIA.

The government of Nepal recently announced removing any minimum investment thresholds for foreign direct investment (FDI) into Nepali companies in the information and communications technology (ICT) sector - simply put this means that a foreigner can invest a small amount to acquire shares in a Nepali company, granted the company is building IT products. Previously this threshold was Rs two crores or roughly USD 150,000. What does this mean for Nepali founders? Now, there's a window of opportunity for Nepali tech startups to grow with foreign investment; a resource that had been largely inaccessible until now.

Nepali startups and founders have been pining for this type of change for quite a while and now some of them will have access to modest FDI in order to grow. However, even reaching this stage to be able to entertain FDI is no easy task for founders. The Nepali startup journey is riddled with difficulties; excessive administrative hurdles, lack of access to startup financing and funding, and haphazard policies that hurt small and growing enterprises. A lot of founders struggle to find the right composition of individual determination and institutional support to grow their ventures. However, there are some entities, such as Utopia, assisting and enabling

founders in setting up a viable venture.

Utopia's cohort of urban entrepreneurs

Back in early 2022, when seemingly everyone was being infected by the omicron variant in Kathmandu, Utopia sent out a call for applications for their first in-person venture building cohort K02. Over 50 people applied. Utopia's venture studio model is based on the principle that if talented people are provided the resources to develop their ideas, they can build great companies. They found six prospects. Five out of six were women; a notable achievement.

Over the next three months, their cohort explored urban problem areas, conducted hours of user research, came up with solutions, built prototypes, and tested them with people. Their model is heavily influenced by human centered design or HCD. The cohort camaraderie was strong. The entrepreneurs-in-residence or EIRs as they call them came from different academic and professional backgrounds but were a tight-knit group. It's noteworthy how much the EIRs supported each other's venture ideas even though they were directly competing with one another. The EIRs regularly received individual support from Utopia's experts-in-residence (XIRs) based in Nepal and abroad on developing their urbantech solutions.

Finally, the teams pitched their startup ideas after three months to a seasoned committee of internal and external venture building professionals. The goal was to progress to the next chapter and seize an opportunity to actually build that company with Utopia. In reality any of those pitches could have progressed

but Utopia, limited in funds and time, selected one.

Why is the venture studio model effective?

At the Kathmandu CITYLAB, Utopia invites talented individuals (no need to have a business idea) to apply to their urbantech cohorts. After lengthy screening, they select the grittest, promising, and collaborative prospects (cannot have an existing registered company to apply).

The company offers a physical space to founders to build prototypes, attend masterclasses, earn seed funding, and access a global network of experts. For many, these inputs are the difference between a failing startup and a successful one. In fact, a study of 23 leading venture studios found that of the 415 companies venture studios have created globally, 91% have succeeded. Utopia is invested in the resulting startup's long-term future.

They work with cofounders for up to two years and make three commitments:

1. Launch an urbantech startup in 100 days
2. Secure first 1000 customers together
3. Aim to help scale to other cities in the region

In a nascent startup ecosystem such as Kathmandu, Utopia is one of the first venture builders introducing the venture studio model and definitely the first one to work on urbantech.

What's coming up in the startup horizon?

There are exciting changes coming up in the Nepal startup ecosystem. Recently a number of investment funds have attained their licenses to invest in Nepali companies. Traditionally, startups would only have access to debt-based

financing - an avenue that does not make sense for many startups since they do not have any collateral they can offer besides their own equity, which is considered too risky by most commercial banks.

Similarly, some of these funds are targeted at women-led enterprises exclusively, improving access to finance for female founders and companies catering to women. The ICT sector is potentially about to grow even further with the FDI threshold removal so, it's a good time to be a tech founder in Nepal.

Moreover, Nepal's large development sector that includes INGOs, development agencies, foreign state departments, and embassies are starting to or have already transitioned to private-sector growth programmes; these typically focus on strengthening small and medium enterprises (SMEs) with technical support and grants.

However, early-stage startups still need more support to grow enough to access FDI funding and a significant portion of this support ought to be taken up by Nepal's development partners who can assist in de-risking startup financing. Nepali investors are slowly coming online to help founders grow, but the investors can't take up all of the risk. They need to be supported by organisations whose mandate it is to provide developmental support, so that founders can eventually access funds from investors. Startups need to be groomed to pitch correctly, get their compliance in order, know their users and customers. Utopia makes this process easier for development partners to build programmes that directly embolden founders in building companies that directly benefit the country. **B**

MORE THAN MEETS THE EYE.
Rav4 Hybrid Electric Vehicles



World Bank projects a rebound in Nepal's economic growth

Nepal's economy is expected to rebound to 3.9% in fiscal year 2024 owing to a lagged impact of the lifting of import restrictions, strong rebound in tourism, and the gradual loosening of monetary policy, according to the World Bank's twice-a-year country update.



Released on October 3, the Nepal Development Update, Restoring Export Competitiveness, projects Nepal's economy to grow by 5% in FY 2025. However, there are multiple risks to the outlook including an erratic monsoon which could dampen agricultural growth; a renewed spike in commodity prices or continued food export bans by India which would raise prices; and higher inflation which could keep policy rates elevated, increase domestic debt servicing costs, and drag on growth.

The report also explores the drivers of external competitiveness for Nepal. The country's total exports amounted to 6.9% of GDP in FY 2023, representing only a third of the exports of other South Asian middle-income countries on average. The analysis finds that the real appreciation of the exchange rate and continued low labour productivity are associated with Nepal's lower exports. As per the report, Nepal suffers from labour productivity

deficit across all three sectors – agriculture, industry and services – compared to peer countries and its main trading partner, India.

"Amid challenges, Nepal is leading the way towards operationalising its green, resilient, and inclusive development vision to shape the country's long-term economic recovery," said Faris Hadad-Zervos, World

Bank Country Director for Maldives, Nepal, and Sri Lanka. "Improved external competitiveness is key to driving this recovery and enabling Nepal to compete in export markets, in terms of both prices and quality. This requires emphasis on reforms to help increase domestic productivity and reduce the inflation differential with Nepal's trading partners."

The Nepal Development Update is a companion piece to the latest South Asia Development Update, Toward Faster, Cleaner Growth, also launched on October 3, which projects South Asia to grow by 5.8% this year – higher than any other developing country region in the world, but slower than its pre-pandemic pace and not fast enough to meet its development goals.

Regional growth prospects are subject to downside risks, including due to fragile fiscal positions. Government debt in South Asian countries averaged 86% of GDP in 2022, increasing the risks of defaults, raising borrowing costs, and diverting

credit away from the private sector. The region could also be affected by a further slowdown in China's economic growth and natural disasters made more frequent and intense by climate change.

Constrained by fiscal challenges, governments have limited room to help their economies fully capitalise on the global energy transition. Though often seen as an additional burden for developing countries, for South Asia, the energy transition could present an opportunity for future growth and job creation – if it leads to more investments by firms, cuts air pollution, and reduces the reliance on fuel imports. Even with limited fiscal space, countries can encourage firms to adopt more energy-efficient technologies through market-based regulations, information campaigns, broader access to finance, and reliable power grids.

"South Asia's energy intensity of output is about twice the global average and the region lags in the adoption of more advanced energy-efficient technologies," said Franziska Ohnsorge, World Bank Chief Economist for South Asia. "Improvements in energy efficiency, in the context of a rapid global energy transition, are an opportunity for South Asia to make progress toward both environmental and economic goals."

The energy transition will also have significant impacts on South Asia's labour markets. Almost one-tenth of the region's workers are employed in pollution-intensive jobs. These jobs are concentrated among lower-skilled and informal workers who are more vulnerable to labour market shifts. While the energy transition can help create more new jobs, it could also leave some workers stranded in declining industries. The report recommends a wide range of policies to protect such workers, including providing better access to high-quality

education and training, finance, and markets; facilitating worker mobility; and strengthening social safety nets.

Total trade deficit decreases 4.7% to Rs 233.30 billion

According to the current Macroeconomic and Financial Situation of Nepal based on two months' data ending mid-September, 2023/24, published by Nepal Rastra Bank, the year-on-year (y-o-y) consumer price inflation stood at 8.19% in mid-September 2023 compared to 8.64% a year ago. Food and beverage inflation stood at 9.74% whereas non-food and service inflation stood at 6.99% in the review month.

Under the food and beverage category, on y-o-y basis, the price index of spices sub-category increased 45.46%, sugar and sugar products 17.86%, vegetable 14.51%, cereal grains and their products 13.38%, milk products and eggs 12.60%, and restaurant and hotel 10.97%. In the review month, the y-o-y price index of ghee and oil sub-category decreased 13.08%.

In the non-food and services category, the y-o-y price index of recreation and culture sub-category increased 15.55%, miscellaneous goods and services 12.21%, education 9.10%, housing and utilities 8.11%, and furnishing and household equipment 6.59%, while the y-o-y price index of transportation sub-category decreased 0.18%.

In the review month, y-o-y consumer price inflation in Kathmandu Valley, Terai, Hill and Mountain region recorded 9.83%, 7.03%, 8.09% and 11.32%, respectively. Inflation in these regions was 7.62%, 9.33%, 8.82% and 6.68%, respectively a year ago.

During the two months of 2023/24, merchandise exports decreased 7.8% to Rs 26.45 billion compared to a decrease of 34.9% in the same period of the previous year. Destination-wise, exports to India decreased 15.6% whereas exports to China and other



countries increased 338.5% and 5.1%, respectively. Exports of zinc sheet, cardamom, particle board, polyester yarn and thread, juice, among others increased whereas exports of palm oil, soyabean oil, jute goods, woollen carpets, medicine (ayurvedic), among others decreased in the review period.

As per the report, merchandise imports decreased 5.1% to Rs 259.75 billion compared to a decrease of 13% a year ago. Destination-wise, imports from India and other countries decreased 5.2% and 21.5%, respectively while imports from China increased 25.4%. Imports of MS wire rod, bars, coils and others, readymade garments, electrical equipment, textiles, electrical goods, among others increased whereas imports of petroleum products, crude soyabean oil, crude palm oil, medicine, MS billet, among others decreased in the review period.

The total trade deficit decreased 4.7% to Rs 233.30 billion during the two month of 2023/24. Such deficit had decreased 9.4% in the corresponding period of the previous year. The export-import ratio decreased to 10.2% in the review period from 10.5% in the corresponding period of the previous year.

Meanwhile, remittance inflows increased 22.1% to Rs 228.37 billion in the review period compared to an increase of 19.8% in the same period of the previous year. In US dollar terms, remittance inflows increased 17.7% to \$1.73 billion in the review period compared to an increase of 11.3% in the same period of the previous year.

The number of Nepali workers (institutional and individual-new) taking approval for foreign employment decreased 28.3% to 74,455 in the review period. The number of Nepali workers (renew entry) taking approval for foreign employment decreased 18.3% to 32,004 in this time. It had increased 70.6% in the same period of the previous year.

The central bank report states that the current account remained at a surplus of Rs 23.50 billion in the review period against a deficit of Rs 36.84 billion in the same period of the previous year. In US dollar terms, the current account registered a surplus of \$177.7 million in the review period against a deficit of \$289 million in the same period last year.

In the review period, capital transfer decreased 41.7% to Rs 850.8 million and net foreign direct investment (FDI) remained at a positive of Rs 3 billion. In the same period of the previous year, capital transfer amounted to Rs 1.46 billion and net FDI registered a negative of Rs 809.7 million.

The Balance of Payments remained at a surplus of Rs 53.61 billion in the review period against a deficit of Rs 20.81 billion in the same period of the previous year. In US dollar terms, the BOP remained at a surplus of \$405.6 million in the review period against a deficit of \$163.4 million in the same period of the previous year.

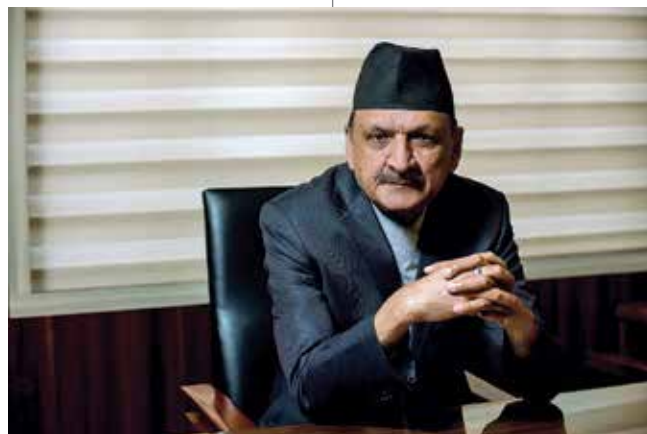
Gross foreign exchange reserves increased 3.9% to Rs 1,598.9 billion in mid-September 2023 from Rs 1,539.36 billion in mid-July 2023. In US dollar terms, the gross foreign exchange reserves increased 2.6% to \$12.01 billion in mid-September 2023 from \$11.71 billion in mid-July 2023.

Of the total foreign exchange reserves, reserves held by NRB increased 4.5% to Rs 1,406.52 billion in mid-September 2023 from Rs 1,345.78 billion in mid-July 2023. Reserves held by banks and financial institutions (except NRB) decreased 0.6% to Rs 192.38 billion in mid-September 2023 from Rs 193.59 billion in mid-July 2023. The share of Indian currency in total reserves stood at 21.7% in mid-September 2023.

Based on the imports of two months of 2023/24, the foreign exchange reserves of the banking sector are sufficient to cover the prospective merchandise imports of 12.6

months, and merchandise and services imports of 10.3 months.

Nepal's economic policies need not align with perspective of donors: Minister Mahat



Finance Minister Prakash Sharan Mahat has said Nepal has its own economic policies which may differ from those of donor agencies. The minister upon his arrival at Tribhuvan International Airport in Kathmandu on October 15 after attending the annual meetings of the World Bank Group and International Monetary Fund, said there is no obligation for Nepal to confirm that its economic and monetary policies are in line with the donor agencies.

"Our economic policies and the perspectives of donors may not always be the same. The donor agencies are okay with Nepal's interest to move on with economic policies of a specific nature," Minister Mahat said, adding that Nepal doesn't need to implement all recommendations and conditions set forth by donor agencies.

It may be noted that the private sector's concern is that the interests of donor agencies and development partners have been dominant in determining Nepal's economic policies. As they assess, the IMF exerts significant influence over the guidelines for capital expenditure loans.

According to the finance minister, during the meeting, Nepal highlighted the basis

of its economy. Likewise, the Nepali delegation engaged in discussions on matters of investing in the poverty alleviation sector and new fiscal investment instruments. Similarly, discussions also revolved around the World

Bank's interest in investing in the Upper Arun Hydropower Project.

According to Mahat, Nepal could decide if it realised the need to make efforts to expedite the domestic economy. In response to a query about the preparations for implementing the recent announcement by Prime Minister Pushpa Kamal Dahal to establish a high-level mechanism for improving the nation's economy, the finance minister said the necessary decision will be taken at an appropriate time. He said the existing economic issues did not emerge overnight, they have accumulated over a long period and will not be resolved instantly and through a single effort.

"The results of economic reform efforts are becoming gradually visible and the government is focused on accelerating the economy," he said.

Finance Minister Mahat serves as an ex-officio governor of the World Bank while Nepal Rastra Bank Governor Maha Prasad Adhikari is an ex-officio governor of IMF. The 2023 annual meeting of the World Bank and IMF was held in Morocco from October 9 to 15 under the theme of 'Global Action, Global Impact'.

iCapital completes 10 years of operation



Founded in 2013, iCapital has completed 10 years of operations. It was established with the purpose of transitioning from individual investing to institutional investing and fully committing to the philosophy of value investing. The company mainly focuses on three asset classes: ventures, real estate, and the stock market.

Over the 10 years, the company has invested in 24 companies, and the asset under management currently stands at Rs 2.25 billion with a 10-year compound annual growth rate (CAGR) of 16%.

As with past anniversaries, the company celebrated its anniversary with a charity. It celebrated its 10-year milestone with the Tri-Netra Foundation that has been running a hostel for blind, orphaned and people with physical disability and also providing education support to needy children since its establishment in 2009. On the occasion, the company provided one-year scholarships to 10 blind students via the iCapital Foundation.

FNCCI, Sudurpashchim government collaborate for investment promotion



The Federation of Nepalese Chambers of Commerce and Industry (FNCCI) and Sudurpashchim province government have signed a memorandum of understanding for collaboration in investment

promotion and operation of development affairs, particularly in the province. FNCCI President Chandra Prasad Dhakal and Province Chief Minister Kamal Bahadur Shah signed the MoU at a function held at the FNCCI Secretariat on October 21.

As per the agreement, both parties are expected to work together to promote investment and accelerate economic activities in the province.

The Sudurpashchim Investment and Development Summit will be jointly hosted from March 6 to 7. FNCCI President Dhakal pledged all possible support to make the event a success. He also reminded the decision of the meeting of the FNCCI third executive committee to hold an 'Investment Summit' in all provinces and this was the first understanding with the Sudurpashchim Province to implement the decision.

Industrialists, DRI officials discuss issues related to revenue leakage



Industrialists, businesspersons and Department of Revenue Investigation (DRI) officials recently held a discussion on issues related to revenue leakage at the Chamber of Industries Morang (CIM). CIM President Rakesh Surana urged DRI Director General, Nawa Raj Dhungana, to proceed with action only after investigation, distinguishing between intentional and accidental mistakes. He said that due to the crackdown on businesspersons based on suspicion, they are losing their

reputation and an atmosphere of fear and panic has been created and investment is shrinking. Surana emphasised that while discouraging illegal transactions, the state should create an environment to encourage those who are doing business in accordance with the law.

DRI DG Dhungana said there should be a collective effort to create an environment of trust between the government and private sector to control revenue leakage. Expecting an improvement in internal trade in the coming days, he requested for the cooperation of all sectors in achieving the revenue target by doing business abiding by the law. He pointed out the need for reforms to reduce business and production costs and opined that both the government and private sector should be responsible for this.

Federation of Nepalese Chambers of Commerce and Industry (FNCCI) Koshi Province President, Rajendra Raut, sought an end to the practice of checking goods during transportation even after

the customs have completed all the procedures. He stressed the need for arrangements for the entire procedure to be completed in one place.

Global IME Bank receives first loan from GCPF to finance energy efficiency projects in Nepal

Global IME Bank Ltd and Global Climate Partnership Fund (GCPF) signed a \$25 million loan agreement to promote climate-positive lending in Nepal. This

agreement marks the first climate-related funding provided by GCPF to Nepal. The funds are earmarked for financing energy efficiency and renewable energy projects in the country. The infusion of these funds will fortify the bank's portfolio and solidify its commitment to climate change mitigation.

GCPF operates as a blended partnership model, using public funding to catalyse private sector investment model and growth in developing markets. Commenting on the development, Global IME Bank CEO, Ratna Raj Bajracharya, stated, "This GCPF facility will play a crucial role in financing energy efficiency projects and reducing greenhouse gas emissions in Nepal. We take pride in being a responsible bank in our country and are committed to supporting energy projects in collaboration with GCPF to fulfill our strategic climate management objectives."

David Diaz Formidoni, Head of FI Investments and Climate Finance, said, "We are happy to expand our presence to Nepal, a country highly vulnerable to climate change, by partnering with a committed and like-minded financial institution like Global IME Bank. We look forward to supporting the bank in its climate financing journey through our in-house team of Climate Advisory Specialists and the fund's Technical Assistance Facility."

The GCPF is a Luxembourg-based fund, an innovative public-private partnership dedicated to mitigating climate change through a reduction of greenhouse gas emissions in emerging and developing markets. It focuses on financing energy efficiency and renewable energy projects through local financial institutions or directly. Only projects that generate significant energy savings and pledge to reduce projected greenhouse gas emissions by at least 20% are eligible for funding.



GCPF was established by the German Federal Ministry for Economic Affairs and Climate Action (BMWK), KfW Entwicklungsbank and the International Finance Corporation (IFC) in 2009 as a public-private partnership. Junior catalytic capital is provided by BMWK, the Department for Energy Security and Net Zero (DZNEZ) of the UK, and Denmark's development cooperation (DANIDA).

Finance Minister Mahat urges EU to remove Nepal from security concern list



Finance Minister Prakash Sharan Mahat has urged the European Union (EU) to remove Nepal from their aviation safety concern list. He made this request in a sideline meeting with EU Commissioner Jutta Urpilainen in Marrakesh, Morocco on October 12. Minister Mahat was in Morocco to participate in the annual meeting of the World Bank and the International Monetary Fund (IMF).

Since 2013, the EU has put Nepal's airline companies on its list of air safety concerns and due to this the airline companies in the country are not allowed to operate flights in the European skies. The EU had refused to de-list Nepali airlines from the list of aviation concerns when it carried out a monitoring of Nepali airlines in 2079 BS. It had announced its plan of conducting an on-site monitoring of the status of air safety issues in February 2023, but the EU team did not come to Nepal for the monitoring following the air crash near Pokhara International Airport on January 15.

The EU's security committee however conducted an on-site study of Nepali airline companies and aviation security in August-September

and the finance minister has made this request in this context. On the occasion, the EU Commissioner said that they would carry out work on this matter through the EU Embassy in Nepal and also hold discussions on this.

In the meeting, Minister Mahat further urged the EU to increase its economic assistance to Nepal, Minister Mahat's secretariat stated.

IBN 56th Board Meet recommends Cabinet to pave way for Arun-3 hydel project



Investment Board Nepal (IBN) has decided to recommend the Council of Ministers to resolve the problems of Chhyangkuti-Diding road section (0-24km), the entrance of the under-construction 900MW Arun-3 Hydropower Project in Sankhuwasabha district.

IBN Chairperson and Prime Minister, Pushpa Kamal Dahal, who chaired the 56th Board Meeting on October 17, said that since Arun-3 Hydropower Project is a foreign investment project being implemented under the concept of public-private partnership, its smooth and successful implementation and effective facilitation will convey the message that there is a favourable environment for foreign investment.

The physical progress of the project, which is being constructed by developer SJVN Power Development Company at a cost of Rs 144 billion, is 66.3% and 15.46% towards the transmission line.

In the meeting, IBN CEO, Sushil Bhatta, made a brief presentation regarding the activities conducted by the board. Further, he apprised the meeting of the implementation

status of the 55th IBN board meeting decisions and the agenda of the 56th board meeting. Bhatta opined that the entire mechanism of the government should take effective steps to fulfil the contractual obligations of the project development agreement (PDA).

Minister for Energy, Water Resources and Irrigation, Shakti Bahadur Basnet; Minister for Industry, Commerce and Industries, Ramesh Rijal; Minister for Forests and Environment, Birendra Prasad Mahato; Government Chief Secretary, Baikuntha Aryal;

expert representatives from the private sector and high-ranking officials of the government were also present in the meeting.

Government expresses commitment to boost investment climate in provinces



The Government of Nepal has committed to develop Provincial Investment Climate Reform Action Plans across all provinces, beginning with Koshi, Madhesh, Gandaki and Lumbini provinces to stimulate investments at the subnational level. These plans will identify important reforms based on Provincial Investment Climate Assessments (PICA) conducted in the four provinces to help create an investment-friendly environment and promote private sector investment at the provincial and local levels. This new initiative will also be extended to the remaining three provinces of Bagmati, Karnali

and Sudurpashchim over the course of the fiscal year.

The announcement was made at a workshop on PICA organised by the Office of the Prime Minister and Council of Ministers with the support of the World Bank, Swiss Agency for Development and Cooperation (SDC), and the International Finance Corporation on October 9.

"PICA will help us to get disaggregated data on investment climate at provincial level and offers necessary data for shaping evidence informed policies at local level. It suggests some policy alternatives for potential transformation of Nepal's business environment," expressed Dr Baikuntha Aryal, Chief Secretary of the Government of Nepal. "We need to internalise the framework, ensure effective policy coordination, simplify and harmonise policies and develop understanding of priority reform agenda among all state actors to improve Nepal's business environment."

The workshop was organised under the World Bank and SDC-financed Post-Covid Private Sector Recovery Technical Assistance (TA) Programme (PSRP). It discussed the findings from the PICA and the strategic actions needed for the formulation of Provincial Investment Climate Reform Action Plans, drawing upon the insights derived from the assessment report.

"PICA will, for the first time, provide insights in terms of the readiness of provinces to attract investment and support private sector growth," said Danielle Meuwly, Ambassador of Switzerland to Nepal. "PICA's effort is a much welcome step in Nepal's federalised context. We need to support the ongoing devolution of federal power and promote collaboration between national and subnational authorities. By fostering businesses and private investment, we are ultimately working to achieve Nepal's aspiration of becoming a middle-income country."

PICA offers an evidence-based assessment to help policymakers at the provincial and local governments identify important policy changes that affect investment environment and competitiveness. It assesses the investment climate across 18 indicators divided into four pillars: Basic Infrastructure, Regulatory Efficiency, Regulatory Transparency and Firm Engagement, and Quality of Life.

"A conducive climate for robust private sector participation and investment in cities within and outside Kathmandu Valley is central to Nepal's economic growth," said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal and Sri Lanka. "Subnational policy makers play an important role in targeting reforms and action plans towards mobilising greater private investments and creating job opportunities for people at federal, provincial, and local levels."

The workshop also included a panel discussion on 'Investment Climate Reforms in Provinces: Possibilities and Way Forward' where panellists delved into governance issues, the significance of public-private dialogue in reform implementation, and the impact of infrastructure development on enhancing the investment climate.

Ekmarayan Aryal, Secretary of the Office of the Prime Minister and Council of Ministers, highlighted the importance of inter-government coordination for effective implementation of PICA reform activities and stressed the significance of the private sector's role in the industrialisation of Nepal's economy. The workshop was attended by secretaries and joint secretaries from federal ministries, principal secretaries and secretaries from the provincial governments, chief administrative officers from the pilot local governments, development partners, and private sector representatives.

Female Economic Journalist Association inaugurated



Finance Minister, Prakash Sharan Mahat, inaugurated a programme organised to mark the official opening of the Female Economic Journalist Association (FEJA) on October 16. Addressing the programme, he expressed, "Just increasing the participation of women in economic journalism is not enough, FEJA should work on producing more capable women and play a big role in empowering them. Since women are still deprived of some rights guaranteed by the Constitution, the formation of the association will bring more clarity in financial knowledge and skills to women as well as financial journalism."

Securities Board of Nepal (SEBON) Chairman, Ramesh Kumar Hamal, said there is a tendency in Nepal to not connect women with economic aspects, no matter how much work they do, and FEJA is expected to play an important role in improving it. As FEJA will help in increasing the capacity of women journalists, financial literacy, positive economic development, accurate information and knowledge will spread in the country through the news reports, he opined.

Representatives of private sector, banks and financial institutions (BFIs), insurance firms, capital market and others associated with the government, present at the programme expected FEJA to support the country's economic stability through insightful news stories by women economic journalists.

Nepal Capital Market Investors' Association President, Radha Pokharel, opined that in Nepali society where women have to struggle under normal circumstances,

it is beneficial to establish women economic journalists' association. She lamented that

in some cases, women have to fight against women to remove barriers and said it is commendable to move forward in an organised manner in the economic sector.

SEBON Chairman Hamal, Nepal Bankers' Association President Sunil KC, Independent Power Producers' Association, Nepal (IPPAN) President Ganesh Karki, Nepal Insurers' Association President Chunky Chhetry, National Cooperative Federation of Nepal (NCF) Chairman Min Raj Kadel, and Sancharika Samuha Nepal (SASN) President Bimala Tumkhewa attended the programme.

Banking Finance and Insurance Institute of Nepal signs MoU with Institute of Directors

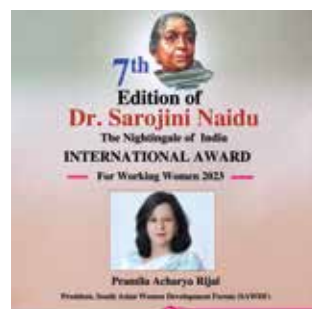
A memorandum of understanding between Banking Finance and Insurance Institute of Nepal (BFIN), Kathmandu, Nepal and Institute of Directors (IOD), New Delhi, India was signed on October 20 by Dr Binod Atreya, Managing Director, BFIN and Manoj K Raut, CEO, IOD, at the London Global Convention 2023. The purpose of the MoU is to underpin the development of a long-term partnership between BFIN and IOD for conducting and coordinating in areas of training, education, skill development programmes, research and consultancy services and allied services. The agreement aims to provide executive development opportunities by leveraging the strengths of both institutions.

IOD hosted the London Global Convention 2023, providing an exceptional platform to showcase dedication to leadership for

corporate governance and sustainability. Corporate leaders, executive directors and influential opinion leaders attended the event.

Dr Atreya, during the MoU signing ceremony, shared that this collaboration will help in human resources development of many member countries. He suggested hosting training in areas of mutual interest to both organisations and proposed hosting an international training programme in Nepal.

Rijal bags Dr Sarojini Naidu International Award



Pramila Acharya Rijal, President of South Asian Women Development Forum, has been awarded the Dr Sarojini Naidu International Award by the nominating committee of the seventh Dr Sarojini Naidu International Award. This esteemed award, initiated by the Asian Academy in Delhi, has been instrumental in recognising and honouring professional women across the globe for their outstanding efforts in diverse fields of their respective spheres of influence.

NICCI meets Industry Minister Rijal for revival of contract manufacturing provisions

A delegation from Nepal-India Chamber of Commerce and Industry (NICCI) met with Minister for Industry, Commerce and Supplies Ramesh Riial, at the ministry to deliberate on the pressing issues related to contract manufacturing and the current restrictive amendments under the Foreign Investment and Technology Transfer Act



(FITTA) 2019 and Industrial Enterprise Act 2020. The delegation, led by NICCI President Shreejana Rana, stressed the critical need to reevaluate the existing provisions in order to support the growth of the local industrial sector and stimulate foreign investment in the region.

The meeting, which took place on October 19, highlighted the importance of contract manufacturing as a key driver for technological advancement and job creation in Nepal. The delegation emphasised the significance of the previously granted permissions for contract manufacturing, including main products, which had not only attracted notable multinational companies (MNCs) to the region but also contributed to the advancement of the local workforce and technological capabilities.

Rana voiced the concerns of the business community, and stated that the current provisions in the Industrial Enterprise Act 2020 and FITTA 2019 have posed significant challenges to the continuation of contract manufacturing practices, adversely impacting the industrial landscape and limiting growth opportunities for both local businesses and potential foreign investors.

In response to the delegation and its concerns, Minister Rijal expressed a positive outlook, affirming the ministry and its commitment to collaborating with NICCI and the private sector in Nepal, including apex chambers, to find mutually beneficial solutions. He emphasised the need for a conducive environment that promotes investment and fosters economic development in the increasingly competitive global market.

The NICCI delegation included Vice President Sunil KC; Executive Member and Managing Director of Surya Nepal Ravi Kumar Rayavaram; Special Invitee to the Executive Committee and Co-Chair of Indian

Business Forum at NICCI and Management Consultant at Berger Jenson and Nicholson Nepal Saibal Ghosh; Director General Keshab Man Singh and Deputy Director Marshal Rathour. The delegation also comprised prominent industry representatives Samir Shrestha, CFO and Company Secretary; GB Khanal, Expert at Asian Paints Nepal; Abhaya Gorkhalee, Head of Marketing of Dabur Nepal and Govind Shahi, Company Senior Manager of Unilever Nepal.

Yak Brewing Company launches new Barahsinghe Belgian Style Witbier



Yak Brewing Company has announced the launch of its new craft beer, 'Barahsinghe Belgian Style Witbier'. This Belgian-style wheat beer is made from German malted wheat, malted barley, hops, yeast, coriander and orange peel. It is a light and refreshing beer with fruity and spicy notes and low hop bitterness. The Barahsinghe Belgian Style Witbier features a pale and cloudy appearance due to the presence of unfiltered yeast in the beer.

Spiced with coriander seeds and orange peel, the fruity and spicy notes enhance both the flavour and aroma, making it the ideal beer to enjoy on any occasion. The beer was exclusively available in selected stores in Kathmandu Valley from October 18.

Commenting on the latest craft beer launch, Abhishek Shrestha, Managing Director of Yak Brewing Co, shares,

"Belgian Witbier is a beer style with a history that dates back hundreds of years, and is currently experiencing a resurgence in the global market. We are proud to offer this flavourful beer style to beer enthusiasts in Nepal. At Yak Brewing Co, we are committed to delivering new flavours to our consumers while staying true to our commitment to innovation."

The Barahsinghe Belgian Style Witbier is the latest in a diverse lineup of craft beers from Yak Brewing Co bringing the total number of craft beer varieties to six. The Barahsinghe Belgian Style Witbier is available in 330 ml bottle and on draft in selected stores around Kathmandu Valley.

The Terraces Resort and Spa receives South Asian Travel Award 2023



The Terraces Resort and Spa received the prestigious South Asian Travel Award (SATA) 2023 in the 'Leading Wellness and Spa' category, marking a significant milestone in the realm of South Asian hospitality. The Terraces' achievement in the 'Wellness and Spa' category underscores its unwavering commitment to providing world-class wellness and spa experiences in the competitive South Asian market.

The grand SATA 2023 Awards Ceremony, a glittering event attended by luminaries from the travel and tourism industry, was held at the Grand Sheraton Hotel in Bangalore. The prestigious honour was received by Amrit Dhakal, Sales and Marketing Manager of Terraces Resort.

As a winner of the South Asian Travel Award 2023, The Terraces Resort and Spa sets

its position as a distinguished destination for wellness and spa enthusiasts while adding another feather in the realm of luxury hospitality in Nepal.

SATA is an annual event that recognises and celebrates excellence in the travel and tourism industry across South Asia. This year, the evaluation sessions were conducted in the Maldives, Sri Lanka, India, Nepal and Bangladesh, with a panel of international jury members.

The Terraces Resort is perched on top of a 100-acre private forest overlooking Kathmandu valley with 180-degree view of the Himalayan Mountain range. The resort has 46 stylish guest rooms set in a lush landscape surrounded by pristine pine forests, varieties of fruit trees, herbs and exotic birds while offering a wide range of holistic rejuvenation spa therapies.

Kathmandu Marriott Hotel has highest foreign currency earnings in hotel and resort segment



Kathmandu Marriott Hotel, officially known as Everest Hospitality and Hotel Ltd, has achieved remarkable achievement during fiscal year 2079-80, where it recorded the highest foreign currency earnings within Nepal's hotel and resort segment. This milestone underscores the hotel's exceptional contribution to both the local economy and the promotion of Nepal's tourism industry on a global scale.

Under the leadership of Vishal Mehra, Cluster General Manager, the hotel's unwavering commitment to delivering excellent hospitality experiences has attracted international visitors, resulting in substantial foreign currency

earnings. These earnings not only benefit the hotel but also significantly contribute to positioning Nepal as a premier tourist destination.

The recognition of this achievement took place during a prestigious event held on September 27 at Patan Durbar Square coinciding with the 44th World Tourism Day celebrations. The event was graced by Minister for Culture, Tourism and Civil Aviation, Sudan Kirati, along with other notable dignitaries.

Financial closure of consortium agreement for Kajaria Ramesh Tiles achieved



Kajaria Ramesh Tiles Ltd, Nepal's largest tile manufacturing 50:50 joint venture between Kajaria Ceramics Limited and Ramesh Corp, has announced the successful financial closure of the Consortium Agreement. They have successfully secured substantial funding of Rs 300 crores for their ambitious project valued at approximately Rs 400 crores.

The consortium agreement was led by Everest Bank in collaboration with three other prominent financial institutions, including Nabil Bank, Nepal SBI Bank and Prabhu Bank. The agreement was signed by Rohit Gupta, Vice Chairman, Ramesh Corp and Sudesh Khaling, CEO Everest Bank.

With a visionary commitment to making Nepal self-reliant in the production of vitrified tiles and ceramics, Kajaria Ramesh Tiles has embarked on a greenfield project for tile manufacturing in Nepal. This ambitious venture is conducted as an equal joint venture with Kajaria Ceramics, India's foremost and seventh largest tile manufacturer in the world. The project is dedicated to producing high-quality Kajaria Tiles within Nepal's borders.

The state-of-the-art manufacturing plant, situated in Nawalparasi district, will emerge as Nepal's largest tile production facility with an impressive eight million-square-metre production capacity. The facilities will incorporate cutting-edge modern technology, aligning with international standards, to ensure that the products are of unparalleled quality.

Kajaria Ramesh Tiles Ltd has emphasised its commitment to utilising locally available raw materials from Nepal, thereby supporting the local economy and fostering sustainable production practices. The factory is expected to be fully operational by March 2024.

WWF Nepal: Celebrating youth in national conservation



WWF Nepal celebrated Youth in National Conservation in Kathmandu on September 23. The event was organised by WWF in honour of 24 conservationists who lost their lives 17 years ago in Kanchenjunga on this very date. Various youths from different conservation and environmental organisations attended the event as the main purpose of the event was to celebrate youth in conservation.

The event commenced with a panel discussion on conservation. All panellists were youths involved in different conservation and environmental campaigns through Memorial Scholarships, SHIFT for our Planet, Environmental Leaders Programme, Behaviour Change Communication Champion, Community Based Anti-Poaching Unit, and more programmes associated with WWF. The thought-provoking discussions brought to attention

the challenges and possible solutions to the problems that these youths were facing in their conservation process.

WWF Nepal also presented momentos as a symbol of gratitude from the youths to various agencies and organisations who have contributed to and supported the youths in conservation. The recognitions were presented to the Department of Forests and Soil Conservation; Department of National Parks and Wildlife Conservation; Nepali Army; National Foundation for Development of Indigenous Nationalities; Central Investigation Bureau, Buffer Zone Management Forum and Ukesh Bhuj, Founder of WWF, who supported eco clubs.

Addressing the closing ceremony of the celebration Ghana Shyam Gurung, Country Representative of WWF Nepal, stated, "It was inspiring to see all these youths so proactively involved in conservation and I would like to give best wishes so that more youths can join hands in the future towards the conservation process."

Yeti Distillery partners with Paubha artist Chitrakar for Old Durbar Whisky



Yeti Distillery has announced a creative collaboration with renowned Paubha artist, Lok Chitrakar. This creative partnership features the artwork, 'Barahmase Flowers', referring to flowers which bloom over

the course of 12 months, in Nepali, created by Lok Chitrakar for the recently launched Old Durbar 12 Years Old Blended Scotch Whisky.

Inspired by Kamala Shrestha's poem 'Kati Ko Dukha Dinchau Krishna', the artwork features 20 flowers mentioned in Shrestha's piece. The flowers include Laligurans, Godawari, Gulaf, Champa, Chameli to name a few, and are printed around the Old Durbar 12 Years Old Blended Scotch Whisky bottle.

Globally recognised as a master of the traditional Paubha art form, Chitrakar completed his first painting at the age of 12. His work is heavily influenced by classical texts, traditions and historical architecture. He also preserves the ancient practice of using paint from natural pigments ground from different stones and plant matter. He has exhibited around the world and was awarded the Rastriya Pratibha Puraskar in 2013 by the Ministry of Culture, Tourism and Civil Aviation, Nepal.

This collaboration also presents an opportunity to work closely with Chitrakar to support his lifelong work in revitalising Newa folk art practices to make them more accessible to future generations. Proceeds from this collaboration will support a year-long programme that creates, shares and revitalises the practices and knowledge present within Newa folk art.

The programme will allow anyone interested in traditional Newa folk art to join a community of artists seeking to learn, create and share from within the Newa art traditions. The collaboration will support research, host workshops and conclude with an exhibition that helps disseminate the knowledge generated through the programme. A final publication produced as part of this programme will give continuity to these revitalisation efforts.

The Old Durbar x Lok Chitrakar is a limited-edition release of just 8,000 bottles.



The limited-edition bottles will be available around Kathmandu valley at Rs 4,999. Old Durbar x Lok Chitrakar is the second such creative collaboration by Yeti Distillery with renowned Nepali artists. In 2022, the company partnered with Tsherin Sherpa for the launch of 8848 Rye Vodka x Tsherin Sherpa Limited Edition bottles.

In addition to the limited-edition collaboration bottles, the standard version of the Old Durbar 12 Years Old Blended Scotch Whisky is also available at Rs 4,575.

Manang Valley Wine launched from the highest-ever altitude



Manang Beverages has launched Manang Valley Wine, a true testament to the beauty of nature and the dedication of local farmers of Manang valley. Crafted from the finest apples grown in the pristine Manang valley, Manang Valley Wine is a celebration of the land and the people who nurture it. To celebrate this remarkable feat, journalists along with actress Swastima Khadka were invited all the way to the stunning Sabje Lake situated at 3,500 meters in Manang, marking the highest-ever altitude for a product launch. This is the product that has been released at the highest level so far in Nepal.

Speaking at the launch, Aashraya Ranjitkar, Director of Manang Valley Wine, said, "We are thrilled to introduce the Manang Valley Wine, which encapsulates the pure essence of the Himalayas. Utilising state-of-the-art technology, we have artfully transformed locally grown apples into a truly exquisite wine. We firmly believe that Nepali consumers, accustomed to foreign wines, will fall in love with the enchantment of Manang valley with every sip."

What makes Manang Valley Wine truly exciting is not just its exquisite taste but the incredible journey it represents. Every bottle is a labour of love, a fusion of tradition and innovation, and a tribute to the rich heritage of our region. Manang Valley Wine not only represents the pinnacle of Nepali wine-making expertise but also demonstrates that it is possible to craft world-class products from local resources. This launch is poised to play a pivotal role in Manang's economic growth, offering a unique identity beyond its status as a renowned tourist destination. The company has emphasised its distinctive taste, resulting from the perfect fusion of nature and culture, setting it apart as an unrivalled gem in the world of fine beverages.

Offering a diverse range of delightful flavours to suit every palate, Manang Valley Wine is available in sweet and semi-sweet varieties in white.

Citroen opens new showrooms in Pokhara and Chitwan



Shangrila Motors, the authorised distributor of Citroen vehicles in Nepal, has appointed its new dealership in Pokhara and Chitwan. SSL Motors Company, the newly opened Pokhara showroom is located in Naya Bazar and Ozone Motors in Chitwan is located in Bharatpur-10, Rijal Chowk. These new showrooms will showcase the Citroen eC3 and Citroen C3 vehicles.

Dilliraj Rijal, Head of Transport Management, Sawari Gandaki, and Kiran Shrestha, Assistant General Manager of Shangrila Motors, inaugurated the Pokhara showroom.

Similarly, Chun Narayan Shrestha, President of Chamber of Commerce and Industries Chitwan (CCIC); Suman Kumar Shrestha, Senior Vice-President of CCIC; Narayan Adhikari, President of Federation of Nepali Journalists; and Kiran Shrestha, Assistant General Manager of Shangrila Motors, inaugurated the Chitwan showroom.

Citroën, the French automotive pioneer founded by André Gustave Citroën in 1919, defines innovation and boldness. Known for their commitment to accessible innovation, starting with the Type A 10 HP in 1919, by 1927, they were the world's fourth-largest vehicle manufacturer, producing over 50,000 vehicles annually. With over a century of heritage and 300 iconic models, Citroën remains a symbol of innovation and connection, firmly rooted in both French culture and automotive history.

The Citroen eC3 features a 29.2kWh battery, delivering impressive performance with 42.5 KW motor power and torque of 143 Nm. Its unique electric powertrain ensures smooth acceleration and an exhilarating driving experience. Its design, marked by futuristic aesthetics, showcases Citroen's commitment to innovation and aesthetics, enhancing both style and efficiency through aerodynamics. The Citroen eC3's emission-free operation contributes to a cleaner environment, allowing customers to embrace eco-friendly mobility without compromising performance. The Live variant is priced at Rs 32.99 lakhs and Feel variant is priced at Rs 34.99 lakhs, respectively, which makes it the most affordable EV made in India under the SUV segment.

The company has given a battery pack warranty of seven years or 140,000 km, while the electric motor comes with a warranty of five years or 1 lakh km. The ICE model combines cutting-edge technology and powerful performance and is priced at Rs 36.49 Lakhs. It is available in the Feel with Vibe variant.

Shangrila Motors also launched a promotional scheme on the occasion of Dashain and Tihar. Under this scheme, customers could enjoy a range of exceptional benefits, including attractive cash discounts for ICE vehicles, free road tax, and complimentary comprehensive insurance for a full year.

MAW Enterprises introduces Yamaha FZ FI V3 Standard Version



MAW Enterprises, the exclusive distributor of Yamaha motorcycles and scooters in Nepal, has introduced Yamaha FZ FI V3 in the Nepali market. The price is set at Rs 379,900.

The FZ FI V3 integrates into the Yamaha platform while boldly showcasing three key features – the Tried, Tested, and Trusted FI Engine – coupled with the latest Double Disc and advanced BSVI engine technology. The FZ FI V3 Standard not only redefines the standards of performance but also makes affordability a top priority, all without compromising on top-notch features. This exclusive motorcycle offers striking new colour options – Black and Blue.

This two-wheeler boasts a strikingly sporty design, drawing inspiration from Yamaha's illustrious racing heritage. It is powered by a robust 149cc air-cooled 4-stroke single-cylinder Blue Core engine that has undergone meticulous refinement, resulting in exceptional mid-range power and remarkably smooth acceleration. This fuel-injected engine is not only powerful but also impressively efficient, delivering an average mileage of 45-50 kmpl.

Equipped with a wealth of rider-centric technologies, including an Informative Digital

Meter featuring a tachometer, odometer, single trip meter, fuel indicator, speedometer and eco lamp, this motorcycle ensures an informed and engaging riding experience. Its suspension duties are expertly managed by a 41mm Telescopic Suspension in the front and a 7-Step Adjustable Monocross Suspension setup in the rear, guaranteeing a comfortable and controlled ride. Safety is paramount, with the FZ FI V3 Standard featuring a Dual Disc braking system that offers outstanding braking capabilities, enhancing rider control and safety across diverse riding scenarios.

SPG Automobiles reveal Omoda 5 BEV



SPG Automobiles, a subsidiary of Sharda Group, on October 9, held a virtual event to reveal Omoda 5 BEV, a class-leading electric vehicle (EV), that will be launched in Nepal soon. Representatives from Sharda Group, Omoda team from China and various media persons participated in the virtual interaction programme.

During the interaction, the Chinese team shared, "Omoda 5 BEV targets the young emerging people who love to travel and embark on adventure. We have a plan to offer a whole new generation of mobility that redefines the EV segment with class-leading design, safety, technology and driving dynamics. Omoda is a key that can access a parallel universe through which you can meet yourself in another space and explore infinite possibilities," the Chinese team remarked.

The name 'Omoda' holds meaning where 'O' symbolises positivity, vitality and oxygen. 'MODA' on the other hand symbolises modernity which brings fashionable, good appearance and a strong sense of technology. Similarly, they have a vision of a bright and safe future for Nepal. Omoda 5 BEV is specially designed for Nepal, considering Nepal's geography and infrastructure, according to the Chinese team.

Reshaping the future technology, Omoda 5 BEV is equipped with a small lightweight battery that has a range to run 450 km. The team from SPG Automobiles said, "EV has witnessed rapid growth and demand in the Nepali market. Therefore, we aim to deliver sustainable future cutting-edge technology, modernistic design and effortless driving experience to our customers at an affordable and competitive price."

Cathay Cargo organises 'Wings of Excellence' – Nepal Celebrations



Cathay Cargo, a global leader in the cargo industry, hosted the 'Wings of Excellence' – Nepal Celebrations in October. The event celebrated the company's skilled employees who through their expertise deliver on Cathay Cargo's inspiring tagline, 'We Know How'; and also acknowledged the invaluable trust and unwavering support from Cathay Cargo's key shippers, freight forwarders and ground handlers (GHA's), from Nepal.

This marked the first Wings of Excellence event since the onset of the pandemic. Cathay Regional Head of Cargo, South Asia Middle East and Africa, Rajesh Menon, was in attendance to extend his appreciation to Cathay Cargo's essential stakeholders.

Additionally, the event witnessed the launch of Cathay

Cargo's new brand campaign 'We Know How' which focuses on innovation, people, solutions and service – as well as the 'magic' – that are central to Cathay Cargo.

Speaking at the event Menon said, "It's truly an honour to connect with our partners from Nepal whose enthusiasm and trust have greatly enriched our working relationship, and I am excited about the possibilities that lie ahead as we continue to collaborate. Our collective adaptability, collaboration, and openness to innovation have propelled us to become the preferred cargo solutions partner for shipping Nepal's world-class handicrafts to the world."

NMB Buddha Visa Debit Card launched



NMB Bank and Buddha Air launched the 'NMB Buddha VISA Debit Card', a financial innovation set to transform the travel experiences of valued customers, on September 21. At a press meet organized to announce the collaboration, NMB Bank CEO, Sunil KC, and Buddha Air Chairperson, Birendra Bahadur Basnet, jointly launched the NMB Buddha VISA Debit Card, the co-branded debit card, by watering a plant as a commitment to sustainability.

NMB Bank CEO KC talked about the features of the card. Holders of the co-branded debit card will get an exclusive 10% discount on airfare while making purchases at Buddha Air counters located within Kathmandu Valley, including the airport counter, Sinamangal counter, and Jawalakhel counter. In addition, co-branded debit cardholders will also benefit from an extra 5 kg of baggage allowance over the standard weight limit when

flying with Buddha Air at all domestic airport terminals. Another feature of the co-branded card is the opportunity for customers to receive refunds of up to 100% on ticket cancellations. The card offers the convenience of free cash withdrawals at any ATM across Nepal, providing easy access to funds wherever the cardholder travels.

Buddha Air Chairperson Basnet briefed about the airlines' relationship with NMB Bank. He said, "We started cooperation with NMB 26 years back when we were about to start Buddha Air. In fact, NMB is the first bank with which we started a collaboration." "We will be fully participating with any new services the bank introduces regarding this card," he added. He said Buddha Air will also collaborate with WeChat so that Chinese tourists can pay directly from China for Buddha Air flights. He added that this collaboration will help boost tourism because it is currently challenging for Chinese tourists to make payments.

The co-branded cards were also handed over to three customers of NMB Bank on the occasion.

Kathmandu Marriott conducts 'Thangka Consecration Ceremony'



Kathmandu Marriott Hotel conducted 'Thangka Consecration Ceremony' illuminating the heart of Nepal and marking the day with a deep sense of spirituality and profound cultural reverence on October 12.

As the heart of Nepal beats with a deep and resonant rhythm that pulses through traditions, art and spirituality which define this captivating nation, this event held at



the vibrant Naxal Square of Kathmandu Marriott celebrated the profound cultural heritage of Nepal, with a special emphasis on the spiritual treasures of Buddhism.

Thangkas, hand-painted scrolls rich in spiritual significance, play a vital role in Tibetan Buddhism. Lamas turned these artworks into sacred artefacts through spiritual mantras at the ceremony.

The event served as a testament to Kathmandu Marriott Hotel's unwavering commitment to honour and promote Nepal's rich cultural heritage. In a world where diversity often enriches life's tapestry, Nepal stands as a living embodiment of embracing and nurturing diverse traditions. The Thangka Consecration Ceremony underscored the nation's strength in celebrating its heritage.

The ceremony witnessed an overwhelming response from attendees, affirming the event's success. It was a vibrant display of unity, cultural respect, and spiritual reverence. The ceremony celebrated the heritage of Tibet as well as the cultural depth that flows through the heart of Nepal.

Kathmandu Marriott Hotel firmly believes in the power of cultural promotion and preservation. It sees this as a collective responsibility to protect the identity and richness of Nepal's cultural tapestry. The event's resounding success served as a testament to the community's shared commitment to this cause.

Turkish Airlines carries 7.9 million passengers in September



Turkish Airlines has announced the passenger and cargo traffic results for

September with an increase in passenger capacity by 8.9% compared to that of 2022, and total load factor of 84.9% while carrying 7.9 million passengers.

According to September 2023 Traffic Results, the number of carried passengers increased by 9.2% compared to the same period of 2022 and reached 7.9 million. International load factor was 84.6% while domestic load factor was 87.3%. The number of international-to-international passengers carried increased by 14.6% from 2.3 million in 2022 to 2.7 million in this period.

Similarly, available seat kilometres (ASK), increased by 8.9% to 21.1 billion during the period of September 2023 from 19.3 billion for the same period of 2022. The cargo/mail carried during September increased by 3.4% to 150.3 thousand tonnes from 145.4 thousand tonnes in the same period of 2022.

According to the January-September 2023 Traffic Results, the total number of passengers increased by 18.6% to 63.9 million compared to the same period of 2022. The number of international to international passengers carried increased by 31.2% to 22.4 million from 17.1 million in the same period of the previous year. Likewise, total load factor increased by 3.4 points to 83.1% compared to the same period of 2022. International load factor was 82.9% while domestic load factor was 84.9%.

Similarly, available seat kilometres (ASK) increased by 16.6% to 176 billion from 150.9 billion for the same period of 2022. Cargo/mail carried during this period decreased by 5.7% to 1,187 thousand tonnes from 1,259 thousand tonnes in the same period of 2022. By the end of September 2023, the number of aircraft in the fleet was 429.

Paramount Motors expands MG footprint with second showroom in Bhaktapur

Paramount Motors, the authorised importer and

distributor of MG vehicles in Nepal, has announced the opening of its second MG showroom in Bhaktapur, marking a significant stride in the brand presence in the country. This expansion solidifies their commitment to enhancing the MG ownership experience.

The new showroom is strategically located at Gathhaghar, Bhaktapur to serve esteemed customers, adding to the network of 13 outlets spread across Nepal. It is a testament to the dedication of Paramount Motors to providing accessible and exceptional service to MG enthusiasts nationwide.



Speaking about the inauguration of the new showroom Sachin Aryal, General Manager at Paramount Motors, said, "The opening of our second MG showroom reflects our commitment to offering unparalleled service and a remarkable MG ownership experience. We are excited to provide a space where customers can explore the latest MG models and receive expert guidance in making an informed decision."

As it expands its reach with this new showroom, Paramount Motors remains steadfast in its mission to offer top-notch after-sales service and support. This establishment represents another step towards making MG the preferred choice for automotive enthusiasts in Nepal. At present, 19 MG AC and DC charging stations are available across Nepal. However, by the end of 2023, Paramount Motors aims to increase the number of charging stations to 50. For the smooth travel of its customers, Paramount Motors has established DC charging stations in major cities like Mulkot, Chitwan, Kurintar,

Butwal and Dhalkebar. In these places, one can charge their MG vehicle up to 80% within half an hour. MG's new service centres at Kusunti, Itahari, Birtamod, Bardibas, Birgunj, Pokhara, Hetauda, Naubise, Nepalgunj, Dhangadhi, Gaighat, and Dangko Lamhi will also open DC charging stations soon. Similarly, there are AC charging stations in Kathmandu, Birtamod, Biratnagar, Chitwan, Bardibas, Sindhuli, Pokhara, Kurintar, Mulkot, Butwal, Birgunj, Itahari, Janakpur and Dhalkebar.

Segway opens exclusive showrooms in Butwal and Chitwan

iHub, the leading technology and mobility company and an authorised distributor of Segway-Ninebot in Nepal, has opened Segway new showrooms in Butwal and Chitwan. These showrooms are operated in collaboration with its partners, Lok Sushila Motor, Kalika Chowk, Butwal, and United Auto Concern, Hakimchowk, Bharatpur.

This expansion reflects Segway's commitment to providing exceptional products and services to its valued customers in the region. The Butwal and Chitwan showrooms will showcase the entire range of Segway products, including the highly popular N100, E100, E110L and E125 models. This extensive selection ensures that customers have a diverse array of top-quality personal mobility options to choose from.

To commemorate the grand opening, Segway is offering exciting opening offers to customers who visit the Butwal and Chitwan showrooms. This is an exclusive opportunity to own cutting-edge Segway products at special prices, making it the perfect time to upgrade personal mobility. Not only will customers have access to Segway's innovative products, but they can also take advantage of a comprehensive range of services, including battery rental, battery swap and fast charging support.

TOP PICK

Dikila Lama, Director of Sherpa Adventure Outlet, is the authorised distributor of The North Face, Columbia and Timberland brands, and has over 20 years of experience in business. Lama is recognised as a pioneer of outdoor brand business in Nepal. She is also the executive member of the Federation of Women Entrepreneurs' Associations of Nepal and engaged in various social organisations.

In this edition of **Business 360**, she speaks to us about her pick of top brands and why brands matter.

Top 3 apps that you use the most and why

WhatsApp: Because the picture quality is good and, in our business, visuals are very important. Also, you can easily detect if the message has been delivered or not, and communication is easy.

Facebook & Instagram: Since we are in business, we always have to be updated on social media like Facebook and Instagram, whether it's for marketing or for sharing information.

Gmail: Easy communication.

Favourite Clothing Brand

Definitely, Columbia. It is a blend of technology, style and performance. And all these three features make it a brand for outdoor wear as well as for lifestyle.

Local businesses with the potential to grow big

Juju Wears: It has really amazing tee-shirts with interesting block prints which reflect Nepali culture. It is durable and has good finishing and quality at a decent pricing. Therefore, I see a lot of potential in it.

Pathao: I believe it is a good startup and innovative. Many people are already using it and it has grown big.

Vehicle choice

Currently, I am using an MG electric vehicle; it is very convenient and comfortable



Dikila Lama
Director, Sherpa Adventure Outlet

and at the same time it is sustainable. I also have a Toyota Prado for long tours.

Places to visit in Nepal on your bucket list

Chung valley: It's a very secluded place and you won't find many tourists like in other places in Nepal. It is an emerging tourist destination.

Lo Manthang and Upper Mustang: I love exotic places and am fond of mountains.

Your choice of perfume

Chanel 5

Most used electronic gadget and why

Undoubtedly, my mobile phone. It is convenient to use. You can check your pictures, bank balance, mails and everything.

An entrepreneur you look up

My mother, Yankila Sherpa, is an entrepreneur and she is my biggest role model. Along with her there are various other

inspiring women entrepreneurs like Ambica Shrestha, President of Dwarika's Hotels and Resorts, who is so active given her age now. She is committed to her business but at the same time she is also committed towards society and social organisations. They not only uplift themselves; they uplift the society as well. Everyone does business and earns but only a few are dedicated to the society. They are empowering so many other women entrepreneurs. That's why I look up to them.

Best work advice you have received

I believe that firstly you have to be committed to your work. You have to set your goals and prioritise them. And this advice has helped me maintain a healthy work-life balance.

Favourite shopping destination

America. I keep travelling to America for my sales meetings, so I shop there a lot and things

are cheaper too.

Your go-to eating spot

Dekkaido for its famous Hakka noodles.

Favourite company globally

It has to be Uber. It has really flourished through these years. It is very convenient for people and always in demand. The vehicle comes right at your doorstep, making life easier and simpler.

Things to remember before choosing a brand

First and foremost, your budget is important. If you have the money to buy any branded product, then you must go for it. The second thing is its popularity. If you are wearing a brand, then people must know that you are wearing a brand. But along with its popularity, its functionality and performance are also important. Since we are involved in technicalities, I prefer to look for a brand's performance, technology, features and practicality because you have to ensure that what you are buying will be useful and convenient for you.

Is expensive necessarily better

Not really. If it's expensive but the quality and the performance of the product is poor, then it's not worth it. A product is better if its performance, functionality and features align.

Future plans

The plan is definitely to expand. We are planning to open a Columbia store in Namche Bazaar. This store will be an outdoor apparel store at the highest altitude in the world. I believe that this will create a lot of hype in the market. There will be a lot of media attention as well and I am really excited about this. In the long run, we are planning to get into wholesale business as well and opening as many franchises as possible across Nepal. We have also received the distributorship for Bhutan. This is in progress and I believe that we will flourish internationally as well. **B**

Speed ₹ Service

Guaranteed

नत्र

पैसा फिर्ता



*T&C Applied

Available on

200
Mbps

250
Mbps

300
Mbps



9801523050

For More Information visit:
worldlink.com.np

Payment
Partner



HI 5

“I consider diligence in my work to be non-negotiable. It’s this belief in the interplay between economic empowerment, legal work, and the greater social good that drives me to strive for excellence in my career, ensuring that I play my part in contributing to a society where everyone has the opportunity to lead a life of purpose and dignity.”



Nida Doon Malla
Consultant, NDM Corporate Solutions

Nida Doon Malla is a legal professional whose journey has been defined by a deep-rooted commitment to making a meaningful impact on people's lives. Raised in Chandigarh in India, Malla hails from a family with a rich tradition of public service and legal expertise. From an early age, her ambition was crystal clear; she aspired to be a lawyer. A significant source of inspiration in Malla's life is her father, a dedicated public servant whose unwavering commitment to service has not only shaped her values but also honed her critical thinking skills. Raised with a conscious emphasis on asking the right questions, she learned from her parents the importance of approaching challenges with a discerning mind.

In her pursuit of a legal career, she found an anchor and role model in her elder sister, also a lawyer, who constantly reminds her to navigate the male-dominated legal profession with unyielding integrity, consistency, perseverance and diligence. While the conventional wisdom for women in professional roles often suggests the need to distance oneself from emotion, Malla recognises the importance of balance. She emphasises the development of keen observation skills with emotional intelligence as a vital component. Her journey has been enriched by the people she has met along the way, reinforcing the idea that we are the sum total of those we encounter. This philosophy underscores the importance of surrounding oneself with individuals who foster growth, both professionally and personally.

She pursued her legal studies from the National Law University, Delhi, and has also read courses at renowned institutions such as Leiden University in the Netherlands and Harvard University in the United States. Over eight years of dedicated practice in the

prestigious Supreme Court of India, Malla's specialisation lies in legal risk management across various industry sectors. She is well-versed in alternative dispute resolution methods, including arbitration and mediation.

Her professional journey in Nepal began as a Consultant at Pioneer Law Associates and she has now gone independent with a dedicated team at NDM Corporate Solutions. Not content with her remarkable achievements in the legal field, Malla also actively has been engaging in policy reform as the Communications and Network Chair of the Confederation of Nepalese Industries Young Entrepreneurs Forum.

In this edition of **Business 360**, Malla talks about the five things that have impacted her life and work.

A Life of Purpose

A mentor once shared a perspective that has had a profound impact on both my work and my life. He conveyed the idea that the purpose of life is to have a life of purpose, and this notion has resonated strongly with me. However, I don't believe one should embark on a quest to discover a predetermined purpose; instead, life is a journey and we should keep our eyes open to what strikes us as meaningful. Throughout my life, I have come to realise that economic empowerment serves as the foundational cornerstone for a life of dignity. Economic empowerment, to me, means the ability to take ownership of one's social security and financial well-being. I firmly believe that this concept applies universally to all individuals, regardless of their gender or background.

When I reflect on my work, I do so from the perspective of how it contributes to the broader economy and, in turn, how that economy provides for the people it should serve. I

often find it helpful to simplify this perspective, especially during challenging days. Like doctors are responsible for their patient's physical well-being; in my case, as a lawyer, I see my responsibility as contributing to people's social well-being. I have come to understand that an unexpected setback in someone's business endeavours can have a significant impact on their ability to provide for their family and fulfil the responsibilities they've taken upon themselves.

This could affect something as crucial as their capacity to provide their children with a meaningful education. Therefore, I consider diligence in my work to be non-negotiable. It's this belief in the interplay between economic empowerment, legal work, and the greater social good that drives me to strive for excellence in my career, ensuring that I play my part in contributing to a society where everyone has the opportunity to lead a life of purpose and dignity.

Integrity means accountability

Before I came to Nepal, I was practicing law at the Supreme Court of India. It was during my time there that I learned the true meaning of integrity, and I can't stress enough how significant it has been in shaping my work and life. The Supreme Court of India is one of the most competitive platforms for practicing law, and in such an environment, excelling becomes a necessity just to survive. While it might be utopian to claim that only individuals with integrity succeed, it's not untrue to say that those who combine success with integrity truly stand out. To me, having integrity goes beyond merely holding others accountable; it also involves the crucial task of holding oneself accountable.

When I speak of holding oneself accountable, I mean

adhering to the values one articulates and staying true to the goals one sets, all without compromising one for the other. This can often feel like a heavy burden to bear, and it's essential to find balance in this journey. Jim Morrison's words, 'No eternal reward will forgive us now, for wasting the dawn,' always resonate with me. I firmly believe that there won't be any ultimate redemption for squandering our opportunities and our potential. In the pursuit of integrity and success, it's also vital to be selective about whose criticism you heed.

I have learned that you should only be open to criticism from individuals from whom you would genuinely accept advice. Opening yourself up to be a punching bag for someone, be it in your professional or personal life, is a surefire way to hinder your own progress. Constructive criticism is invaluable, but not all criticism is constructive. My time at the Supreme Court of India has instilled in me a deep appreciation for integrity, a commitment to holding myself accountable to my values and goals, and the discernment to choose whose input I value. These lessons have had a profound impact on both my work and my life, and I carry them with me on my journey here in Nepal.

Knowledge is power

Having a purpose, a goal and integrity are essential, but in my view, they are not enough. Continuously seeking knowledge has been a cornerstone of both my work and my life. I might not consider myself a tech-savvy person, but I firmly believe in the importance of staying informed about the latest developments in artificial intelligence and technology. Even if I'm not a sports enthusiast, I recognise the value in understanding how someone like Lionel Messi navigates his career.

Knowledge is power, and it's vital to gather information from diverse sources because it's only through this that you can effectively analyse and learn.

Moreover, one should never stop desiring to learn from people, irrespective of their age or background. There's a unique wisdom that can be found in the most unexpected places, and the opportunity to be amazed can arise when you least expect it. The world is an ever-evolving place, and it consistently has more to offer than one can initially fathom. I've also found that reading non-fiction regularly has been an excellent way to broaden my horizons and stay informed. It's through this practice that I've been able to absorb insights and knowledge from various disciplines and perspectives.

The written word is also a gateway to the wisdom and experiences of others, and I've found immense value in turning to books as a source of continuous learning. So, in a nutshell, while having a sense of purpose, setting goals and maintaining integrity are crucial, the journey of personal and professional growth doesn't stop there. To truly make an impact in your work and life, you must remain curious, be open to learning from people of all walks of life, and never underestimate the value of knowledge. The world is a vast treasure trove of wisdom waiting to be explored, and I encourage everyone to read non-fiction and read often to unlock its hidden treasures.

Belief in institutions

I have always held a strong belief in the power of institutions. For me, institution building and being a part of something greater than oneself is not just a matter of professional or personal choice, but a deep-seated conviction. I find great significance in the idea that the impact we make should extend far beyond our individual lifetimes. We are,



from a logical standpoint, carbon-based lifeforms with cognitive abilities, and our existence is fleeting in the grand scheme of the universe. However, when we come together as a collective consciousness, we have the remarkable capacity to create institutions that transcend our organic forms and endure for generations to come.

The concept that our collective efforts can lead to the creation of enduring institutions that serve a purpose greater than ourselves is profoundly beautiful to me. These institutions become a legacy, a testament to our ability to collaborate and contribute to the advancement of society and knowledge. In my work and life, I strive to be a part of such legacies, to contribute to institution

building and leave a positive mark on the world. I see it as a way to ensure that the work I do, and the institutions I help create, will continue to serve a greater purpose, even when I am no longer here.

This belief in the enduring power of institutions guides my actions and decisions, and it motivates me to work towards something that will outlast my own existence. It's a perspective that reminds me of the profound beauty that emerges when people come together with a shared purpose, transcending the limitations of individuality to create something that lives on and continues to make a difference in the world.

Progress and growth are ongoing processes

Life, in my experience, is

undeniably challenging, and I firmly believe it's designed to be that way. It's a fundamental truth that I have come to accept and embrace. In the face of life's challenges, one thing I've learned is that you can't afford to stop moving forward. Progress and growth are ongoing processes. Nothing of true value is built overnight. It's a gradual and often arduous journey that requires dedication, perseverance, and a willingness to weather the storms that life throws our way. Another important aspect I've come to appreciate is the necessity of building on oneself continually.

Just as we invest in and maintain our physical possessions to ensure their longevity and functionality, we must invest in ourselves to sustain and improve our own well-being. The reality is that everything, including our own abilities, knowledge, and even our physical and mental health, depreciates over time. It's a natural process. To keep up with the challenges that life presents, we must not only strive to maintain our current state but also aim to enhance it. This means seeking opportunities for personal growth, acquiring new skills, gaining knowledge, and nurturing our physical and emotional health.

By doing so, we equip ourselves to not only sustain ourselves but to thrive in the face of life's difficulties. Life's challenges are a given, but our ability to adapt and grow is what sets us on a path towards success and fulfillment. The ongoing journey of self-improvement and resilience is what helps us navigate the ever-changing landscape of life. It's a reminder that in this dynamic world, nothing, not even ourselves, remains static, and we must continually build and rebuild to thrive and make a lasting impact in our work and life. **B**

EXCLUSIVE EXHIBITION FOR
ELECTRIC VEHICLE, CHARGING
INFRA & COMPONENTS



Electric transport is the best choice !

MEET AND NETWORK WITH THE TRADE INDUSTRY
AS WELL AS END USERS



08 09 10
DECEMBER 2023

**BHRIKUTI PRADARSHANI MANDAP
KATHMANDU - NEPAL**

FOR STALL BOOKINGS & SPONSORSHIP

+977 784 739 7973 | +91 81309 90660

VISIT OUR WEBSITE

www.evnepalexpo.com

EXERCISE BASICS: GETTING IT RIGHT



Sandesh Palungwa Limbu,
Certified professional fitness
instructor, founder of RAGE
Fitness, and specialises in mixed
martial arts.

As humans, we function by making decisions and acting on it through the information we have, but what if the information is incorrect? Here, let's talk about exercise and nutrition.

Practice of life style modification techniques is on the rise and exercise is a very important component of this change. But before you embark on this enriching journey, keep in mind that there is a difference between functioning on informed and focused decisions and functioning from half-baked knowledge. It not only affects the outcome of your optimum wellbeing, struggling through trends may actually do you more harm than good.

Below I have put together 10 common exercise beliefs I come across regularly and the truth behind each one:

#1: It is okay to cover a week's worth of workout during the weekend

Just working on weekends will not be the same as a whole week of work. Instead, training 3-4 times (alternate days) should be targeted. Just working on weekend creates a wide gap between workouts which hinders the effectiveness of the workout and may increase the possibility of discontinuation. The



recommended time distance between two workouts is not more than three days.

#2: Static yoga is equivalent to aerobic exercising

Static yoga movements (postures) come with its own benefits but doesn't meet the physiological stress (positive) brought about by aerobic type training. Aerobic focuses more on cardiovascular adaptation whereas static yoga caters more towards the flexibility and mobility areas of fitness.

#3: Using vibrating exercise machines, rhythmic movement machines while lying down or sauna belts are as good as going for regular exercise

Some of these machines may have minimal muscle stimulation but are very far from achieving the positive effects of exercise. They do not have any scientific validity or proven health benefits. Moreover it deprives you from the real experience of exercise and its benefits.

#4: My muscles will turn to fat if I stop exercising

It is impossible for muscles to turn into fat as it is a completely different type of body tissue. However skeletal muscle adaptation starts to decrease after stopping

exercise. Sedentary lifestyle combined with increased calorie intake will result in excess fat deposit. This might appear as muscles turning into fat. Regular aerobic and resistance exercises are needed to maintain function, tone and adequate girth of muscles.

#5: Exercise is one sure way to lose all the weight you desire

Exercise will lead to effective weight loss only if combined with well-balanced, low-calorie diet and adequate rest. Doing regular exercise alone has multiple benefits but long-term weight loss may not occur. Some people do experience short term weight loss.

#6: I am too old to start weight training

You are never too old to start a sensible weight training program. You should have an individualised training program considering your health status and objectives. Your individual goals, training programs and results will be different, but weight training can be beneficial at any age. Research has shown that individuals who are more than 70 years old gain strength and muscle mass after they begin weight training

#7: There are specific abdominal exercises to reduce abdominal fat

Abdominal exercises will firm up weak, sagging muscles and may result in a trimmer appearance but will not effectively reduce excess body fat stored in that area. To effectively lose abdominal fat you have to reduce total body fat through proper exercise and well-balanced diet.

#8: I should start to see results (muscle gain, weight reduction) as soon as I start my exercise program

The body will go through physiological adaptations (acute changes) immediately after beginning your exercise program. However it takes 6-8 weeks for visible (measurable, chronic adaptations) results to appear.

#9: I can start exercising today by doing a 60-minute physical activity

If you are above the age of 35 and have never exercised before or have been sedentary for more than a year you should see a doctor before starting any exercise program. The safe and effective method would be to escalate gradually depending on your health and fitness level.

#10: I have an erratic exercise schedule, but at least I exercise.

Regular physical activity is a key component for achieving and maintaining overall sound health. Keep the FITT principle in mind to make your exercise effective and meaningful. F = Frequency, I = Intensity, T = time and T = type. An ideal program would be a well rounded program consisting of cardiovascular, strength and flexibility depending on your health status and needs. Exercise 3-4 days a week, 60 minutes each session. Make sure to feel some level of exertion during your workout for progression. **B**

vianet

viaTV



vianet चाडमा चौका INTERNET सँग 8 चौकाउने DISCOUNT पक्का

INTRODUCING

125
Mbps Internet

@Rs.8,400/-*
per year

viaTV packages
also available*



ULTIMA
EARBUDS
Himstar
APPLIANCES

Subscribe &
Get UPTO
**50%
OFF**

4

2

3

1

*T & C Applied

For new and renewing 3 months and 12 months subscribers.

For more information

01-5970644

sales@vianet.com.np
www.vianet.com.np

vianetnepal
vianetcommunications

vianetcommunications
viber.com/vianet

vianetofficial



REBOOT YOUR CAREER WITH THESE QUALITIES



Sadhguru. Ranked amongst the 50 Most Influential People in India, Sadhguru is a yogi, mystic, visionary and a New York Times bestselling author. Sadhguru has been conferred the Padma Vibhushan by the Government of India in 2017, the highest annual civilian award, accorded for exceptional and distinguished service.

Q: When someone is consciously looking to take a rebirth in their career or business or life in general, what are some of the practical pointers or thoughts one should look at?

Sadhguru: This happened in a Sunday school in Alabama. An enthusiastic teacher asked the children, "What do you have to do to go to heaven?" Someone said, "Every Sunday, if I clean the church steps, I can go to heaven." Someone else said, "If I help my friend in his examination, I will go to heaven." Each person said something. Then, one little boy was simply sitting nonchalantly on the last bench. So, the teacher asked, "Hey, Tommy. What do you think you have to do to go to heaven?" He said, "You got to die first."

There aren't many points. Don't go by readymade points because we don't know what the ground reality is. If you are talking about a business rebirth, to drop something that has failed is easy and inevitable. It will anyway happen. But to drop something that is successful and recreate something else out of that needs vision, courage and a certain level of madness in

you. It is a completely different level of looking at life. You must be able to see something that others don't see. Only then will you be able to do this. So, you should sharpen your ability to see. Leadership is a kind of perch. Once you get onto a perch, you are supposed to see better than other people. If you don't see any better, you will become an object of ridicule.

Are You Willing to Die?

What you need to look at is whether you are capable of dropping what you are right now – either as an individual or as an organisation. And whether you want to die entirely and recreate something or do you want to die partially and recreate it is a judgement one has to make on the spot, knowing the realities of the situation.

Think Before You Jump

Once we have chosen to be reborn – to dissolve something and create something fresh – many possibilities will be open. Many possibilities always mean trouble. To be able to identify which one of these possibilities you should go with is a certain exercise. The problem is people jump into something and then exercise their mind. Before you jump into something, it needs to be looked at with enough attention because once you jump into something, there should be no looking back. If you are constantly looking at the rearview mirror, you are not going to go forward.

Don't Worry About Doing the Best Thing

And you must understand, the path you jump into is not the best thing. You can never do the best thing in the world. Whatever you jump into, if you really put your life into it, it can become a great thing. Don't ever try to do the best thing because if you try to do the best thing,

you will waste your life trying to be better than someone else. That's not a good way to go because for all you know the person you compare yourself with may be lame, and you think you are a champion because you run a little faster than him. Whether you are better or worse than someone should not even be a thought in your mind. The only thing to look at is that full utilisation of who you are should happen. Whatever you have, are you able to harness it fully? This is what yoga means. Your physicality, psychological realities and the inner energies – are you able to harness these the way you want?

Read the User's Manual

The problem with most people is their own thoughts and emotions are a huge issue. When you yourself are an issue, how will you deal with other issues? Your psychological drama is taking such a big toll. People are capable of suffering what happened 10 years ago. They are capable of suffering what is going to happen day after tomorrow, already. They think they are suffering their past and future, but they are only suffering two faculties that are exclusive to human beings on this planet – memory and imagination.

Most people do not know how to handle their memory and imagination. Does what happened yesterday or 10 years ago exist right now? No. Does what may happen day after tomorrow exist right now? No. So, in other words, you are suffering that which does not exist. That's called insanity. People say, "This is human nature." This is not human nature. This is the nature of people who have not taken charge of human nature.

The human mechanism is the most complex piece of machinery on the planet. This

is a 'super-supercomputer'. But have you read the user's manual? Right now, you are somehow using it. If you do things 'somehow', life will happen accidentally.

Look at Everything Fresh

You said 'rebirth'. If you are born fresh, that means you have no conclusions about anything. You are willing to look at everything like you are just born. If you do this, you will walk through life untouched. Even a little child starts thinking he knows within a few days. Once you think you know, you start fumbling and bumbling. If, every moment of your life, you look at everything like you were just born, you will see everything crystal clear. When you see things clear, you walk through situations comfortably.

Leadership essentially means that every thought or emotion you generate, every action you perform, impacts millions of people. When you have such a privilege, it is important that you keep yourself in really good shape – not just physically but in every other way. If you are in business or are handling the lives, wellbeing and future of many people, it is very important that you work upon yourself. If you understand that the work you are doing is important, who you are needs to be worked at continuously – not just increasing your knowledge or studying at a university, but enhancing this piece of life that you refer to as 'myself' to the highest possible level.

Leadership essentially means that every thought or emotion you generate, every action you perform, impacts millions of people. When you have such a privilege, it is important that you keep yourself in really good shape – not just physically but in every other way. **B**



**GET
MORE!**
OUT OF YOUR BUSINESS



Data | Hub



YETI CLOUD

PaaS by Data | Hub



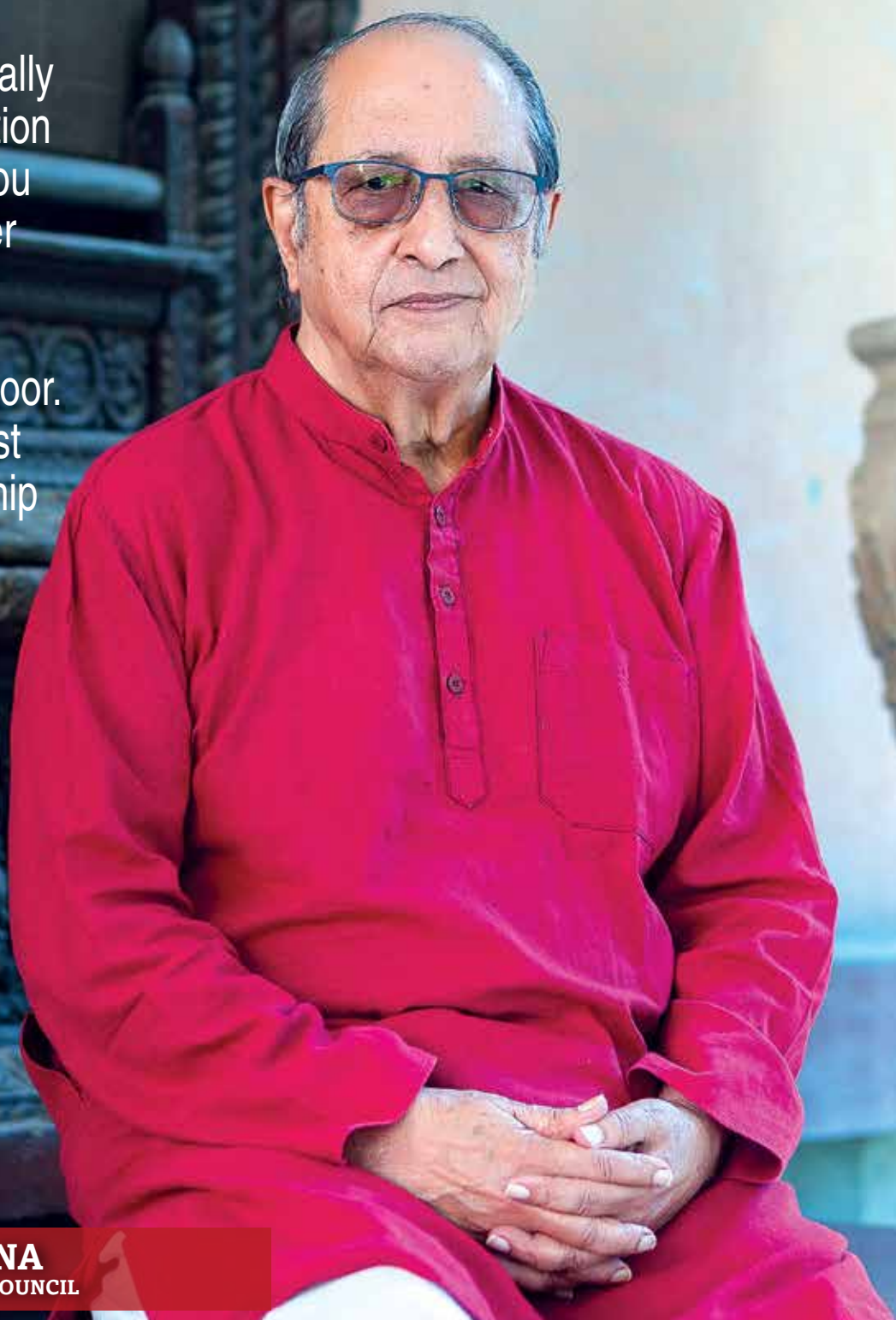
नेपालको आफ्नो

Cloud Service Provider

info@datahub.com.np +977 15970216

“

You might be working fantastically but if your institution collapses after you have handed over the rein or die, it shows that your leadership was poor. Every leader must create a leadership that works even after them”



SAGAR SJB RANA
PRESIDENT, NEPAL ART COUNCIL

Sagar SJB Rana is the President of Nepal Art Council. He is recognised as a strong advocate of democratic values and principles, and is associated with the Nepali Congress. From the mid-1970's, he has been actively leading various committees while serving several political roles and responsibilities. When Nepal was under a monarchical system of governance, Rana fought alongside his comrades to bring democracy in the country. Rana also served as a member of the Central Working Committee and as Head of Department of International Affairs of Nepali Congress between the years 2003 and 2006.

Beside politics, Rana has also been active in sports. In 1992, he was appointed Vice Chairperson of the National Sports Council for two years. He also served as the country leader during the SAARC Games held in Sri Lanka in the same year. Further, Rana has served as the Secretary of the Lawn Tennis Association and has won the National Lawn Tennis Championship as well. He represented Nepal in several international games. Rana says, "For 15 to 20 years, I was the pivotal person for the growth of lawn tennis in Nepal."

Rana is the first Nepali to obtain Bachelor's and Master's degrees in Jurisprudence from the University of Oxford, England. He has also authored 'Singha Durbar: Rise and Fall of Rana Regime' and 'Kingdom Lost: Nepal's Tryst with Democracy', which hold the distinction of being the first two books on Nepali history written in English by a Nepali.

Beside politics, sports and academics, Rana is deeply engaged with art and culture. He was the Founder President of Federation of Handicraft Associations of Nepal in 1971. He also worked as the President of Nepal Heritage Society Nepal in 1984. Currently, he is the President of the Nepal Art Council.

In this edition of **Business 360**, we spoke to Rana about what leadership means to him. Excerpts:

How do you define leadership?

No individual can give a perfect definition for leadership. People in various life situations will have to showcase leadership qualities differently. But I must say, a good leader, whether it's in sports, culture or politics, is the one who is respected and valued by others.

Is leadership 'inborn' or 'acquired'?

I believe leadership is inborn. Let me share a story to explain why I feel it is inborn. After completing my middle school degrees, I went to England for higher studies. I reached England six months prior to when the college would open just to explore its culture and life. Being a person who likes learning about other cultures and lifestyles helped me to adapt to England in a short span of time. When college started, I joined the sports team. I have always been involved in sports since my childhood. Fortunately, the college that I went to provide a lot of opportunities to those who like sports. It had amazing infrastructure related to sports. I used to play a lot and one day, out of nowhere, my house teacher came and asked me to be the house captain. I had never expected that someone would come and ask me to lead the team. Studying in such a big college and being noticed by a teacher is huge. I could not deny the proposal and started serving as house captain. After being appointed house captain for some time, the same teacher again told me "We may ask you to be head of the house, are you prepared for it?"

What I want to emphasise here is, I never tried to come into the mainstream. The opportunity that came to me was not intended. What I believe is when you are good at something and do your work genuinely, you will certainly be noticed. My discipline, ethics

and interest in sports and culture were within me. I had an eagerness to learn and I did. My interest in knowing culture moulded my whole lifestyle which is again not intended. I was unknowingly heading towards being a person with high values and ethics. Till date, the teachings that England gave me are with me.

I, personally, never tried to become a leader but I believe, I was unconsciously learning some values that added to my leadership quality. Hence, I would say leadership is inborn.

How does one influence people?

To win over people, everything that you do, mostly your lifestyle and your work, should be selfless. Once you start having a selfless attitude, you will gain respect. Respect, in any leadership role, is very prominent. Again, to receive respect you must show it through your actions that you are worthy of it. No matter how much belief and trust you have for yourself, unless you work, you cannot teach others. Many believe that leaders do not work themselves and they make others work for them. I completely disagree with this statement because no one can create an impact by giving orders and making others work. Leaders set examples by working themselves and taking forward their team together. You will automatically have followers when people observe and appreciate your work, no matter which field you are involved in

One incident that tested your leadership ability and how you handled it?

I recall no particular incident that has tested my leadership ability. I believe, throughout my working career, I have faced some or the other kind of challenge that has tested my leadership ability.

Have you faced any failure and how did you overcome it?

Yes, I have faced it once. It was back when I was actively

involved in politics, and it was during the Maoist insurgency in Nepal. Throughout that period, I was working at the Department of International Affairs of Nepali Congress. It was a challenging time as there were incidents that threatened our life. The Kathmandu President of our party had been shot at the time; I was the President of Lalitpur district. A group of people set fire to the vehicle parked outside my house. It was scary and difficult. But we fought and successfully restored democracy. I was positive and hopeful for a good change in government but again the party split and the whole beauty of Nepali Congress disappeared. This created a vacuum inside of me. During that period, there were a lot of positive changes but we could have done more if the party had remained united. The splitting of Nepali Congress was a failure.

I believe everything happens for a reason and one should never get stuck with one incident. Leaders must possess the ability to move on. Every event or incident brings new opportunities. In my case, I wrote books which I believe have helped many generations to learn about Nepal, its hardships and achievements. The books that I have written are liked by many and the universities are also planning to include them in their curriculum. If I had continued with politics, this could not have happened. In the process of losing something, there is always space to gain some other thing.

When should a leader pass on the baton?

Unless you develop a capable person with good attitude and intention you cannot pass on the baton. You might be working fantastically but if your institution collapses after you have handed over the rein or die, it shows that your leadership was poor. Every leader must create a leadership that works even after them.

Keeping this in mind, one must learn not to work in the same position for a long time, you must give others the opportunity. When there is somebody who perfectly fits in, then you should immediately leave the position. Every position should get the chance for a new and modern way of working as per the time. I am 85 years old right now and I will immediately leave my position if there is another potential candidate to take over. And those who are taking over should themselves feel they are ready.

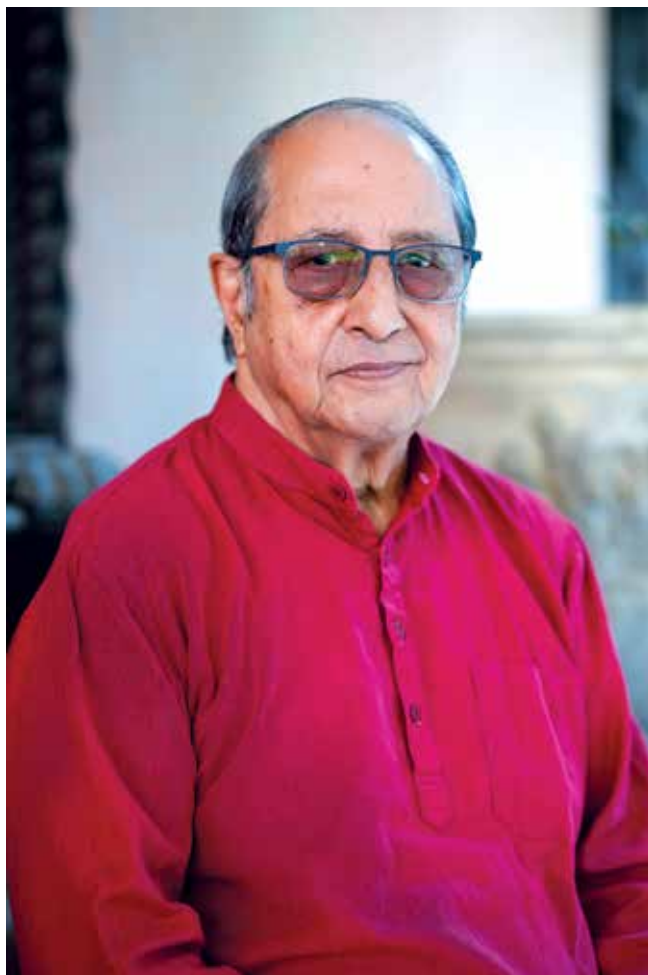
How can one effectively lead a team?

To effectively lead a team, one should have proper knowledge of the work they are involved in. They must know the type of work, the organisational goal and mission, and their own goal aligning to the organisation. To have proper knowledge and strategies to lead a position is vital.

Secondly, whatever ideas the leader has must be shared with the team efficiently and clearly. Not every member of the team will provide the same level of support all the time, but you will reach the goal when the team believes in you.

Is there any ideal leader you look up to and why?

It would undoubtedly be late BP Koirala but I also look up to late Ganesh Man Singh and late Krishna Prasad Bhattarai. We get such leaders once in a lifetime. A common aspect among these leaders due to which I became their follower was their humility. I vividly remember the death of BP Koirala. It was amazing to see how so many people gathered to pay tribute to him. Koirala was a very intelligent, versatile person with high leadership qualities. After the passing away of these leaders, there has been a vacuum in Nepali Congress.



How did you manage your diverse interests?

I have interest in a broad range of things. You see the trophies here, I received them by playing various sports like table tennis, gymnastics, athletics, and almost all the sports of that time. I was even captain of the table tennis team in Oxford. Previously, I had an interest in playing and now I am interested in watching sports.

I have always been an extrovert. During my time in Oxford, I met new people all the time and that enhanced my extrovert quality. I became a people's person.

Belonging to the Rana family, I have observed all the changes that the country has gone through from a close lens. Having high democratic values from an early age and witnessing the work of many international affairs leaders, democracy became my passion.

I believe that having an interest in several fields helps you to become a good leader because you never know which sector you need to deal with in your life.

Your advice to young emerging leaders.

I would advise all the young emerging leaders to start leading no matter which field you are in. Only when you are consumed by it, only when you really like what you do, you can give your best. It does not matter what type of field you are serving in, you have to fully devote yourself to it. If you don't have passion, you cannot achieve anything worthwhile.

How do you view the leadership of Nepal unfolding in the years to come?

Frankly speaking, we do not have leaders like we used to have in the past. I hardly imagine leaders like them in

today's context. Some have shown up recently but they have so much to work on. I am happy that people from the background of arts are taking the lead because art and culture are the only things that keep a nation alive. There are many capable leaders but parties are divided and there is no unity. Division within the respective parties has created difficulty for the leaders. There is no astounding leader like BP Koirala at present. However, having said that, I am still hopeful for the future.

How would you describe your leadership at the Nepal Art Council?

For those who do not know about Nepal Art Council, it is a national art institution established under the directive of late King Mahendra as the Patron and Prime Minister Kirti Nidhi Bista as Founding President. Nepal Art Council has a legacy of great leaders like them. Later, late Lain Singh Bangdel who was Nepal's leading modern artist, and late Satya Mohan Joshi who was known for his work on the history and culture of Nepal, also led the council. They have left a community of good culture in NAC. The last President was Satya Mohan Joshi and after his tenure, he handed over the position to me and I became the President. I want the same legacy of leaders in NAC after my term too. I want to continue a productive generation of arts. I believe in team performance and my style of working in a team has helped me to perform effectively in NAC. Here, everyone contributes. I want to share that working voluntarily takes a lot of initiative in the type of world we are living in now. My team and I have faced many ups and downs in the course of our work but my political ideologies have never overshadowed the decisions or the working process. I want to continue such a culture in NAC. **B**

यस पटकको दर्शै होण्डा कार सँगै

DASHAIN TIHAR OFFER



CASH DISCOUNT
UP TO **6 LAKHS**

5 YEARS
FREE SERVICING

1 YEAR
FISCAL TAX

FREE 1 YEAR
COMPREHENSIVE INSURANCE

2 YEARS
WARRANTY

SPOT
EXCHANGE

20% DOWN
PAYMENT

EASY
FINANCING

SURPRISE
INTEREST RATE

FREE
ACCESSORIES

*Conditions applied



DE VILLE PRESTIGE

More graceful than ever before, the Third Generation of the De Ville Prestige has been introduced with all the emblematic DNA you'd expect, but with a comprehensive upgrade across the design. This new 27.5 mm model is crafted in OMEGA's exclusive 18K Sedna™ Gold. Along with a diamond-paved bezel and a modernised Prestige bracelet, there is a white mother-of-pearl dial, with alternating Roman numerals and diamond hour markers, while on the caseback, the God Chronos medallion is a signature detail of the De Ville Prestige.

Ω
OMEGA

Regency Watch Pvt. Ltd.

Annapurna Arcade, Durbar Marg
1 Durbar Mall, Thamel, Kathmandu, Nepal