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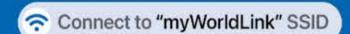




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With continued global uncertainty and economic instability, economies and businesses around the world are trying to ascertain a way forward that is transformative and oriented towards innovative solutions. Nepal has more to contend with in some ways.

While our population is young now, it will not always be so. The huge exodus of young manpower to foreign lands every day leaves a chasm of critical workforce that could grow the economy in a more focused approach. Today, we are happy with remittance, tomorrow the lack of talent and skills will have bigger repercussions.

We are talking about Digital Nepal and are even making headway in some areas but for the larger population, is just having the internet and using social media adequate for the transformative thinking that leveraging technology demands. Should financial literacy and technology R&D not be given greater impetus?

Gender inequality still remains a reality. While other countries talk of an unconscious bias, ours is a deep-rooted patriarchy that still threatens women from having basic human rights. It does not only exist in the rural interiors of our country; it lurks in the dark corners of urban Nepal equally.

Build sustainability into everything from politics to policies and businesses to board rooms. We must go beyond good intentions to good actions. Integrating sustainability practices promotes futuristic thinking and cleaner practices. It makes you more responsible for your choices, and allows you to benefit better from green innovation while it fosters growth.

People must remain at the heart of everything we do. Not everyone came out of the ovid pandemic with enough resilience to move forward adequately. Some people have been scarred deeper. It is in society's interest that we put our healthcare systems at highest efficiency, and ensure that access to health by all becomes a government priority.

Government's rising debt must be backed by sound strategy. Is our leadership capable? Is it efficient? Is it honest? With parliamentary elections in November, it becomes everybody's business to know whom they are voting for and why? Economic stability is a must and tackling fiscal difficulties requires prepared leadership.

Charu Chadha

editor

BIZ INDICATORS

FOREX MARKET	20-Jul-22	22-Jun-22	Year ago
USD	127.98	125.28	119.38
GBP	153.18	153.34	162.67
Chinese Renminbi (Yuan)	18.95	18.67	18.41
Indian Rupee (INR 100)	160.00	160.00	160.00
Euro	130.25	131.76	127.98
Australian Dollar	-	-	-
GOVERNMENT SECURITIES	Lowest	Highest	Weighted Avg.
Discount rate of T-bill (Subject to latest issuance)			
Treasury bills (28 days)	7.0581	10.3491	9.3830
Treasury bills (91 days)	7.1906	9.9801	9.3332
Treasury bills (182 days)	9.0000	10.7399	9.8378
Treasury bills (364 days)	9.0000	10.2200	9.8487
PRICE INDICES	Jun 21/22(p)	Jun 20/21(P)	Jun 19/20(p)
National Consumer Price Index (base year 2014/15 = 100)	151.04	139.14	133.54

Source: Refinitiv Eikon, Nrb

P = Provisional, R = Revised

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hemant golchha saurabh jyoti sanket lamichhane

> editor charu chadha

editorial assistant editor anurag verma writers

abhishek chitrakar sadiksha chitrakar

digital

content manager

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sales & marketing

director

sudeep shakya

manager

areena tuladhar

assistant manager

dibesh dangol

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

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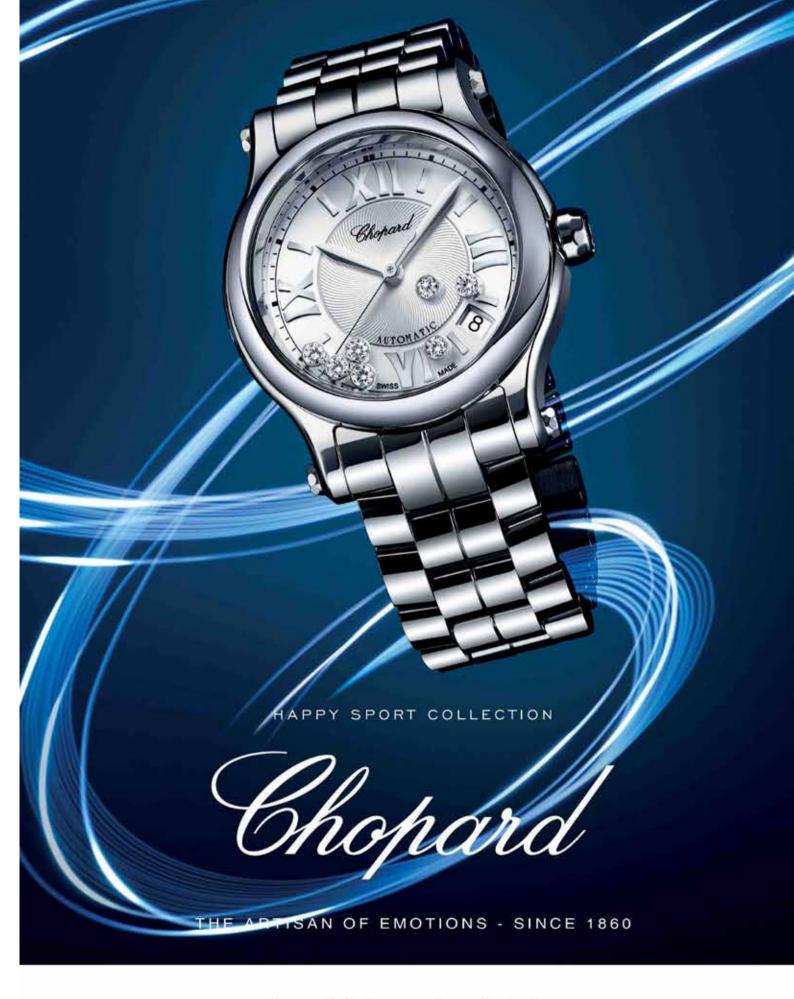
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"THE CORE VALUES OF LIBERTY ARE RULE OF LAW, PROPERTY RIGHTS, AND FREEDOM WITH RESPONSIBILITY. FREEDOM IS NOT WHATEVER YOU WANT TO DO. IT MEANS THE FREEDOM TO SAY NO TO COERCION, TO DICTATORSHIP. MY FREEDOM SHOULD BE ON THE FOUNDATION OF NOT VIOLATING YOUR FREEDOM. IT IS ABOUT RESPECT AND IF MY FREEDOM VIOLATES YOUR FREEDOM THEN THAT'S NOT FREEDOM. THAT ASPECT IS VERY IMPORTANT"

Li Zhao Schoolland Libertarian

OPINION

FEATURE

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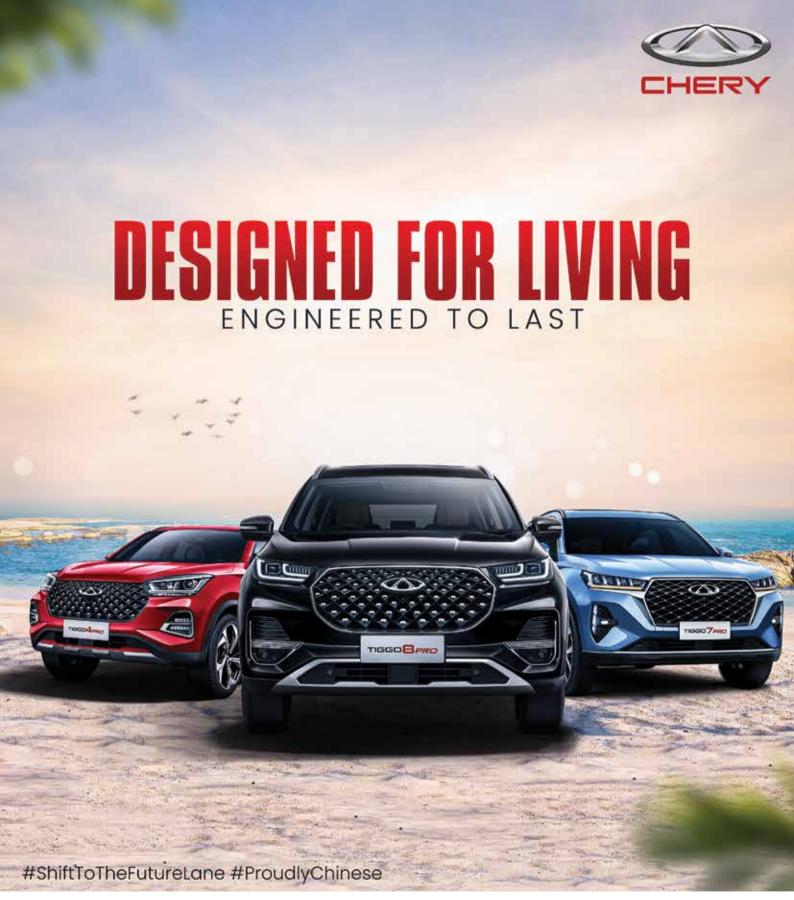
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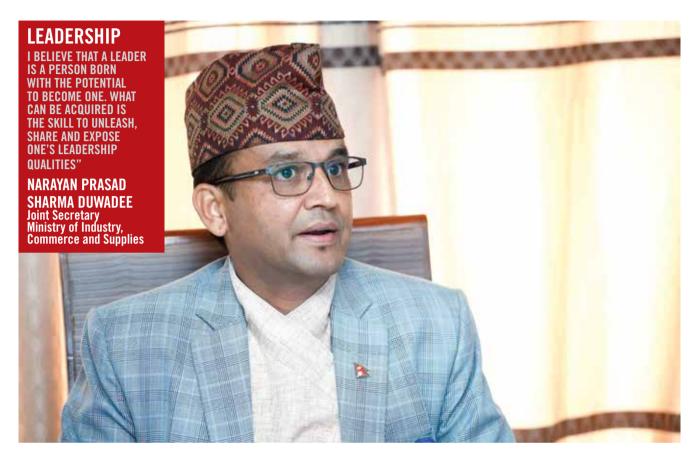
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8 IDEAS THAT WILL TEACH YOU TO THINK LIKE AN ECONOMIST

Incremental decision-making is what economists call thinking at the margin. Marginal means the one additional or extra unit. Every time we make a decision it's as if we are calculating the marginal benefit (the benefit of one more unit) and the marginal cost (what would be given up to acquire one more unit) of the action.

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PREMIUM SPICED RUM INFUSED WITH NEPALESE SPICES



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MISHUS SHINES ON THE GLOBAL FASHION STAGE

MISHU SHRESTHA

FOUNDER & DESIGNER, MISHUS DIRECTOR, RADISSON HOTEL KATHMANDU





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hile speaking about her career, Mishu Shrestha. the Founder and Designer of Mishus and Director of Radisson Hotel Kathmandu, is very candid about how she got into business. "My story is a bit different because usually in our society, a woman has to sacrifice her career after she gets married but mine actually started after I tied the knot," she says. "My father-in-law was very particular that I do not waste time at home and urged me to build a career and an identity for myself," she elaborates. "And for that I will forever be indebted to him. He is the inspiration behind what I am today."

Initially, Shrestha joined the family business, Himalayan Wood Craft, but when the family decided to enter the hospitality business, she was intrigued and decided to get involved. "I have been involved with Radisson since the very beginning, from the excavation works to lay the foundation to it completing and today I have been part of it. I am a board of director in the hotel," she says.

"But to be honest my heart is more into Mishus, my fashion design house," mulls Shrestha. So, what pulled her into the world of fashion and design?

After a year of the hotel's opening, she decided to get back into another vertical of the family business which dealt with carpets and pashmina. "We are one of the pioneer businesses in carpets and pashmina and will soon be completing 50 years," she says. At the time the market for pashmina was mainly focused on shawls but every other business was doing just that; Shrestha knew it was time for a change. When speaking to her buyers, she discovered that many were also interested in knitwear. "It was a completely

new venture for me but again what is life without challenges," she says. Initially the buyers would send the designs and she would prepare some samples and on approval, the products were made and shipped to them.

"I was still not into fashion design at that stage but as the designs kept coming in, I got fascinated and gradually began to create some of my own," she recalls; and that perhaps was the beginning of Mishus. The other thing that strongly impelled her to start Mishus was the need to create her own identity, her own brand. She says, "Every time we go to a party or a gathering, we women are more often than not introduced as somebody's daughter or wife or daughterin-law. I wanted people to recognise me as an individual. But I didn't have anything to show as my own. And the more you get into work, you start to crave for that recognition. Why be recognised through someone else's identity?"

But without any knowledge of the fashion industry, she realised that to actually make a mark she would need to work on herself first. She decided to go to Italy to take a course at the Milan Fashion Campus. On returning, she decided to organise a fashion show but when she talked to her husband about the idea, he told her that an eight-month course in Milan would not suffice. "He actually told me not to assume that I could be a designer in such a short span of time and this sort of hit my ego," she recalls. To prove her capability, she put together 40 designs within four months and held her first fashion show on November 22, 2012.

When Shrestha held the first show, she says she didn't know her forte or strategise the success; it was just to prove herself. Two years later, she held her second fashion show, and there has been no looking back since. "Now I know what I am doing and I specialise in cashmere and evening wear,"

she states. "If you persist in any work that interests, sooner or later you will reap its benefits", she reflects talking about how she was invited to participate in the Cannes Film Festival in 2018, which was her first international show.

Just when things had started to look up, the Covid 19 pandemic hit. But Shrestha had honed herself to take on any challenge and turn it into an opportunity. Since masks had become a requirement, she decided to focus on designing masks that would not only fulfil its purpose but also be a fashion statement. "I must thank my brand manager for this initiative because she was the one who guided me throug this phase," she says. When designing the masks, Shrestha shares the two fundamental elements that she kept in mind was to follow the strict health guidelines and use Nepali fabrics. "The reason I utilised dhaka which is an authentic Nepali fabric, was because I also wanted to showcase the beauty of our indigenous materials," she says, adding, "As a fashion designer we also need to be aware of the locally available raw materials because they add to the originality of our designs. Besides, in a small way, you are also helping generate employment at the grassroots level".

On receiving approval from international buyers, she started exporting the masks. She recalls the five months when she had no work and the mask manufacturing actually breathed life back into business. "Not only did we have something to work on but I could also employ a few women who manufacture the required fabrics at home. All of our masks are made of native materials," she states.

From being involved in an established business to starting your own venture, what was the experience like? Shrestha shares, "When you open your own venture you can guide it from day one, which direction you want to take it, what management style you want to adopt, there is a lot you can do. But when you join something that has already been established, there is very little room to manoeuvre even the small things. The beauty of starting one's own business is like raising a child, at times you need to be flexible and there are times when stern decisions need to be made", she reflects.

What aspect does she love the most from her fashion house. "It is not that I don't like the work with the other businesses, but I derive an inner satisfaction from Mishus that is incomparable. The other aspect is that its not a 9 to 5 type of work. It's all about creativity. One never knows when a brilliant idea might strike and you start working on it", she explains.

While talking about the fashion industry in Nepal, Shrestha shares that it has evolved a lot since the time she started in 2012. She recalls the initial years when fashion shows in the country basically meant showcasing an ensemble of clothes that were readily available in the market. "At present, there are young designers who are very creative and you witness something different in every fashion show," she says. The only advice she has for beginners is to specialise in one aspect whether it be evening wear or ready-to-wear or just the fabrics they use.

"When we speak about fashion, it fundamentally means originality, a reflection of your ideas, so it does not matter whether the product is small or big, it has to stand out," she elaborates. "Shrestha is extremely particular about maintaining the quality of her products because she understands that quality equates to repeat customers, and repeat customers basically mean you can sustain and grow.

"When a designer maintains authenticity and quality, there is no stopping them", shares Shrestha. She gives her own example about being the first Nepali fashion designer to be invited to do a show at the Cannes Film Festival. "I am also proud that Sabrina Kalbashev, an award winning American-Dutch actress and Katiana Lee, a Slovenian actress, wore my dresses at the Cannes Film Festival this year," she shares.

"And just recently I have also been invited to the London Fashion Week to be held in September, which is another first for a Nepali designer," she smiles with a quiet look of accomplishment. For the London Fashion Week, she says she will be showcasing cashmere spring/summer collection for 2023.

While elaborating on being selected for the London Fashion Week, Shrestha mentions that it is definitely a huge opportunity for her personally but the better part is that her participation could open doors for the new generation of Nepali fashion designers. "I will give my best because when I do so, our country will be recognised and the entire domestic fashion industry will get a boost," she states, adding, "And when the industry starts expanding then it will subsequently help all the players, me included, in expanding our businesses."

Talking about her accomplishments, she also mentions that the masks she designed for the Nepali Olympic team is on display at the Nepal Olympic Museum. Mishu Shrestha has been published in various national and international magazines with the most recent being in the July edition of the Harper's Bazaar Vietnam.

From anxious moments when she first launched Mishus to becoming a celebrated brand, Shrestha shares that it is her work ethics and team spirit that have helped her reach this far. "People may recognise my brand and my name but what

you need to understand is it would not have been possible alone. There are so many staff working for me from the managerial level to the one who cleans the office, and we t make sure that each person is given due respect because without a well-oiled team no person is going to achieve anything in life," she adds.

"For any person to be successful one has to be willing to burn the midnight lamp. More so if you are a woman because till date no matter what we say, it is still a man's world," she says emphatically. "Even when it is a small-scale business, it is very difficult for women entrepreneurs to get funding from banks. But the biggest hurdle a woman faces when starting a venture is usually the family. It is next to impossible if a woman does not receive support from her family. How can one run a business when they are occupied 24/7 with household chores? It is not that Nepali women do not have the skills or the knowledge to open and operate a business, it is just about the lack of opportunities", she says.

Among the challenges of the fashion business in the country, she says, the most important is the lack of raw materials. "Production of raw materials like yarn and silk is low in Nepal so we have to import these, and imports add to the cost of production which is the main reason why Nepali products lose competitiveness in global markets," she states.

For young entrepreneurs, Mishu Shrestha that unless you have the passion for what you are doing, not only will you not succeed but you will also be unhappy, which ultimately will start to affect your personal life too. "There is always an incubation period whether it is a job or a startup. You have to give ample time for things to fall into place. For instance, it took many years for people to recognise the name Mishus, it was not an overnight success," she concludes. B



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REDUCING CARBON **FOOTPRINT IS A** MINDSET CHALLENGE

In 2020, CO2 emissions per capita for Nepal was 0.59 tonnes; this was an increase from 0.02 tonnes in 1971, growing at an average annual rate of 8.18%. Greenhouse Gas (GHG) emission also has doubled in the last few years. Carbon dioxide emissions are those stemming from the burning of fossil fuels and manufacture of cement, and include CO2 produced during consumption of solid, liquid, gas fuels and gas flaring

The Corporate Carbon Footprint includes all emissions that are influenced by a company's decision. This means that in addition to direct emissions, all indirect emissions are also included. For manufacturing companies this implies that the entire value chain is part of the Corporate Carbon Footprint.

In simple terms, carbon footprint is the total amount of greenhouse gas emissions that come from the production use and end of

come from the production, use and end-oflife of a product or service. It includes carbon dioxide — the gas most commonly emitted by humans — and others, including methane, nitrous oxide, and fluorinated gases, which trap heat in the atmosphere, causing global warming. Usually, the bulk of an individual's carbon contributed will come from transportation, housing and food.

Nepal as a developing country has low carbon footprint but growing industries, haphazard construction, deforestation, waste generation, rapid urbanisation among multiple other factors have been contributing to the increase of CO2 emissions at a rapid pace.

Nepal, with over 150 other nations, signed the United Nations Framework Convention

on Climate Change (UNFCCC) at the United Nations Conference on Environment and Development in Rio de Janeiro in June 1992. Nepal ratified the Convention on May 2, 1994, and this convention came into force in Nepal on July 31, 1994. In accordance with the IPCC Guidelines, Nepal's GHG inventory is divided into five main categories: Energy Activities, Industrial Processes, Agriculture, Land-use Change and Forestry, and Waste Management. Nepal as a country with no fossil fuel deposits has a vast potential for renewable energy like hydropower, biomass and wind.
Although Nepal is lacking in technology and finance to address climate change appropriately, the country is well placed to meet most energy needs from emission free

The UNFCCC plans to reduce greenhouse gas emissions by 2030 and meet its commitment to net-zero by 2050 by cutting down on emissions from sectors including agriculture, forestry, land, energy, industrial, and waste management. Nepal's emission may still be negligible but is one of the countries most vulnerable to the impact of climate change and extreme weather events.

With the increase in number of industries and business, we asked a few stakeholders whether the corporate sector of Nepal is sensitised to the need for reduction of carbon footprint? What are some examples of companies controlling CO2 emission in their company, what are the challenges and is it just a CSR gig for some?

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RAGHAVENDRA MAHTO CO- FOUNDER, DOKO RECYCLERS



Despite contributing only 0.027% to the total global emissions, Nepal has experienced changes in temperature and precipitation at a rate faster than the global average. Companies in Nepal need to innovate their approach to CSR strategy, it should not be treated as just another way to spend the budget on social activities. Organisations have to incorporate reducing carbon footprint as one of their company strategies and streamline activities that contribute to this outcome. Once this has been incorporated, employees will gear towards achieving this goal

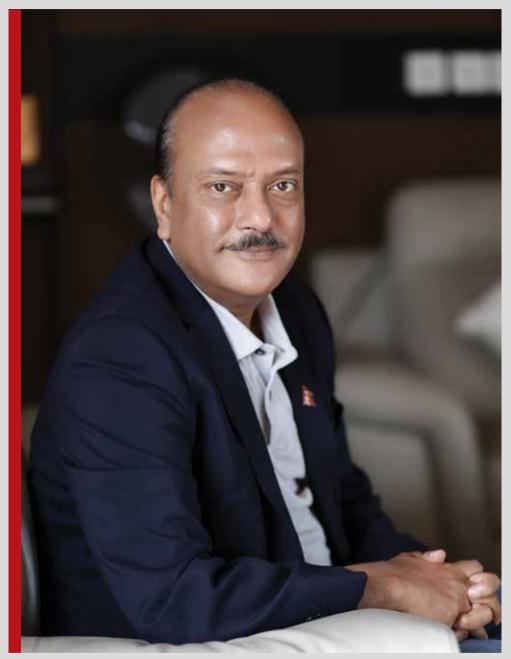
and activities will be designed towards this. Businesses are not mandated to participate in the circular economy (CE) and we have seen negligible participation in Nepal. We believe organisations in Nepal should increase awareness among management and employees through expert sessions on Greenhouse Gas (GHG) emissions, CE and reflect on statistics on climate change and its impact and focus on individual and collective actions that can help to restore the ecosystem. We find lack of awareness is a major cause for not taking any initiative with regards to reducing one's footprint. Greenhouse Gas emissions from post-consumer waste and wastewater are a

small contributor to total global GHG emissions, thus it can be managed and solved with concrete steps. Evidence shows that Greenhouse Gas emissions occur at every stage of the plastic life cycle, including extraction and transportation of plastic raw materials, plastic manufacturing, and waste treatment and entering the environment hence reducing single use plastic consumption should be taken seriously. In addition, significant GHG generation is avoided through controlled composting and recycling initiatives. Doko encourages consumers to think about waste beyond the landfill and into their daily practices imbibing the notion

of reducing, reusing and recycling in that order. Some other initiatives are promoting the use of electric vehicles, making personal mobility fuelless, e-waste recycling through proper channels, etc. Similar to other parts of the world, the government should set a cap on how many tonnes of emissions certain sectors can release and build policies around this. Regulatory frameworks such as Extended Producer Responsibility (EPR) where coordinated engagement of various stakeholders - producers/ importers, consumers and particularly on end-of-life product management is worked out simultaneously can help the economy by utilising secondary raw materials through scrap. There are many available carbon footprint calculators that help you estimate your carbon emissions and the process to offset your footprint. One approach would be to conduct an environmental audit based on which companies like Doko Recyclers can create plans that lead to carbon neutrality for companies. The process to bring about behavioural and structural change to achieve a thriving and circular Nepali economy is difficult and full of challenges. However, these challenges also provide avenues for new and unique solutions to revamp and remodel current systems set in place. We are not working on a clean slate but there are still certainly many gaps to fill in the system and innovations to be made. We have recently seen a surge in sustainable initiatives across the country from eco bricks to e-mobility, a growth we wholeheartedly welcome.

OPINION

PAWAN GOLYAN CHAIRMAN, MATO, GOLYAN GROUP



Any industry that we see produces carbon emission at a certain level; that can differ for every other company. On our part, we have been trying to reduce carbon emissions to a minimal level by using renewable sources of energy as much as possible. The Golyan Group is focused on hydropower, solar energy installation,

agriculture, and forestry planting. This gives us the opportunity to contribute to reducing the carbon footprint. Nepal is a country that consists of 45% of forest land which is remarkable. But our giant neighbours are one of the most carbon emission producing countries which directly or indirectly hampers us. In fact, Nepal is helping the ecosystem as we have less habitat and

industrial spaces. I think this aspect should be highlighted as we are lobbying to reduce carbon emission in every way possible and the efforts of minimising it should be highlighted and recognised. Mato is a brand promoting local products procured from the farmers of Nepal by educating and enabling them to produce goods without any added preservatives. The brand

represents earth, nature and purity. We try to promote our farmers to not use any kind of pesticides as about 30% of global emissions leading to climate change are attributable to agricultural activities, including pesticide use. The first challenge anyone who wants to reduce carbon footprint begins with their own mindset. When we are in the position of changemakers, we have to think about everything in a broader manner. One needs to be convinced about the idea because it's a costly affair, it's not an easy thing to do. We have to make the changes from our hearts. It will be difficult to achieve it. Second challenge is convincing people that this is good for us. Wherever there is more carbon emission, it directly has an effect on people. The quality of air is polluted and there is so much there that will hamper our health. And the last challenge is finance. As a corporate house, the financial implications are costlier but it's high time for us to come into an eco-friendly model, and we have to do it despite the financial debits. Generally, when we think about CSR, it is definitely considered a medium where we take the most advantage from, but it is also one of the most crucial components when it comes to giving back to the community. In the past four years, Mato has been educating our farmers (anna datas) to not use any kind of pesticides or chemical fertilisers. We are specifically looking after the funding to save the soil. As far as CSR is concerned, we are making efforts in leaving green footprints anywhere we reach. In my opinion, it is high time for all corporate houses to take this into consideration because in the long run, it is very important in terms of sustainability, growth and development.

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ALEX SHRESTHA ARCHITECT AND URBAN PLANNER, WONAW AND ASSOCIATES



Challenges are present when we try to change the norm. Using architecture in a sustainable way itself imposes a lot of barriers. The biggest challenge is the mindset of the people. It is one of the most difficult aspects to change. Big corporations tend to be profit motivated and wouldn't want to do as much as they can to take these measures which makes them environment friendly. It is definitely doable but until there is a change in mindset, it is very difficult to reduce the footprints as much as we could.

As for CSR, it is very important for business houses especially as many may not know how to reduce emission at the personal level, hence experts' opinion and guidance on various ways can benefit the company itself.

More than CSR, I wish people looked at it as their duty and not just to fulfil the part of CSR. I've designed the The Pavilions Himalayas The Farm which is a eco farm. Its sustainability has made it one of the most famous resorts in a short time and has been recognised by international media as well. All in all, bringing changes comes from within and its not only about CSR but to do it with your heart to reduce the carbon footprints.

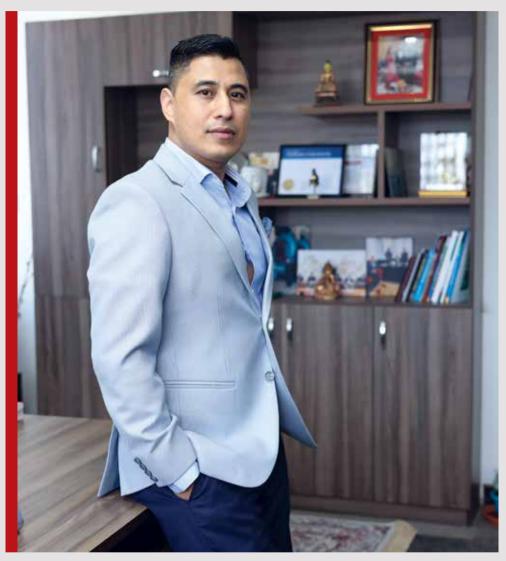
When we look at the architectural fraternity in Nepal, less has been done to promote sustainability. We as a company are actively trying to reduce carbon emission through the projects we design and implement.

Working in the tourism industry with various hotel chains, banks and residences, carbon footprints are bound to be present. From our company, Wonaw Associates, we try to work in a manner where there is minimum carbon footprint during the design and construction process along with keeping sustainability in check. From the early stages of designing the project to site selection to actual location allocation, we have to be mindful of the impact it can

create on the environment and the community we are building. For instance, we minimise or negate working with any corporation that uses mammoth amounts of water, electricity, non-renewable resources. To minimise it, we use rainwater integrated in the buildings which are filtered naturally and can be used for any purpose. It can be used to promote long-term sustainability.

OPINION

JEN SHRESTHA VICE PRESIDENT, JA GROUP



Sensitivity on carbon footprints

Nepal once was a carbon negative country but unfortunately, now we are not. But if we just stop cutting our trees and let nature take its course, we could be carbon negative through our lush green forests in no time. Do you know that every single plastic toothbrush ever created still exists since its invention in the 1930s, almost 100 years ago? Imagine how many toothbrushes that means and this is just one form of plastic. Especially in a

developing country like ours, single-use plastic is everywhere. We as individuals should try to change that at the personal as well as organisational level as soon as possible. The government should help organisations like ours who are working day and night to make renewable energy accessible to all.

Controlling CO2 emissions and roles

We at JA Group think it's high time that we start worrying about climate change and working towards controlling CO2 emissions. With all our projects we have kept in mind the impact that we could cause to the environment. Many developing countries cannot afford alternative renewable energy but Nepal is an exception. With hydropower energy, Nepal can meet not just its own electricity needs, but also serve energy hungry neighbours like Bangladesh and India. And hydropower energy has the lowest carbon footprint of all energy types. We have been involved in the hydropower sector for the last three decades. We were the first private organisation to develop a project in this sector. We all know the transportation sector generates the largest share of

Greenhouse Gas emissions. We have to create a sustainable fleet infrastructure to help us reduce our carbon footprint. Going electric is the only way and we have seen a lot of improvement in that sector in Nepal but the government should be more active and work towards it. We, for instance, have decided to buy only electric vehicles for our organisation.

Major Hiccups

For a developing country like ours, progress happens at the cost of cutting down trees. Nijgadh was strategically planned to be the largest airport in South Asia in terms of area, but that would have cost us so much. It would have damaged the local communities, environment, and biodiversity. The Supreme Court said no to Nijgadh airport over environmental concerns and I hope there is no overturning of this decision. The second most effective way to decrease the carbon footprint is to reduce, reuse and recycle but it is very difficult to introduce and implement this concept at the local level. We need to reduce the amount of energy that we use, eat fewer animal products, shop locally, travel smart, and reduce our waste. Waste management is another major crisis that we are facing. The connection between waste and climate change is increasingly visible and so is the connection between climate change and agriculture and the supply chain. We know how extreme weather events are disruptive to both agriculture and the supply chain. We need to separate organic waste from other waste to avoid sending organic materials to the landfill. Separating organic waste at its source and treating it helps to reduce the amount of waste that goes to the landfill. When food ends up in landfills, it

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generates methane, an even more toxic greenhouse gas. The separated organic waste material is treated separately to produce a low emission alternative such as composting. And kudos to our mayor Balen Shah for starting this initiative but a lot of challenges lie in front of us.

One of the major hiccups I personally see is the very lack of local awareness of carbon emissions and climate change amongst the general citizens and failure from our so called first generation Grand-Pa leaders (born at the same time as the toothbrush) leading our government to communicate and implement CO2 emission as a policy among the business organisations that are rampantly doing whatsoever to make huge profits.

Similarly, recent studies have indicated that micro plastics are found in human blood which is saddening news but not shocking at all.

CSR

We take our CSR very seriously and as mentioned earlier all our projects going forward is with keeping the environment and climate change in mind. We need to be the generation that possesses the power to make both people and planet thrive. We should not wait for the government to enforce rules but we as a private business house should be more aware and thoughtful about the future generations rather than today's profits. CSR is not only about investing in the priority sector but also investing in knowledge and bringing awareness about climate change and reducing carbon emission or using alternative resources by industries or at the day-today level. It is sad that our nation does not have proper set of laws and actually our

government should promote and initiate carbon trading in Nepal like EU whereby setting an overall limit or cap on the amount of emissions that are allowed especially for carbon emitting industries like cement factories.

One of our projects is going back to the soil. We have just been involved in an agro-bio industry where we produce 100% organic fertilisers. We all know that chemical fertilisers/ pesticides kill the good bacteria and living organisms making our soil infertile, causes erosion, nutrient imbalance and loss of soil biodiversity. And from our soil through the crops all the side effects come to our body. Today we see every household has a diabetic, thyroid or heart patient. Even newborns are affected. That's why there is a need to go back and change our soil or let's say enrich our soil like it was before all these pesticides and chemical

fertilisers came into existence. Our organic bio fertiliser has nutrients call organic carbon or the good carbon which is a feed to those bacteria and living organisms that make our soil rich, healthy and fertile, eventually resulting in healthier plants, flowers, fruits to an entire forest. I know we cannot make a significant difference by selling it to individuals or in exclusive niche markets so that is why we are initiating and trying to work with the government. Organic fertiliser is the need of the hour. We are working on bulk production and distribution so one day every farmer has easy access to it. We want to work with the government and set up a plant in every state so our nation can be self-sufficient. I hope we can make a little amount of difference to our soil, our earth and our body and hopefully one day again be a carbon negative nation.

ANJAL NIRAULA CEO, GHAM POWER NEPAL



As a solar company, Gham Power's ultimate objective has always been to reduce carbon footprint as much as possible and help businesses in becoming greener through solar. With the increased CO2 emissions in Nepal, it has become crucial to take apt measures toward the shift to renewable energy sources.

Throughout our 12 years of experience in the energy sector, we have approached several businesses and institutions. Most of them are not comfortable investing in renewable energy and opt for quick solutions and short-term investments such as diesel generators for reliable electricity. The majority do not see solar or other renewable options as a long-term investment, instead they think of it as a liability. Their first concern has always been the cost and they are not ready to deal with the hassle of the operational and maintenance aspect of it.

Considering all of these issues, we started offering a Power Purchase Agreement (PPA) model for our solar systems which is a financing model where the business only purchases the power that the solar system produces. In this model, Gham Power owns the solar system and is solely responsible for maintaining and operating the system. This model helps the business to receive all the cost savings through solar without any operational risk and get the electricity with zero upfront investment.

Even with the introduction of this model, environmental sustainability is still a new concept in Nepal and businesses still choose convenience and short-term benefits over reliable and sustainable electricity. In order to make the businesses naturally involved in becoming sustainable, there should be government-level involvement where there is a provision of incentives and green certifications for institutions that implement green energy. CSR could also be a significant tool to promote the use of green energy in businesses. All in all, more education and awareness on controlling CO2 emissions should be the way forward.

ABC OF TEAM BUILDING

TEAM BUILDERS ARE A TOAST OF THE CORPORATE WORLD



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

Compared to a couple of decades ago, these are great times for young managers. The chances of being asked to build your own team and execute projects are far brighter now. Young as you are with a few years of experience, you may feel nervous and intimidated and may even refuse to take up the challenge. But if you are smart, you will see the offer as an opportunity to move up the career ladder. Understand that the senior management has entrusted you with team building because it sees promise and potential in you.

What should you do to attain success in team building?

First, you must immediately realise and internalise the reality that henceforth your success will be measured by the success of your team and not by your personal accomplishments. You are no longer a solo player.

For this to happen, you must have an elaborate interaction with your reporting authority to clearly understand the organisation's expectations from your team. This will enable you to choose members most suited for the forthcoming collaboration.

Having been explained the objectives of the team by your superiors you need to convey these expectations to each individual member of the team as well as to the team as a group. Any vagueness or confusion at this stage may lead to the team members straying in diverse directions.

The best way to keep such risks at bay is to have a one-to-one meeting with each team member. Match and mix an individual's abilities and skills with the team's overall objectives. As the team leader, you need to be a highly attentive listener. Create a congenial atmosphere for the team member/s to open up and articulate their strengths and weaknesses. This is for your own good as no leader is a master of all trades and needs support and advice from all team mates. Even one wrong selection by you may undo the entire team's efforts.

and public recognition of outstanding employees can boost their morale way higher than mere financial incentives. They are quick to realise how their achievements add to their learning and overall growth prospects. Companies value team builders and players.

As you move ahead with team building you will also find that almost all employees want to excel in their areas and multiply their skill sets by collaborating with team members having different talents and expertise. There are no born laggards and shirkers. A good team leader can transform even slow movers into agile and nimble performers.

But this is easier said than done. Once the team is put into place and it starts moving towards its clearly



Your team selection process is still not complete. Focus on knowing what motivates the individual team members best as no two members' motivations may be the same. This input about specific team members will help you calibrate your human resources development, behavioural and reward schemes (not necessarily monetary) accordingly to ensure optimal output from the entire team. You will notice that timely

enunciated individual-specific and group goals, maintaining the momentum assumes great significance. This can be made possible if there are continuous and candid conversations between the team leader and the team members. The corporate world describes this as feedback.

I prefer the term two-way feedback and there is a reason for it. We witness mostly top-to-bottom flow of ideas and instructions for course correction in the developing world where hierarchy is still paramount in business and society. But it has often been seen that the most urgent paint points as well as sweet spots are first experienced by the employee engaged in a specific task. But the employee concerned does not share the matter with the leader or superior authority fearing adverse repercussions.

To bridge this trust deficit, you will need to create an aura of psychological safety in your team to encourage its members to speak out? Many team leaders have been seen to falter on this front. Frank and regular discussions between the team leader and players are imperative. It has often been seen that feedback from the team leader and his players prompted the top management to tweak its goals more in line with the existing business reality. It is not so uncommon to find the market scenario changing even as the team is working on a project. Old assumptions lose their relevance. The team usually discovers this much before the top management but does not report fearing reprimand and reprisal. Eventually, the company gets hit. Hence the high value attached to regular two-way feedback.

Thankfully, comprehensive feedback is gradually becoming the norm in more and more companies, particularly in advanced countries. The socio-cultural environment in our part of the world is a dampener in this respect. But the disadvantages of sticking to archaic ways of business are far too many. I can see the resultant change happening. **B**

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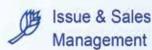
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THE MOVE TO A DIGITAL ECONOMY



epal is taking big strides towards a digital economy along with creating a digital transaction ecosystem that consists of infrastructure, literacy, data security, legislation and other enablers. The pandemic accelerated the digitisation process particularly in the financial sector. The government also expanded its digital coverage in collection of revenues and making payments such that now more than 91% of the government's revenue and payments are covered by the digital process.

Nepal Rastra Bank (NRB)
- the central regulatory and
monetary authority - has
said that digital transaction
momentum has encouraged
it to initiate groundwork for
Central Bank Digital Currency
(CBDC). NRB Governor Maha

Prasad Adhikari confirmed that the central bank has initiated the study on CBDC. Though miles from execution, the infrastructure, literacy, data security and growing acceptance of the digital payment platforms and products have strongly motivated the central bank to consider the prospect of digital currency and its impact on the value chains of the economy, moving from brick banks to click banks in days to come.

Technological disruptions have provided solutions and greater access to keep clients at the forefront of financial sector services. Sandeep Ghosh, Group Country Manager Asia and South Asia of Visa Inc, an American multinational financial services corporation, underlined four different dimensions to accelerate the digitisation of

the economy. Few of these are announced to be put into practice through the Monetary Policy 2022-23 executed by the NRB. According to Ghosh, digital sandbox, digital financial literacy, discrete digital team and departments at banks, and digital funds are crucial steps to embark on the journey towards digitization in a rapid and sustainable manner. Digital sandbox is digital supervision from the regulator, the regulator should be well equipped with enhanced capacity for effective regulation and supervision of banks and financial institutions (BFIs) launching digital solutions supported by the fintech companies.

The Monetary Policy issued for the current fiscal has said the central bank will continue promoting digital transactions and effective institutional coordination to mark FY 2022/23 as Digital Payment Promotion Year. The Monetary Policy has announced initiating study to establish an innovation centre or regulatory sandbox.

The digital ecosystem proliferates with greater speed only if digital financial literacy is ensured. According to Ghosh, BFIs should have a separate dedicated department for digital services with focus on efficacy and security of the process and services including digital KYC, digital AML, digital cyber security, data security among others.

Ghosh underscored the need for setting up digital fund in public-private partnership for incentivising digital transactions.

Access on Digital Payment System

Particulars	Numbers		
	Mid-May 2022	Mid-June 2022	
Payment System Operators (PSOs)	10	10	
Payment Service Providers (PSPs)	27	27	
PSP Agents	12,334	12,515	
Wallet Users	12,095,688	12,826,745	
ATM Machines (Terminals)	4,512	4,581	
Debit Cards	10,606,549	10,852,736	
Credit Cards	230,522	234,628	
Prepaid Cards	102,584	105,634	
Mobile Banking Customers	17,676,259	17,961,063	
Internet Banking Customers	1,606,829	1,632,611	
Branch Less Banking Centres	1,522	1,530	
RTGS Participants	49	49	
ConnectIPS Users	858,410	873,996	
ECC Members	60	60	
IPS Members	108	110	

(Source: Payment System Department, NRB)

NRB has already introduced Digital Lending Guideline since last year for cost-effective, simplified and accessible lending. Likewise, Retail Payment Switch came into operation which is considered as the first step of establishing National Payment Switch to pave way for settlement and recording of payments within the country and bring Nepal's own payment card into operation. Payment system has been simplified as QR (quick response) brought into use massively by the sellers of goods and services - from restaurants to fruit vendors.

NRB has said that the country will have its own payment switch - National Payment Switch - within a year. Retail Payment Switch has been operationalised for settlement of transaction made through QR and wallets or non-card payments. Guru Prasad Poudel, Executive Director, Payment System Department has informed that Nepal Clearing

House Ltd has been developing a National Payment Switch, and it will procure necessary equipment through competitive bidding and the country will have its own cards. This will save on the costs that the country has been paying for payment gateways; payment card network processors namely Visa, MasterCard and UPI (Unified Payment Interface).

The country will require to co-brand its card with international payment card networks so that Nepali card users can make transactions in foreign countries. Currently, Nepal doesn't have its own card. The cards being used in Nepal are Visa, MasterCard and UPI and the country has been making payments against their service. A total of 10,852,736 debit cards have been issued according to NRB, among them 80% of the cards are availed from Visa.

Use of Digital Payment System

036 01	ose of Digital Layment System						
S.N.	Particulars	Numbers of Transactions	Total Amount (Rs in Million)				
		Mid-May to Mid- June 2022	Mid-May to Mid- June 2022				
1.	RTGS	72,328	4,050,680				
2.	ATM-Cash Withdrawal	9,422,989	74,140				
3.	ECC	1,139,248	588,177				
4.	IPS	927,729	160,581				
5.	ConnectIPS	3,453,370	287,546				
6.	Debit Cards	10,332,633	77,607				
7.	Credit Cards	218,805	1,189				
8.	Prepaid Cards	51,896	374				
9.	Internet Banking	255,814	12,156				
10.	Mobile Banking	18,020,460	121,962				
11.	Branchless Banking	66,784	1,447				
12.	Wallet	15,159,536	15,967				
13.	QR-Based Payments	3,440,573	11,015				
14.	Point of Sales (POS)	1,116,243	4,600				
15.	E-commerce (online payment using cards)	62,347	428				

(Source: Payment System Department, NRB)

Huge cash withdrawal transactions are still being done from ATMs. During mid-May to mid-June a total of Rs 77.6 billion has been withdrawn from ATMs through 10,332,633 transactions. "It has a huge cost with charges on each transaction from Rs 10 to Rs 15," according to Poudel. 'NRB has instructed banks to make at least two off-us transaction free for card users, however, banks must pay for this.' Off-us transactions are income for any bank since ATM owner bank (also called acquirer bank) charges a fee for each financial and non-financial transaction. Poudel suggests that consumers switch to complete digital transactions rather than making cash withdrawals from ATMs that come at a cost.

"To exercise sovereignty in financial terms, we need to have our own payment switch, cards and so on," Poudel reiterated stressing on the importance of National Payment Switch and also deliberating on the added advantage of data security.

Digitisation of the financial sector will provide necessary impetus for digitisation of different verticals of the economy leveraging the supply chain while promoting convenience, inclusiveness, resilience, transparency and e-governance.

The government of Nepal's Digital Nepal Framework was unveiled in 2019 and envisioned digitisation of eight sectors: digital foundation, agriculture, health, education, energy, tourism, finance, and urban infrastructure through 80 different digital initiatives based on close engagement with stakeholders in a bid to unlock Nepal's growth potential. **B**

MONETARY POLICY 2022/23

AIMS TO AVERT ECONOMIC CRISIS

Text: Pushpa Raj Acharya

ith immense strains on foreign exchange reserves and ballooning Balance of Payments (BoP) deficit triggered by increasing import dependence, Nepal Rastra Bank (NRB) - the central regulatory and monetary authority - has introduced some stringent measures through the Monetary Policy 2022/23 unveiled on July 22.

The Monetary Policy 2022/23 is deemed to be the most rigid in NRB's 20-year history of formulating monetary policies starting from fiscal year 2002/03. In general, it is drafted to address external sector stability, price stability and support domestic economic activities through

proper mobilisation of private sector credit in line with the clearly defined objectives of the central bank.

Lower Private Sector Credit Mobilisation And Money Supply Target

To discourage importbased consumption, NRB has lowered the estimates of money supply and credit mobilisation to the private sector to 12% and 12.6%, respectively. In the previous fiscal, the money supply target was 18% and private sector credit mobilisation was expected to hover at 19%. However, slowdown in government expenses and prolonged liquidity crisis stalled the growth of money supply at 9% and private sector credit

growth at 16%.

The overall orientation of the Monetary Policy is to discourage the availability of cheaper funds for consumption to address the current strain on forex reserves and to tame rampant inflation. The country has witnessed import growth of 24.7% to Rs 1,920.45 billion against total export size of Rs 200 billion resulting in a trade deficit of Rs 1,720.42 billion.

Import volume has surpassed the sum of remittances, exports, tourism income, foreign direct investment and reimbursements received from execution of donor-aided development projects. The widening gap in foreign currency inflow and outflow has caused a depletion of foreign currency reserves.

NRB Governor Maha Prasad Adhikari has said that the country can't go beyond its capacity in settling import bills by exhausting forex reserves.

For this fiscal, NRB has also raised the rates of injecting liquidity to BFIs through monetary instruments, namely Standing Liquidity Facility (SLF), Intraday Liquidity Facility and Repo. NRB has said it has injected liquidity worth Rs 9,702.41 billion in the previous fiscal whereas rates of SLF and repo were prevailing at 7% and 5%, respectively.

Monetary Instruments To Act In Full Swing

The aim of the Monetary Policy 2022/23 is to avoid an economic crisis, according to Anal Raj Bhattarai, financial

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sector analyst. "However, the central bank started policing trade-related rules through banks. It would have been better if the Ministry of Industry, Commerce and Supplies had taken the lead full swing to discourage credit mobilisation for undue imports and consumption of foreign goods, however regulating the country's trade through the financial sector doesn't make sense. However, central bank by various factors.

The NRB Act has extended responsibility of the custodian of foreign currency reserves and stability of BoP to the central bank. By mid-June this year, BoP situation recorded a

bank has lowered the maturity period of SLF to five days from a week. Likewise, CRR (cash reserve ratio) or the fund that BFIs require to park at the central bank vault has been raised to 4% from 3% of the previous fiscal year as per its objective to lower the money supply target. Interest rate corridor rates have been raised by 1.5 percentage points.



Along with CRR, the central bank has also raised the requirement of Statutory Liquidity Ratio (SLR) and announced executing counter cyclical capital buffer requirements from the upcoming fiscal to ensure stability in the financial sector.

Commercial banks (Class 'A' financial institutions) have to maintain SLR at 12%, whereas it is 10% for development banks (Class 'B' financial institutions) and finance companies (Class 'C' financial institutions) by mid-January 2023. It has also announced to execute counter cyclical buffer from the upcoming fiscal suggesting BFIs for necessary preparations to be flexible for a year to enter into the aforesaid policy regime. However, BFIs that merge with financial institutions of the same class will enjoy flexibility of an additional six months to abide by the counter cyclical capital buffer related instructions, according to the Monetary Policy 2022/23. The countercyclical buffer aims to ensure that the banking sector capital requirements take account of the macro-financial environment in which banks operate. The Monetary Policy

The Monetary Policy 2022/23 has paid a lot of attention to financial sector stability considering the potential pressure on the financial sector due to delays in loan recovery, defaults and prolonged liquidity crisis. The central bank will now start monitoring large borrowers.

Likewise, banks and financial institutions have been asked to extend loans of up to 30% of the fair market value



THE COUNTRY HAS WITNESSED IMPORT GROWTH OF 24.7% TO RS 1,920.45 BILLION AGAINST TOTAL EXPORT SIZE OF RS 200 BILLION RESULTING IN A TRADE DEFICIT OF RS 1,720.42 BILLION.

considering the threat posed to the country's macroeconomic stability due to deep-rooted structural constraints of our economy, and the ballooning trade deficit," he said.

NRB has brought monetary instruments into

authorities as the custodian of the country's foreign currency reserve have claimed that they have initiated such policy measures to tame inflation that is heading towards hyperinflation due to the global commodity price rise triggered deficit of Rs 269.81 billion, and foreign currency reserve was at \$9.45 billion, sufficient to cover import of goods and services for 6.73 months.

Through the Monetary Policy to be executed in the current fiscal, the central

FEATURE

in Kathmandu valley and up to 40% outside Kathmandu valley against collateral of land. The Monetary Policy has scrapped the provision of single borrower limit of Rs 40 million from one bank or financial institution against collateral of stocks, however it has introduced cent per cent risk weightage required for loans of up to Rs 2.5 million and 150% for loans above Rs 2.5 million. The single borrower limit for credit against collateral of stocks remains unchanged at Rs 120 million.

Another major announcement of the Monetary Policy 2022/23 is to encourage merger of Nepal Infrastructure Bank (NIFRA) particularly with a financial institution with similar objectives of financing in infrastructure in a bid to enhance the investment capacity through larger paid-up

the role of a facilitator more than that of a regulator which resulted in the flow of cheaper credit, low repayment and loan-greening as borrowers were granted loan rescheduling and restructuring facilities. Cheaper credit and relaxation granted for repayment have been assumed to have triggered imports that can be seen in the increased volume of imports.

Existing pressure on BoP as well as foreign exchange reserves is not only because of the central bank's generosity during Covid but was also triggered by the increased import bills along with global commodity price rise in the post-Covid scenario aggravated further by the consequences of the Ukraine-Russia war.

Immediately after the pandemic, the central bank had announced that it could allowed by funded source only by 2023/24. Recovery of credit under refinancing facility will be expedited to achieve desired targets in a way that suggests there is no such thing as a free lunch.

Monetary Policy Vs. Budget

The central bank has introduced a stringent Monetary Policy against the expansionary budget unveiled by the government. As the government has envisioned achieving economic growth of 8% by executing Rs 1,793.83 billion budget in fiscal year 2022-23, the Monetary Policy has aimed to support the government's growth target by maintaining its monetary targets - keeping foreign exchange reserves sufficient to cover import of seven months, 12% money supply growth and

There will be significant contraction in imports in the ongoing fiscal that will lower import-based consumption and BFIs will have to be prepared to navigate through tough times.

NRB Governor Adhikari has signalled that cheaper credit could be far-fetched for traders, particularly importers as inflation is skyrocketing towards the double-digit path. Higher inflation and lower interest rates on deposit mean depositors are losing the value of their savings. He has urged borrowers to be prepared to deal with higher credit rates. Interest rate on deposits vis-àvis inflation must be adjusted to encourage savings which is the only way to address the prolonged liquidity crisis, according to him.

Moreover, the Monetary Policy has announced that it will introduce different interest rates for productive and trading sectors

NRB has introduced several measures to narrow down imports by elevating interest rate of credit since the second half of the last fiscal including provision of cent percent margin to open L/Cs and increased risk weightage of credit issued for imports, which are being continued, according to NRB Spokesperson Gunakar Bhatta. Such measures along with strict provisions for credit mobilisation for imports, real estate and stock market will make it difficult for importers and speculators of real estate and stock market. This approach is expected to drive the economy in a minimalist way by supporting domestic production, consumption, tourism and exports but it is uncertain until when. However, it is certain that the country can no longer enjoy import fuelled growth, and immediately needs to think of alternative paths to avert a deepening economic crisis. B

NRB GOVERNOR ADHIKARI HAS SIGNALI FD THAT CHEAPER CREDIT COULD BE FAR-FETCHED FOR TRADERS. PARTICULARLY IMPORTERS AS INFLATION IS SKYROCKETING TOWARDS THE DOUBLE-DIGIT PATH, HIGHER INFLATION AND LOWER INTEREST RATES ON DEPOSIT MEAN DEPOSITORS ARE LOSING THE VALUE OF THEIR SAVINGS. HE HAS URGED BORROWERS TO BE PREPARED TO DEAL WITH HIGHER CREDIT RATES.

capital base of the financial institution. Though it has not been officially stated, sources at the NRB, privy to this development, have said that NRB intends merger between NIFRA and Hydroelectricity Investment and Development Company Ltd (HIDCL).

NRB During Covid & Now: No Such Thing As Free Lunch

During the Covid pandemic, Nepal Rastra Bank took on

provide refinancing of up to Rs 212 billion through funded and non-funded sources, which is quite high compared to the central bank's funded source of only Rs 48 billion. However, the optimum refinancing rolled out during the peak period stood at Rs 160 billion and was gradually lowered based on feedback from the International Monetary Fund. The Monetary Policy 2022/23 has announced it will limit refinancing facility

12.6% private sector credit growth, among others.

However, the given monetary targets in fact do not support the government's ambitious economic growth target in this fiscal considering 5.8% growth projected in the previous fiscal despite 16% credit growth to the private sector and high imports and consumption along with the low growth in previous fiscal years.



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"The core values of liberty are rule of law, property rights, and freedom with responsibility. Freedom is not whatever you want to do. It means the freedom to say no to coercion, to dictatorship. My freedom should be on the foundation of not violating your freedom."

i Zhao Schoolland. who lives in Honolulu, Hawaii, is an independent educator, writer, translator and event organiser. She is also the Founder of TFT Events, and represents Acton Institute in Asia and Pacific countries. Schoolland was in Nepal recently for the Liberty Camp that was organised in Bandipur. While speaking to Business 360, Schoolland spoke about how she survived 26 years through the horrors of Mao's regime in China and how that motivated her to a lifetime of promoting freedom and liberty globally through the organisation of Austrian economics and entrepreneurship conferences and summer camps over two decades in Eastern Europe, Asia-Pacific, and North Africa. She also arranges translation and publication of libertarian literature in China, and coaches parents in raising libertyminded youth.

There has been a lot written about your hardships while growing up in China. Could you share a little of this journey with our readers?

I was born in China in 1958 around the time when the Communist Party started the Great Leap forward. That particular movement was very bad for economic development and brought the country to the ground. This was followed by three years of famine and millions of people died during that period. Then in 1966, China started the cultural revolution where more people died. Since my family was educated and were entrepreneurs and capitalists, we were punished by the communist regime. We lived in a very terrible situation.

The communists first took everything we had – our land,



houses, businesses – and then my father was put in prison. In 1969 they sent my family from the city to a very remote countryside where we did not have running water or electricity. It took us three days to get there and we were ordered to live in that region for nine years, and finally in 1979 we were able to return to the city and I was able to go to university.

During that period, the government had divided the population into two groups – one was red - the communists, and others like us were classified as black people. The blacks were people who had education, property, and those who did not agree with

communism. The society was basically segregated. Since we were categorised as blacks we were not allowed to participate in extracurricular activities like painting, music, dance and sports. Even the train stations had two gates - one for reds and another for blacks. We had so-called leaders who did not even know how to read and write and had no property. The entire society was turned upside down. The communists had told the masses that they would give them equality, that they would help the poor to get property, and that they would punish the rich. What they actually did was to take what the people were producing and gave it not to the poor,

but kept it for themselves. And at the end, the result was that everybody was poor, nobody was producing anything, anymore. We were equal in terms of poverty. But politically we were not equal because they had divided people into different groups.

The communists wanted educated people to be reeducated by the workers, just to make us do labour work. So, I am very surprised that people in Nepal still embrace the communists and the Maoists because I think people here haven't experienced that horror. I am a survivor, and I know that when the communists succeed what kind of equality they provide and I am quite worried about what China is doing in Nepal. I am worried that Nepal could be the next Sri Lanka; very worried.

Even when you look at the present situation in China, people are trying their hardest to leave the country. I have a lot of friends who are professors, engineers and doctors and they would rather go to the United States as a poor person and live on government welfare than be a doctor or professor in China. This tells you that the communist agenda is not for the benefit of the people, it is for power. All they want to do is hold on to the power and rule over people. This is visible from how they are currently handling the Covid pandemic. The world is managing and living with the pandemic, but China is trying to control the pandemic. Now some Chinese people are saying that the government could not and cannot control the pandemic but they are only successfully controlling the people.

It is quite scary because when the communists controlled everything when I was growing up, they decided

where we could live, who we could marry, what job we could have, what salary we got, and what and how much we could eat. For example, only Muslims were allowed to eat mutton. You could have a shower once a week and a haircut once a month. They gave us a certain amount of food, meat, cooking oil. Fabric for clothes was also provided. Everything was decided for us. Literally, everything was decided by the government. The result was that we were constantly hungry. The government put in three more families in the house we were living in. That's the type of equality they provide. Even as a woman you had no choice to stay home with children and cook for the family. You had to go to work because men and women were equal. They didn't believe in family. They put children in boarding schools.

The communists are not what they say they are. You have to know what they will do to you. I lived in China for 26 years; I experienced the ordeal from 1958 to 1984. And I also experienced reform and openness. They later opened up the market like how it is here in Nepal and people could sell things on the sidewalks. But 10 years down the road, the government said it was too chaotic; there were too many people doing too many things so they closed that too and took back control. Now with the pandemic, the Chinese economy is going downhill so fast, they are considering opening the sidewalks and allowing people to have some freedom to sell things to survive on their own. They know the power of markets but they don't want people to have it because control is all they want. So, I hope more people in Nepal will realise these dangers and say no to communism.

I left China in 1984 but I have been going back quite often. I work with the people in China who are free market economists, and people who don't like communism.

When does a free-market economy entail?

A free-market economy basically means having economic freedom, and when there is very little or no government regulations. Also, in a free-market economy the taxes are low and there are sound monetary systems in place so that the currency is stable. It is not about printing money as we want. It is also about open trade; not only domestic but international too. People should be allowed to trade freely. For instance. if I have apples, I should be allowed to give them to you for the fish that you have in exchange.

In a free-market economy, we have open trade between people, provinces and also internationally. When there is an open policy, it means you allow any country, be it India or China or any European nation, to sell whatever they want to sell to you provided they are legal commodities and hopefully they will have the same policy that allows you to sell things from Nepal in their country. But even if they do not open their market to your products you shouldn't say, "If you don't let me sell my things in your country, I will also not let you sell your things in my country." That would be wrong. Hong Kong is a very good example of a free-market economy. They don't care whether you buy their products or not. Anybody can come and sell their products, open offices, open banks, can do businesses. That's why Hong Kong grew so fast even without having natural resources as such. It is so dense with so many people and it is one of the richest cities in the world. Now China has taken back Hong Kong and it wants to control things.

For a free-market economy, rule of law and property rights are also very important. For example, China doesn't have rule of law or property rights. Their capitalist market economy is actually state capitalism. The government owns nearly all the businesses so people don't really

benefit from it. And when a government owns businesses, it is so easy to control and get things done. However, they are very wasteful because people who make decisions are not the owners. If you are the owner of a business, you are responsible for the returns on your investment, your profit, and also the longevity of your business. But state-owned businesses don't care. You are fundamentally just working for the government. Also, you keep changing jobs and the decision you make is not something for the best outcome of the enterprise. Hence, there is always huge waste in state-owned enterprises. I am sure Nepal has government owned companies that are literally loss-making ventures. Another example I could give is about China where there are ghost cities because they were built but nobody lives there. And just recently, the owners of apartments in those ghost cities have refused to pay the mortgage. People are not living there because there are no hospitals or schools or supermarkets; people cannot live there. The owners are saying they have no jobs due to the lockdown hence they cannot pay. So, that's not a true market economy. It looks good for the short term and the government did make a lot of money. The government is very rich in China but the people aren't

Sometimes people say China is the second largest economy but it is only the government that is rich and not the people. That is why China has so much money to put into the One Belt, One Road initiative. That is basically just dumping money to buy influence. I think there is so much potential in Nepal because you have rule of law and also property rights. We need to help the people become wealthy and not the government. You need to prioritise people, open trade and not print money. And just use Hong Kong or New Zealand as examples. In Nepal it is not that difficult for the country to

prosper.

You said that the Belt and Road Initiative was launched by China basically to buy influence. Do you imply that Nepal should not be a part of it?

I would advise Nepal to stay away from it because the Chinese government's intention is to export their products and have political influence. If you look closely, you will realise that none of the Chinese projects have really benefited the local people or the local market. The Chinese government gives you money firstly at a very high interest and they make you use that money to hire a Chinese company to build the project, be it roads or bridges or anything. It actually damages the local economy. I would advise the Nepali government to welcome market investment and not government money. There are many American, German, Japanese and Korean companies which are very good at investing that you could invite. These companies tend to use local materials like cement manufactured in Nepal and hire local people which means there are job opportunities. You should welcome such investments and not Chinese style investment.

The interest rate on the money provided by China is very high because they don't ask you questions. It is pretty easy to avail funds - you ask and they give. However, people don't know what's behind it. about the strings attached. I was recently in Africa and there too many people have started realising the fact that they have to say no to Chinese investment. India, for instance, has refused to be a part of the BRI because they know what it actually is. The Chinese government wants your political leaders to favour them when required at the United Nations. They also want to make the Chinese currency a global currency. However, a currency without the rule of law behind it cannot be relied upon. They could sign a contract with you today and walk out tomorrow;



how can you trust that. When there is no rule of law or no property rights then there is no responsibility and when there is no responsibility, it is very dangerous.

In what ways can Nepal build sustainable economic development?

I think the one thing you do well is that you allow your people to go to other countries and they send money home. Some might not agree but that is very good. You should always open your country - let your people go abroad and allow foreigners to come to start businesses. You should open trade and not put-up trade barriers. Free trade is very essential. People should be allowed to sell things and there should not be many government regulations. I really don't know how easy or difficult it is for you to do business here. For example, if I want to start another magazine then how easy or difficult is it do so? I have seen many hotels in Nepal so I guess it must be easy to open hotels. The process to do business must be easy. There should not be a lengthy licensing procedure and taxes also have to be as low as possible. People should have the incentive to work. Taxes should not be a burden - if taxes are low people will be willing to pay them and consequently government will

have more revenue.

I would also recommend the government to stop subsidies. I am not aware whether you have subsidies for farmers here but I would suggest you to stop if you do have. Farmers know how to grow crops and sell them. You just need to create an enabling environment. In the long run, subsidies actually hurt the economy. I have noticed during my stay that the roads are a very big problem here. You should allow private players to build the roads and charge a certain amount for you to use the road or may be railroads for that matter. In Japan, it is the private players who build all the railroads and it has solved their transportation problems. The reason why I have emphasised transportation is because it is probably the most important thing for any country to develop.

When the government stops having hands in all sectors, things will change for the better and it is not difficult to do so. The government just needs to make a decision like in New Zealand. When New Zealand stopped growing and became the poorest among the industrialised nations, they stopped all the subsidies and privatised a lot of things. They even did away with the rule of having to renew one's driving licence every few years citing that the more

you drive, the better you become. It basically cut out such government spending and stopped all regulations and subsidies and economic growth was so fast they became one of the richest. You don't need money or something to do all of these. There are so many political parties in Nepal and I hope someone will have some common sense and do something to that effect.

The other day I had gone to the market and I saw so many people selling various goods along the roads. They weren't many people buying but I am sure those selling the goods are definitely making a living. That is a very good sight to behold as it shows market activities are taking place. However, the road was really bad. I think the people are waiting for the government to fix it. If they don't wait for the government and just fix the part in front of their house or shop you could have a beautiful road. The government says it will fix the road and everybody sits back and waits for things to happen. And they wait year after year and nothing happens. I was in Nepal ten years ago and I see it is the same. Probably if the government said it will not build the roads, then everybody will, the businesses will. It is not much money - just the road in front of your shop. And people can come easily to the market. So, these are what we call the

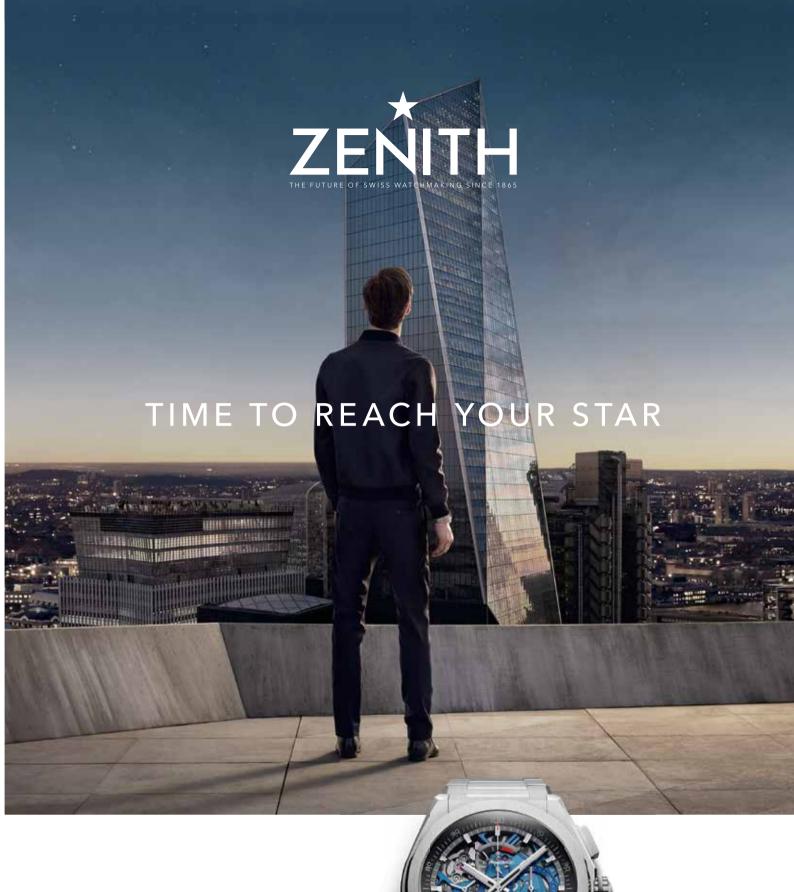
invisible hands. The businesses will cooperate and do things together because it is for their own benefit

What are the core values of liberty?

The core values of liberty are rule of law, property rights, and freedom with responsibility. Freedom is not whatever you want to do. It means the freedom to say no to coercion, to dictatorship. My freedom should be on the foundation of not violating your freedom. It is about respect and if my freedom violates your freedom then that's not freedom. That aspect is very important.

Freedom means I should not be able to coerce or force you to do things for me. For instance, if I want your watch, you should have the choice to say no. But if I take it then that's wrong. It's wrong for me to do it to you and it is also wrong for me to ask the government to do it for me. Most people these days ask the government to do things on their behalf. So, what is happening these days is that the government takes your money and gives it to me through taxation. You earn the money and the government takes a portion and gives it to me because I say I don't have any, that I want a free school, free housing, free medical care. The government does not produce so where does it get the money - it is from you and then they redistribute. The more I ask from the government, the more the government will take from you. People should stop asking the government to do things. Moreover, the more we ask the government will have more power too.

Freedom or liberty is fundamentally my right to be able to say, for instance, that I don't have the money to send my child to school so I will teach them at home. If the government says I can't do that and sends them to school, then who is paying for it? It is from you through taxes. So, the basic principle is if there are things I cannot do to others, then I cannot ask the government to do it for me. B



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8 IDEAS THAT WILL TEACH YOU TO THINK LIKE AN ECONOMIST

Sound economic thinking is vital for a prosperous future



NINOS P MALEK
IS AN ECONOMICS
PROFESSOR AT DE
ANZA COLLEGE
IN CUPERTINO,
CALIFORNIA AND
A LECTURER AT
SAN JOSE STATE
UNIVERSITY IN SAN
JOSE, CALIFORNIA. HE
TEACHES PRINCIPLES
OF MACROECONOMICS,
PRINCIPLES OF
MICROECONOMICS,
ECONOMICS OF
SOCIAL ISSUES,
AND INTERMEDIATE
MICROECONOMICS,
HIS PREVIOUS
EXPERIENCE ALSO
INCLUDES TEACHING
INTRODUCTORY
ECONOMICS AT GEORGE
MASON UNIVERSITY.

"Economics is the study of human action - the choices people make in a world of scarcity. Scarcity means that people have unlimited wants but we live in a world of limited resources. Because of this fact people have to make choices, and choices imply trade-offs. The choices people make are influenced by the incentives they face and those

incentives are shaped by the institutions - rules of the game - under which people live and interact with others.

In this essay, I will explain eight ideas and give examples of the economic way of thinking.

TANSTAAFL: Know the Difference Between Price and Cost

We often hear how wonderful certain countries are because they provide "free healthcare" or "free education." Many will also say "I got it for free" because they didn't pay with money.

The error lies in not understanding the difference between price and cost. For example, people usually say, "The Starbucks latte cost me five dollars" or, "The movie ticket cost me fifteen dollars." Cost in economics means what you give up or sacrifice. In these examples, the prices were \$5 and \$15. But the cost of the latte was perhaps the sandwich one could have purchased instead with that same \$5, and the cost of the movie was perhaps the three lattes one could have purchased instead with that same \$15.

Labelling healthcare and education "free" is not just wrong-"there's no such thing as a free lunch"—it's also misleading. As my former professor Walter E Williams would say, "Unless you believe in Santa Claus or the Tooth Fairy, the money has to come from somewhere." You might not get a medical bill in those countries but you have more taken out of your paycheque (i.e., taxes) and you might have to wait much longer to get that test or have that "minor" (from the bureaucrats' perspective) surgery. You pay with either money or time, but either way, you pay! Taxes are also used to pay for public schools, which is yet another example of how people call something "free" when it is not.

There's a difference between zero price and zero cost. There could be a zero price (\$0), but there's never a zero cost. Therefore, don't swear anymore by using the "F" word!

Actions Matter More Than Statements

"Actions speak louder than words," is a well-known idiom. Humans act, and the act of choice tells us something. Consider this example: A person walks into an Apple store and sees the price of the latest iPhone and angrily mumbles, "What a rip off" but still proceeds to purchase that phone.

When one does something voluntarily, it demonstrates their true preference at the time. Assuming that individuals are selfinterested and will ex ante (looking forward in time) subjectively weigh the cost and benefit of an action, and, also assuming it's not a right to have the private property of another (i.e., Apple's iPhone), then when a person walks into an Apple store and buys the new iPhone, the individual obviously expects to be better off in some way at that moment. To say that Apple "took advantage" of the willing customer would be nonsense since Apple, or

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Incremental decisionmaking is what economists call thinking at the margin. **Marginal** means the one additional or extra unit. **Every time** we make a decision it's as if we are calculating the marginal benefit (the benefit of one more unit) and the marginal cost (what would be given up to acquire one more unit) of the action.

any private business, cannot force people to buy their product. It's one thing to say something, but the proof is in the act of choice.

Sunk Cost Fallacy: Don't Cry Over Spilt Milk

"Don't cry over spilt milk" means what's done is done. The only costs that should come into our decision-making are future opportunity costs. Past costs are "sunk." The typical example to explain the sunk cost fallacy is the movie example. You spend \$15 to see a movie and an hour into this three-hour movie you realise that it's horrible and will only get worse. However, your feeling is that you should stay and get your money's worth. That is bad economic thinking. The \$15 is gone so don't lose the next two hours of your valuable time - get up and leave.

Most of us know people who were (are) in a horrible relationship or dating the wrong type of person (perhaps this applies to you). But the feeling of "I've already spent two years of my life with this person" can lead to a bad decision. Many end up marrying the person in order to justify the investment of time.

No offense to Beyoncé, but if you like yourself, then perhaps don't let that person "put a ring on it"! Don't lose the next two years of precious time. It's better to be single than in a bad relationship (but that's for another essay).

Tradeoffs: Learn to Think at the Margin

The optimal or efficient level of pollution is not zero. The optimal number of traffic deaths or sports injuries also is probably not zero. The optimal number of people getting a virus is not zero. The optimal level of safety is not perfect safety. Does this sound strange or harsh? Well, if you want to do a cross country road trip and not walk or ride a bike, or if you want to enjoy playing or watching sports,



and if you want to physically interact with others, then it is clear that the optimal level of pollution, deaths, injuries, and people getting a virus is actually greater than zero. The optimal level of safety is less than perfect safety. Nothing is free including more safety - tradeoffs are always involved because there is always an opportunity cost when we do something, even things like travel, play sports, or interact with others.

Incremental decision-making is what economists call thinking at the margin. Marginal means the one additional or extra unit. Every time we make a decision it's as if we are calculating the marginal benefit (the benefit of one more unit) and the marginal cost (what would be given up to acquire one more unit) of the action. The economic way of thinking says something should be done until the marginal benefit (MB) equals the marginal cost (MC). There's also a concept known as the law of diminishing marginal utility - each additional unit gives less and less utility or benefit.

We want clean air so that our

eyes aren't irritated when we go outside and our lungs don't burn when we take a breath. However, if the desire is perfectly clean air this would mean no more cars, no planes, no boats or ships, and no trains (some would actually desire this situation, at least theoretically). This would impose tremendous costs on society.

Let's look at it another way. If I snapped my fingers and made the Pacific Ocean perfectly clean but then put one drop of oil somewhere in the ocean unbeknownst to everyone else, would it be worth it to spend money, time and other resources to hunt down that one drop of oil? The marginal benefit of finding and removing one drop of oil in the quintillions of gallons of water would be less than the marginal cost. In plain English, it's not worth it. Again, the optimal level of pollution is some, not zero.

When it comes to studying, practicing a sport or musical instrument, or dating someone before marrying them, you might think, "The more time, the better." I am a literal person so if I told my students, "The more you study

Nothing is free including more safety trade-offs are always involved because there is always an opportunity cost when we do something, even things like travel, play sports, or interact with others.

the better," this would mean they would never eat, drink, sleep, or spend time with family and friends. But common sense says that after studying for a certain amount of time most students will say, "I get it" or simply "time to move on." Why waste more time studying?

Also, if you are in a place in your life where you are considering marriage, then the point of dating is to acquire information about the other person so that you can make a good decision. Ultimately, you come to a point where you have enough information to propose, accept a proposal, or break up with this person. When I proposed to my wife, I did not have perfect information about her, but my information was good enough. Sure, one more month of dating would have given me some marginal benefit in terms of additional information about her, but I came to a point where I had enough information—where MB=MC.

"Good enough is good enough" is what economists mean by doing something until the marginal benefit equals the marginal cost.
The MB=MC rule implies that the

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"more is better" thinking is not optimal. One aspirin from the bottle can help your headache but it's dangerous to think, "Well, if one is good, the whole bottle is better." Yes, your headache will be gone but so will you.

Comparative Advantage: Ability to Do Something Does Not Mean One Should

In a standard economics class, students are taught absolute advantage and comparative advantage. The former means being able to produce more than another with the same amount of resources or using fewer resources to produce an output. The latter means being able to do something at a lower opportunity cost than another.

Because there's always an opportunity cost when doing something, sometimes it is advantageous to pay someone else to do something even if we have the knowledge and skills to do it ourselves. This also has applications to trade policy. Just because the United States (actually individuals in the United States) can produce certain products does not mean we should. It's ok if not everything we buy says "Made in USA" because if the government tries to "protect American jobs" and begins imposing tariffs and quotas, we are not actually saving American jobs. It's more correct to say we are saving particular jobs at the expense of other American jobs. Of course, good politics and good economics often go in different directions.

Supply and Demand: Understand How Prices Work

The complaint that businesses can charge "whatever they want" is nonsense. For example, why is it that movie theatres only charge \$8 for popcorn and not \$8,000 or \$8,000,000 if they can supposedly charge whatever they want? There are two sides to a market transaction, and it's this interaction of sellers and buyers that determines the price. What's interesting is that many times the same people complaining are the ones making noise eating that popcorn during the movie.

Fixed Pie Fallacy: Voluntary Exchange Is Win-Win That Creates a Bigger Pie

Entrepreneurs become wealthy if they create a product or service that provides value for a large number of people. Unless the entrepreneurs received special privileges from the government, they didn't forcibly take money from their customers.

The anger directed at "the rich" is based on the fallacy of thinking the economy is a fixed-size pie. In other words, those who criticise the "filthy rich" believe that they took a piece that was too big, leaving less pie for the rest of us regular folks. The reality is that these entrepreneurs baked a bigger pie. They benefited, but so did we!

In a business transaction, exchanges are voluntary, and voluntary trade is a win-win situation. The entrepreneur wins (as well as the employees he or she hires) and the customers win.

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In a business transaction, exchanges are voluntary. and voluntary trade is a win-win situation. The entrepreneur wins (as well as the emplovees he or she hires) and the customers win

Good Intentions Fallacy: Don't Forget about Unseen Costs

Intentions and results are not always the same thing. The economic way of thinking teaches us to consider possible unintended consequences of our own actions or the actions of politicians.

Just because something sounds good or feels right does not mean a certain goal will be achieved. In fact, the very problem that is being addressed can become worse.

Sound economic thinking also removes one's blinders. The effects of a policy on all groups are considered, not just one group. This helps individuals to see through politicians' claims that a policy will save American jobs when in reality only some special-interest group will benefit at the expense of other Americans. When politicians confiscate money (i.e., taxes) to build sports stadiums using the "it will create jobs" argument, the mistake is to focus on the jobs seen and neglecting the unseen-the opportunity cost of those tax dollars

Conclusion

There is so much more to say about this subject called economics and there are many more examples of the economic way of thinking that I could have included. Some characterise economics as applied common sense; yet, economics also gives us counterintuitive insights.

This is the power and beauty of economics **B**

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Building Green Entrepreneurs



Sita Adhikari is a powerhouse of encouragement and commitment to the cause of empowering women to become financially independent while improving their quality of life. She has been training and developing women entrepreneurship in energy smart eco-friendly products such as solar panels and lanterns in power-starved

villages with an aim to help lift women out of poverty while also encouraging energy sustainable practices.

Her LinkedIn profile reads: "Recognised innovative community leader, social business entrepreneur, systems thinker, women empowerment expert with nearly 20 years of experience in innovation, impact, design, and implementation strategy. Proven track record of developing impact-driven micro to small and medium enterprises for clean energy distribution in South Asia. Extensive background in building gender-inclusive and sustainable business models that create a safe space for marginalised stakeholders and provide opportunities for

social mobility and financial independence. Co-founded multiple impact-driven companies at local, regional, and international scales, through which we improved the lives of more than half a million people in remote and the most neglected communities in Nepal and India."

And yet, Adhikari is more in a country where less than 7% women are included in Nepal's formally recognised workforce. Her impact also lies in the hope she creates for women to have a chance at owning their life story.

Adhikari says that maybe it is in her genes to help people because her family has always believed in social work and been involved in various activities in the rural areas of the country. "Watching my family involved in social work from an early age, I too have always believed in doing something for the good of the community and people," she shares. With this belief, in 2000, after completing her Master's degree in Economics, she decided to return to Chitwan with the objective to help people in her hometown. "There was always this urge within me to return to my roots and work with and for the local people," she elaborates.

Initially, while Adhikari was running a microfinance cooperative she met a person called Anya Cherneff who was seeking to offer sustainable employment to women in rural Nepal. She reminisces, "I wanted to run a business for the women of my community and Cherneff was equally enthusiastic. We thought that if we could work together to bring about a paradigm shift by empowering women to become green entrepreneurs, it would be tremendous."

Since its inception in 2012, Empower Generation has been working in various fields to provide access to energy for the poor and simultaneously

reducing the number of people reliant on expensive and dangerous household fuels like kerosene and firewood. Adhikari explains, "We do this by providing low-interest loans, business skills training, mentorship and access to a supply chain of clean energy products such as solar lights and cookstoves to rural and marginalised women to start their own businesses."

Why only women based? "If you visit any rural place in Nepal, you'll see that all the women are either working at home or in agriculture or some may be in horticulture," she answers, adding, "However, we have come to realise that even when they put in so much effort, they are usually victims of domestic violence with money being the root cause of all problems." She says that if women can run proper businesses and have a substantial income then the men tend to look at them with a different perspective. "It is about empowering women so that they have a voice and their voices are heard."

Further explaining her concept, Adhikari shares that Empower Generation is a social enterprise which aims to be a medium to provide technical training and support to women in impoverished parts of the nation to set up clean energy businesses. Adhikari has helped many women launch their businesses and has trained more than a thousand women with a focus on sales.

"When we first began our venture, we found that women had difficulty in speaking up for themselves. They used to be shy or scared because it was all relatively new for them, but with constant mentoring, there has been so much progress; they now speak with confidence," she shares. "Our beginnings were very humble but the small and strong steps that we took have boosted our goal and encouraged rural women to become a part of it for their own financial independence."

However, it was not all smooth-sailing. There were many challenges that needed to be overcome to remain sustainable in the market. Adhikari explains that identifying the quality of the product and offering it at affordable prices in the market is still quite challenging. "Running a business and also following the strict rules and policies of the government create hassles at times but we make sure that everything is done as per the set regulations," she states.

Adhikari says that the patriarchal mindset of the society has hindered the progress of women in rural Nepal. "People are still living with the belief that women are meant to only work at home but what we fail to understand is that even to do all that work, one requires leadership qualities. This is the mindset we want to gradually change for better financial stability of marginalised groups," she states.

Though the work being done by Adhikari is a herculean task, she shares that when your work is recognised within the country or internationally, it provides that extra energy to move forward. "Empower Generation has received a lot of praise and we have also won the International Ashden Award for Clean Energy for Women and Girls for our innovative approach to propagate sustainable energy among Nepal's rural poor," she smiles.

Over the years, Adhikari has earned a name for herself and the work she does but she says that it demanded a lot of sacrifice and dedication. For young entrepreneurs and startups, she says, "Be confident in what you really want to achieve and always seek support and mentorship. To run a business, one should learn from those who are well educated in such fields because that provides the support and mentorship needed to go further with your plans". B



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beed's take on the market

During the review period of June 28 to July 29, the Nepal Stock Exchange (NEPSE) index went up by an impressive 207.39 points (+10.73%) to close at 2,140.52 points. Although the market began the review period with only 1,921.31 points on June 29, the index steadily climbed thereafter while also facing minor fluctuations. It reached a high of 2,140.52 points on July 29, marking the market's highest level since March of 2022 The modest improvement in the market's liquidity, entry of new investors, and the release of Nepal Rastra Bank's new Monetary Policy 2022/23 are some of the key factors driving investor confidence. As a result, the overall market volume during the review period increased significantly by 95.88% with a total transaction of Rs 61.840 billion.

During the review period, contrary to the previous review period, all of the sub-indices landed in the green zone, showing signs of recovery in the market.

Finance sub-index (+41.88%) was the biggest winner as the share value of Gurkhas Finance (+Rs 295.4), Goodwill Finance (+Rs 162.1), and ICFC Finance (+Rs 159.3) increased substantially.

Development Bank sub-index (+25.83%) was second in line as it witnessed a surge in the share prices of Lumbini Development (+Rs 104.9), Corporate Development (+Rs 102), and Mahalaxmi Development (+Rs 98). Hydropower sub-index (+18.65%) followed suit with a rise in the share prices of Upper Tamakoshi Hydropower (+Rs 123), United Modi Hydropower (+Rs 95.8) and Himalayan Power (+Rs 83). Hotels and tourism sub-index (+18.30%) also rose as share value of Taragaon Regency (+Rs 47), Oriental Hotels (+Rs

42) and Soaltee Hotel (+Rs 34.4) went up.

Similarly, Microfinance sub-index (+18.13%) witnessed an increase in the share prices of National Microfinance (+Rs 540), Swabalamban Microfinance (+Rs 354), and Laxmi Microfinance (+Rs 315.5). Others sub-index (+14.30%) also substantially increased with a rise in the share value of Citizen Investment Trust (+Rs 346.5), Nepal Telecom (+Rs 79) and Hydroelectricity Investment & Development (+Rs 10).

Along the same lines, Manufacturing and Processing sub-index (+11.77%) witnessed a hike in the share prices of Bottlers Nepal (+Rs 1954.9), Himalayan Distillery (+Rs 503) and Shivam Cements (+Rs 108). Likewise, Non-life Insurance sub-index (+5.92%) faced an upsurge with a rise in share value of Rastriya Beema (+Rs 578), Shikhar Insurance (+Rs 112) and NLG Insurance (+Rs 60.9). Life Insurance sub-index (+5.35%) also followed suit with an increase in the share value of Asian Life Insurance (+Rs 74), National

Life Insurance (+Rs 63) and Nepal Life Insurance (+Rs 58).

Lastly, Commercial Bank sub-index (+3.85%) also gained value with a marginal rise in share price of Nabil Bank (+Rs 89.9), Everest Bank (+Rs 65), Standard Chartered Bank (+Rs 64) and NIC Asia Bank (+Rs 29.9).

News and Highlights

During the review period, the central bank of Nepal, Nepal Rastra Bank, unveiled the Monetary Policy for the current fiscal year 2022/23. The policy's provisions are perceived as marketfriendly measures aimed at strengthening the secondary market. The policy, for instance, now permits individuals to borrow up to Rs 120 million (up from Rs 40 million) from a single bank or financial institution. A clause like this might prevent panic selling among shareholders and boost investor confidence, which would result in higher market turnovers.

Table 1 Sub-indices during the review period (June 28 to July 29, 2022)

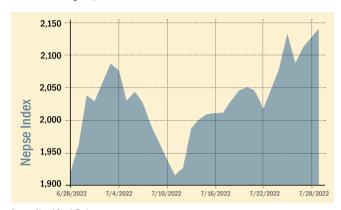
	June 28, 2022	July 29, 2022	% Change
NEPSE Index	1,933.13	2,140.52	10.73%
Sub-Indices			
Commercial Bank	1,340.60	1,392.28	3.85%
Development Bank	3,236.09	4,072.12	25.83%
Hydropower	2,135.31	2,533.47	18.65%
Finance	1,401.98	1,989.16	41.88%
Non-Life Insurance	7,827.91	8,291.16	5.92%
Others	1,416.26	1,618.83	14.30%
Hotels and Tourism	2,517.82	2,978.47	18.30%
Microfinance	4,177.36	4,934.80	18.13%
Life Insurance	9,452.70	9,958.43	5.350%
Manufacturing & Processing	4,813.01	5,379.59	11.77%

Source: Nepal Stock Exchange

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Figure 1 NEPSE Index during the review period

(June 28 to July 29, 2022)



Source: Nepal Stock Exchange

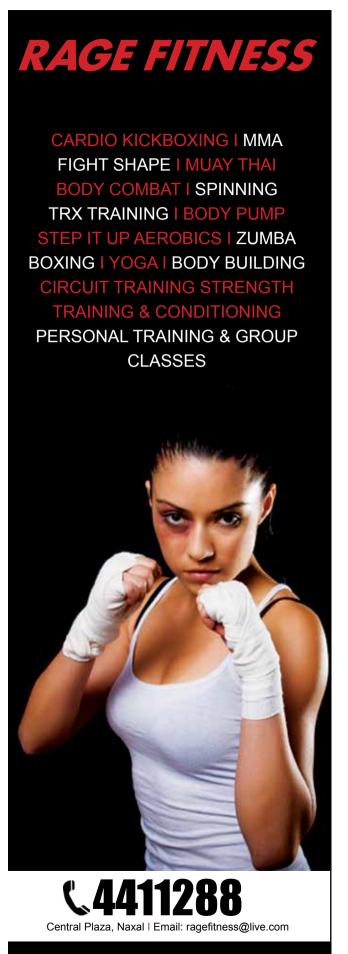
Additionally, the Securities Exchange Board of Nepal (SEBON) is set to welcome onboard Nepali migrant workers in the stock market, given their contribution to the country in the form of remittances and capital expansion. Considering this, SEBON has proposed a policy that reserves 10% in the sale of Initial Public Offerings (IPOs) in Nepal. Likewise, in order to expand the securities market to Non-Resident Nepalis (NRNs), it will also change its Securities Registration and Issue Regulation 2073 and other relevant regulations.

On the public issue front, SEBON approved the IPOs of Eastern Hydropwer worth Rs 620 million and Khaptad Microfinance worth Rs 40 million. NMB Capital and Prabhu Capital have been appointed as issue managers for the two companies, respectively. Similarly, SEBON has also approved the right shares of Radhi Bidhyut Hydropower worth Rs 953.576 million. Muktinath Capital has been appointed as its issue manager.

Outlook

The country's favourable macroeconomic data, the new Monetary Policy with helpful provisions to ease capital movement and exchange, and improvements in liquidity position have all led to a rebound in the secondary market. Collectively, all of this has increased investor confidence and morale. However, to maintain market optimism, effective monitoring and enabling policies should be implemented effectively. **B**

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GOLD: The Theatrics



► Vivek Risal is the Country Programme Coordinator at IMFA Global, a globally reputed brand for facilitating financial markets training. He can be reached at vivek@imfaglobal. com

Observing the monthly chart of the bullion, gold prices have declined in a manner reminiscent of a ship sinking to the floor of the ocean. The prices had skyrocketed in the first quarter reaching a high of \$2070.16 per troy ounce but thereafter slumped significantly to its lowest of \$1680.64 per troy ounce on July 21. In the first quarter of 2022, the Russian invasion of Ukraine along with other vital factors had attributed to the rise of gold. However, the second quarter has marked a significant shift of sentiment of the traders towards gold leading to a change in its fortunes.

Gold Jewellery Below Pre-Pandemic Levels

The demand for gold jewellery in the second quarter was slightly stronger than in the second quarter of 2021 but remained soft in comparison to the pre-pandemic levels. Analysts opine that while consumption has recovered from the worst phase witnessed during the pandemic-induced phase, it has yet to regain the numbers that defined the few years before the pandemic. A host of factors were at play in the second quarter including the lockdown in China and

surging inflation globally. However, strong support was factored in from the robust wedding and festival season in India.

Investment Unchanged

The demand for investment in gold declined during the second quarter. As per World Gold Council, the total investment was down 28% on a year-to-year basis. Concerns surrounding inflation supported the investment inflows into gold, but monetary tightening coupled with the appreciating greenback were major factors behind the outflow. The

the second quarter of 2021. According to the World Gold Council, Turkey was hailed as the largest buyer during the first half of 2022 adding 63 tonnes to its gold reserves, and accounting for 32% of the total reserves. Egypt was the second largest reporting a 44-tonne increase holding 125 tonnes of gold or 21% of the total reserves. The central bank of Iraq had announced that it had added 34 tonnes in June lifting the numbers to just over 130 tonnes. In the second quarter, India also continued its purchase with the reserves rising by 15 tonnes over this

to push back the delivery of 95,000 vehicles in part due to the lack of chips.

Increased Supply

In the first half of 2022, total supply increased by 5% as compared to 2021, reaching 2,357 tonnes due to higher mine production and recycled supply. As volumes in China recovered following safety stoppages and higher grades were mined, mine production increased by 3% in the first six months of 2022. The recycled volumes of gold inclined by 5% in the second quarter of 2022 lifting the overall first



pressures inclined at the end of the second quarter as the US central bank, the Federal Reserve, adopted a more aggressive tightening pace as fears grew over potential recession alongside a collapse in the prices of commodities. Continued recovery in the Indian bar and coin demand, and a strong year-on-year comparison for Turkey opposed the significant weakness in the retail investment in China driven by the Covid-led lockdowns.

Sustained Central Bank Buying

In the second quarter, central banks added 180 tonnes of gold to their global reserves which was 14% less than the numbers attained in period. It should be duly noted that the performance of gold during a crisis, its long-term store of value, and hedging elements during inflation are key factors for central banks decisions to buy the yellow metal.

Fall in Industrial Applications

The use of gold in electronics sector fell slightly during the second quarter by 3% in comparison to 2021. The disruptions in the automobile sector were notable due to continued chip shortages. Manufacturers had reported increased demand for new vehicles during the period but this was tempered by the rising prices and delayed deliveries. For example, GM was forced

half recycling numbers to their highest level since 2016.

Closing Thoughts

While the first half of the year presented a mixed bag for gold, the second half is forecasted to be positive. In the investment bracket, market pundits have predicted potential for significant improvement. An opportunity for safe-haven demand is set to continue with consumer prices remaining high impacting asset-allocation decisions. With increase in demand from Indian consumers and the central bank coupled with upside potential for supply, markets are all geared up to witness another enthralling finish to the end of the year.B



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Understanding Smartphone Cameras for Beginners



▲ Sushil Neaupane I am Sushil Neaupane and I am a writer, techie, and travel enthusiast. I have a fascination-cum-obsession with mobile technology and I am always on the lookout for the next best gadget. If you happen to come across something along those lines, feel free to reach out to

You might have heard for a long time from YouTubers and other professional reviewers that the Pixel and iPhone have been the consistent kings of the smartphone photography world. To cut a long story short, they are mostly right. We reviewers often use these smartphones as benchmarks to rate smartphone cameras, but as always there's more to the story.

You see, there are a lot of factors that go into making a good camera, whether it concerns photography or videography. In the past, the photos that we took were solely dictated by the physical properties of the equipment you were using. Once the photo was etched into the film, there was very little that you could do to alter the image. You'd just take it to the studio and have it printed. We have come a long way since then. Most cameras are now complemented with computers. While the big-boy cameras like DSLRs still use their on-board computers for some after-the-shot software magic, smartphones are the deviceclass that truly make use of the computational horsepower. Perhaps, you have heard of computational photography.



Computational photography is a rather broad term that refers to the software enhancements that a camera can make to a photo after it has been taken. This is done by having the camera or cameras (as most smartphone these days have multiple cameras) take more data than a traditional camera would have taken. Then, the software uses this extra data to manipulate the original shot in a way that makes the final product better. Now the thing is, this 'better' is defined by the people who put together this software. That is why, even when you frame the same shot on different smartphones with the same physical sensors, the end result is rather easily discernible.

One headline that we have come to attribute to good camera performance is 'Megapixels'. The public consensus remains: the higher the 'megapixel' labelled on the device, the better the photographs hence taken. This public opinion has largely been leveraged by mid-tier smartphones to paint a false picture. You would be surprised to know that the iPhone used 12 megapixel sensors for the longest of time.

This brings me to the first

point that I am trying to make: trust a brand's reputation more than you trust the numbers that the marketing materials print out for you. Very few of us actually bother to dig deep into the specsheet and take the time to truly understand the hardware and software used in the smartphones available to us. We'd much rather settle for a streamlined gist that the smartphone's marketing team prints out for the mass media. I am not advising you to completely forego the marketing material. I am just asking you to trust a brand's reputation. It is often the case that smartphone manufacturers usually build upon the imaging processing software they already have at their disposal, and a good camera usually gets better with each iteration.

I understand that this might be a controversial suggestion as I should, in theory, be working to help you make a more informed decision, and this is me actively dissuading you from doing that. However, I have come to realise that, for the masses, this is the best way to go.

Another thing to note while choosing your smartphone camera is being honest with

yourself about what kind of capabilities you might need. You see, it's easy to fall into the hype train and think that you need that 100x periscope telephoto camera, or some gimmick micro-camera meant to shoot the lint on your trousers. How often will you need these features in real life? In most cases, you will be fine with a standard and an ultra-wide camera

If you still need your camera to zoom in on subjects often, keep in mind 'optical' is almost always better than 'digital'. A digital zoom is basically cropping. Say you have 10 times digital zoom in a camera with a 3x telephoto lens. That's basically cropping the shot captured by the 3x camera, Also, keep in mind optical image stabilisation (OIS) is better than digital image stabilisation, which is still better than nothing. Most often, midrange smartphones only have OIS on one of their two or three or sometimes even four cameras, whilst still having the promotional material flaunt OIS on their website and elsewhere.

Finally, I'd suggest that you play around with some photo and video editing apps that you can get for free on the Play Store or the App Store. Unlike their desktop-class counterparts, the smartphone apps have such a friendly user interface that basically anyone can make use of these apps. Even if your first edit doesn't turn out great, don't be scared to play around. Adobe Lightroom for smartphones is a good place to start.

With all that being said, photography and videography can be very subjective. Meaning, not everyone has the same taste in the final output. And, just like no one can exactly explain the taste of ice cream to you, no one can explain exactly what the photos taken on a specific smartphone look like. Always look for samples on the internet to get a gauge! **B**

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CITROËN AIRCROSS SUV WORLD CLASS COMFORT NOW IN NEPAL



Contemporary and welcoming, Citroën C5 Aircross SUV's interior has been designed to ensure serenity reigns supreme. The CITROËN ADVANCE COMFORT programme delivers innovative, technological and intelligent solutions to create wellbeing for drivers and passengers alike, and confirms Citroën driving-comfort credentials. Four main themes are at the heart of this comfort engineering: the cocoon effect, practicality, fluidity and peace of mind.

1.6 Liter 4 cylinder petrol turbo engine, maximum power 121 kW at 6000 rpm, maximum torque 240 Nm at 1400 rpm. 6-Speed Automatic Transmission.

Transfer of Shares of a Private Limited Company



▲ Kirit Mani Adhikari is a Trainee Associate at Pioneer Law Associates and is specialising in corporate law.

Transferability of shares has been an important feature of the company business model. Shares are personal property and can be transferred. Transfer of shares is a voluntary process by which an existing shareholder of a company transfers their title on their shares to a transferee. The Companies Act 2006 (2063) (Act) recognises this concept and allows for transfer of shares within the ambit of the Act, Memorandum of Association (memorandum) and Articles of Association (articles).

Restrictions on Transfer of Shares

While the transfer of shares is a right guaranteed to shareholders by the Act, there can be several restrictions imposed on it. This is especially true for a private company since a private company is usually akin to partnerships from a personal and business perspective even though legally it is a separate and distinct entity from its owners. In terms of general statutory restrictions, the Act provides that promoters, other than those of a private company which has not obtained a loan from any other company, are restricted from transferring their shares:

- 1. without holding the first annual general meeting, and
- 2. without fully paying up the call amount on the issuance of their shares.



The company may also be allowed to make such restrictions if:

- (a) the call amount of the shares has not been paid,
- (b) the transfer would be contrary to the articles or an agreement concluded among the shareholders of the company, and
- (c) the applicable fees for transfer are not submitted with the application.

Particularly in relation to (b), the articles or the shareholders' agreement may impose certain limitations on the transfer of shares. One example of this may be limiting transfer to outsiders at first by ensuring the right of first refusal of other existing shareholders of a company to purchase the shares (ensuring preemptive rights). In such cases, whenever any shareholder wants to sell their shares, they would first have to offer the shares for sale to the existing shareholders of the company. Only when they refuse, will such a shareholder be allowed to sell their shares to a third party. The articles or the shareholders agreement may even stipulate the process

BESIDES THE PROVISIONS OF THE ACT, THE TRANSFER OF SHARES OF A PRIVATE COMPANY **USUALLY REQUIRES** A CAREFUL ASSESSMENT OF ANY RESTRICTIVE CLAUSES OR ANY **PRESCRIBED** MANNER OF TRANSFER NOTED IN THE MEMORANDUM OR ARTICLES OF THE COMPANY OR THE SHAREHOLDERS' **AGREEMENT** CONCLUDED AMONG SHAREHOLDERS

governing the sale and transfer of such shares. The shareholders agreement may usually set out a number of restrictions and mechanisms regulating transfer of shares depending upon the nature and size of investment of shareholders in the company.

Process of Transfer

The general framework for the process of transfer of shares has been outlined in the Act. Pursuant to the Act, the process of transfer of shares involves first, the transfer of shares from the transferor to the transferee through conclusion of a validly executed sale deed. Second, it involves the process of recording the transaction with the company for the company to effectively grant them rights as a shareholder of the company. The failure to record the name and details of the transferee in the company's shareholder register book will not render such a transferee as a shareholder of the company. The Act provides clearly that in the event of a dispute regarding the ownership of securities of the company, the person whose name is recorded in the company's shareholders register book will be deemed as the owner of such securities.

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Further, the Act only recognises persons whose names are recorded in the shareholders register book as the shareholder of the company for the purposes of exercising voting rights in the general meeting of the company. But until the transfer is registered with the company, the transferor should act as a constructive trustee of the transferee.

The transferee will have to submit an application in the prescribed format to the registered office of the company with the sale deed and the share certificate paying the applicable fees. Within 15 days of receiving the application, the company will then have to remove the name of the previous shareholder or transferor and register the name of the new shareholder or transferee in the register book. This will be carried out with the decision of the Board. Alternatively, the transferor can also submit an application to the company to record the transfer of their shares to the transferee along with the sale deed that is duly executed by the transferee. The company will have to treat such an application in the same manner as if it was made by

the transferee and include the name of such transferee in the register book. It has been considered good practice for a private company to notify the previous shareholder of such transfer for verification upon the receipt of the application from the transferee.

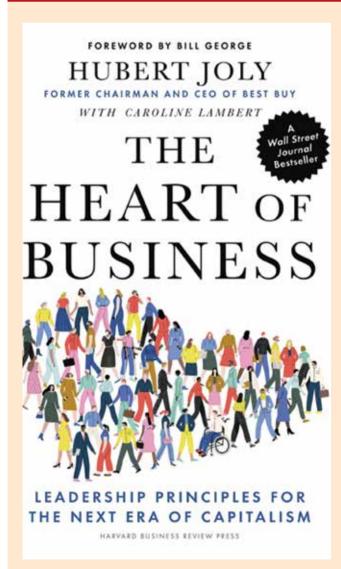
Besides the general framework, it is important to comply with any requirements that may have been set in the articles or the shareholders agreement as well.

Finally, the regulatory body, the Office of the Companies Registrar (OCR) should be notified of the share transfer by the company. The shareholder register book of the company will have to be updated with the OCR.

Conclusion

In conclusion, besides the provisions of the Act, the transfer of shares of a private company usually requires a careful assessment of any restrictive clauses or any prescribed manner of transfer noted in the memorandum or articles of the company or the shareholders' agreement concluded among shareholders. **B**

BOOK OF THE MONTH



The Heart of Business: Leadership Principles for the Next Era of Capitalism

Author: Hubert Joly, Caroline Lambert

How to unleash "human magic" and achieve improbable results.

Hubert Joly, former CEO of Best Buy and orchestrator of the retailer's spectacular turnaround, unveils his personal playbook for achieving extraordinary outcomes by putting people and purpose at the heart of business.

Back in 2012, "Everyone thought we were going to die," says Joly. Eight years later, Best Buy was transformed as Joly and his team rebuilt the company into one of the nation's favorite employers, vastly increased customer satisfaction, and dramatically grew Best Buy's stock price. Joly and his team also succeeded in making Best Buy a leader in sustainability and innovation.

In The Heart of Business, Joly shares the philosophy behind the resurgence of Best Buy: pursue a noble purpose, put people at the center of the business, create an environment where every employee can blossom, and treat profit as an outcome, not the goal.

This approach is easy to understand, but putting it into practice is not so easy. It requires radically rethinking how we view work, how we define companies, how we motivate, and how we lead. In this book Joly shares memorable stories, lessons, and practical advice, all drawn from his own personal transformation from a hard-charging McKinsey consultant to a leader who believes in human magic.

The Heart of Business is a timely guide for leaders ready to abandon old paradigms and lead with purpose and humanity. It shows how we can reinvent capitalism so that it contributes to a sustainable future.

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To Lo Manthang On A Citroen C5 Aircross



Taking on the challenge of an off-road adventure to Lo Manthang, Bijendra Suwal, the Deputy General Manager of Nepal Investment Bank Ltd (NIBL) drove his Citroen C5 Aircross to the walled capital of the Kingdom of Lo. Lo Manthang is the capital of Upper Mustang lying at an altitude of 3,840 metres. The route for Lo Manthang is well known for its extreme off-road conditions. Suwal got his C5 Aircross some nine months ago. On the lookout for a new car, he knew that the car would need to meet his requirements of travelling a lot, especially on off-road, track and long journeys as he would be retiring from work soon. "The moment I saw the car, it was love at first sight. The shape, the interiors, and the colour white, it fitted all my requirements," he shares.

Back in his youth, Citroen was quite popular amongst Nepalis. According to him, many of his friends used to own a Citroen. "As far as I know the best part was the suspension. It was so good that even on the bumpy roads of Kathmandu then, we used to enjoy our rides," shares Suwal. Since, Citroen is a French brand, Suwal was assured of its quality. After the test-ride, he was completely convinced to buy the Citroen C5 Aircross.

Suwal found that the new Citroen C5 Aircross met his budget and was perfectly suitable for his lifestyle and the terrain of Nepal. However, the car missed out on the 4WD system. Initially, his plan was to take his wife to Muktinath in his new car. So, they drove to Muktinath where they met a motorbiking couple who suggested not to miss the



Korola Pass Border. And thus, his trip to Muktinath stretched to Korola Lo Manthang.

The comparatively higher ground clearance of 230 mm on the C5 Aircross gave him the confidence to take on this adventure to Upper Mustang. The second thing that added to his confidence is the terrain control system which took care of rough roads to some extent. As Upper Mustang has terrain interspersed with heavy offroad, slippery roads and near vertical uphills, he says that he missed the 4WD system at two locations but due to the terrain control system in the Citroen, he was able to continue his journey to Korola border without any major hassle.

About the quality of the ride, Suwal says that the very unique suspension of Citroen which is called the Hydropneumatic Suspension made the journey comfortable. "People say it's equivalent to a flying carpet. When you drive a Citroen, it has a very acoustic system inside. You hardly hear any noise or disturbance. The suspension is very good. It's almost equivalent to flying a carpet. You'll have a comfortable journey even on rough terrain or an adventurous route," he shares. He also likes that the backseat can fold individually which is very convenient on a long drive.

Talking about the car's performance, he says, "I'd rather say A+ not A++. If it was a 4-wheel drive, I would have rated it A+++. But it's still a perfect fit for our terrain and those who love adventurous outings. From the luggage compartment, clearance, height, weather sunroof, moonroof, sound system, everything perfectly matches my requirement." The other aspect that Suwal misses in the C5 Aircross is the woofer in the sound system as he loves to listen to music while driving and sound quality is high on priority for him. Apart from that, he thinks the car is total value for money.

Suwal shares, "You'll feel proud when you look at your car. That's very important when you own a car. Every morning when you look at your car, you should be proud that you own it. That satisfaction is very important."

He concludes his testimony with, "You won't regret it. In the end, if you look at the financial prospect, I think the total cost of ownership will be much less compared to other cars because it's a French brand and there should be no problems from the quality perspective." **B**

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Merchant Banking Shifting to Investment Banking and what next?



Deputy General Manager of NIBL Ace Capital Ltd. He is a Qualified Chartered Accountant from The Institute of Chartered Accountants of Nepal. He also holds a diploma in IFRS from ACCA. He has more than 10 years of experience in the field of Auditing, Accounting, Consultancy and Advisory.

Merchant bankers are licensed institutions which facilitate working of capital market through various activities. During the inception of this concept in Nepal, a majority of the merchant bankers were focused on providing mainly RTA/RTS and issue management services. The scope of work slowly broadened with the introduction of depository participants (DP) related services, portfolio management services and mutual fund operation. Recently, advisory services have become a major domain of work for merchant bankers. Citizen Investment Trust (CIT) is known as a pioneer merchant banker of Nepal.

Merchant banking business has evolved over the past few years. It has seen changes in every domain of its work. RTA/RTS, issue management and DP related services have seen major changes due to digitisation in this field. Compulsory dematerialisation of public issues in 2018 changed and prioritised DP business. The introduction of

dematerialisation also changed the nature of share registrar business. Merchant bankers now act as Registrar and Transfer Agents (RTA) along with Registrar to Shares (RTS). Similarly, with the introduction of C-ASBA in 2018, issue management business has also seen major changes. Previously, companies visited merchant bankers for issuance of securities whereas now merchant bankers approach various companies to support them during the issuance of securities to the general public.

According to CDS and Clearing Ltd (CDSC), there are 44 registered RTA/RTS service providers and among them NIBL Ace Capital Ltd provides RTA/RTS facility to the largest number of securities in the industry, i.e. 51 securities. Recently, issue management business took a huge leap with the introduction of book building method while issuing the initial public offering (IPO) of Sarbottam Cement Ltd. Global IME Capital Ltd along with Prabhu Capital Ltd and NIBL Ace Capital Ltd acted as the issue managers for this issue. Similarly, in recent times the Nepali capital market has seen a massive increase in the number of demat account holders and meroshare users, which is more than five million and over four million, respectively.

Portfolio Management
Service(PMS) and Mutual Fund
Management Service are two
other services being provided
by merchant bankers in Nepal.
There are two different types of
mutual funds in operation in the
Nepali capital market, namely
close-ended mutual funds and
open-ended mutual funds.
Siddhartha Investment Growth
Fund 1 (SIGS-1) was the first

close-ended mutual fund managed by Siddhartha Capital Ltd whereas NIBL Sahabhagita Fund (NIBLSF) was the first open-ended mutual fund managed by NIBL Ace Capital Ltd after the introduction of Mutual Fund Regulation, 2067. Before the New Fund Offering (NFO) of NIBL Sahabhagita Fund (NIBLSF), the mutual fund market of Nepal was fixated in the close-ended funds while open-ended funds were more popular outside Nepal. Systematic Investment Plan (SIP), Dividend Reinvestment Plan (D-Rep) and Systematic Withdrawal Plans (SWP) associated with open-ended fund make them more desirable among investors. Currently, there are 27 close-ended mutual funds, six matured funds and four open-ended mutual funds with assets under management (AUM) of approximately Rs 32 billion operating in Nepal. Similarly, merchant bankers are currently managing AUM that are more than Rs 7 billion including both discretionary and non-discretionary portfolio. With these two services, merchant bankers of Nepal have been successfully serving their clients with investment banking services as well.

Broadening the area of work, merchant bankers these days are focusing on providing advisory services to their clients. Advisory services are the most varied nature of work carried out by merchant bankers that help clients meet their varied business goals. Preparation of business plan, financial restructuring, loan syndication, capital restructuring, feasibility study, debt/equity assessment, corporate restructuring, loan rescheduling/restructuring and company valuation are some

of the benefits that businesses can derive by approaching corporate advisory services through merchant bankers. As mentioned earlier, merchant bankers these days are approaching companies to help them in issue management through its advisory services. Not only large companies, merchant bankers are also helping small and medium enterprises (SMEs) working in debt financing to support and boost their businesses. Corporate advisory service providers are supporting growth of capital market by facilitating issue management and the entire economy by helping in the growth of SMEs at the ground level.

The licence of Specialised Investment Fund (SIF) is a way forward for all merchant bankers in Nepal. After obtaining the licence to operate SIF funds from Securities Board of Nepal (SEBON), they can work to develop entrepreneurship in Nepal. Funding is a major challenge for entrepreneurs. Without funding great business ideas have gone obsolete. Entrepreneurs will not only find source of funds but also a link with the experts of their field with the help of merchant bankers.

Merchant banking business has been gradually evolving and merchant bankers are continuously looking for and tapping new areas of business. They have not only supported the development of the capital market but also worked for the betterment of the economy. With a few decades of experience and expertise, merchant bankers aim to support their customers in solving any sort of financial difficulties and help in their financial upliftment. B





AFTER BEING THE FIRST CHOICE IN NEPAL NOW WITH INDIAN CONSUMERS.



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DRINK RESPONSIBLY

Monetary Policy 2022/23 focuses on boosting productivity

interest rates of loans to be mobilised in definite productive sector and business sector.

The policy has laid



The Monetary Policy for the current fiscal year 2022/23 has been unveiled aiming at keeping external sector stability by controlling inflation. The monetary policy has focused on promoting overall fiscal stability and boosting productivity by mobilising fiscal instruments for the productive sector.

Nepal Rastra Bank (NRB) Governor Maha Prasad Adhikari unveiled the policy on July 22. He said the policy has cautiously brought tight measures in a way to support the government's target of achieving higher economic growth. The Monetary Policy has placed emphasis on mobilising loans in the productive sector rather than expanding credit in the context of high credit-GDP ratio. Likewise, the policy has laid focus on gradually reducing facilities and regulatory arrangements provided during the Covid 19 pandemic and formulating wise regulatory standards.

The re-financing facility will be subject to revision to limit the facility to the most affected sectors including productive sectors and export and the areas which are yet to be recovered from the effects of the pandemic.

The Monetary Policy has also laid emphasis on enhancing access to credit for small, cottage, micro and medium-scale enterprises and gradually slashing loan centralisation. Similarly, the policy will keep differences at emphasis on maintaining financial stability through overall self-regulation and reforms in credit quality. It has also set a target to expand the scope of Monetary Policy by enhancing financial literacy, financial access and financial inclusion as well as digitalising payments and financial transactions.

The policy has extended the timeline for merger and acquisition of banks and financial institutions (BFIs). Governor Adhikari shared that BFIs adopting merger and acquisition up to next mid-January will be provided with facilities for this. Earlier, the NRB had given the merger and acquisition facility deadline up to mid-July.

Likewise, there will be no halt of transactions of BFIs while going for merger and acquisition. Earlier this arrangement was in place. With the new policy shift, the merger and acquisition will be as per the regulation of the Securities Board of Nepal.

World Bank approves \$100 million to support key reforms for Nepal's Green, Resilient, and Inclusive Development

The World Bank's Board of Executive Directors approved a \$100 million development policy credit (DPC) to help improve the enabling environment for Nepal's green, climate-resilient, and inclusive development pathway on July 14. This is the first in a programmatic series of three DPCs on Green, Resilient and Inclusive Development (GRID).

"In the wake of the Covid 19 pandemic, the World Bank has pivoted its programme in Nepal to focus support to the government to pursue a greener, more inclusive, and more resilient development path," said Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka. "Through this operation, we are supporting the government's key policy actions across sectors including water, land use, agriculture, forest, urban, waste, and pollution."

This first operation supports strategic GRID transitions that help build and maintain prosperity for all. This includes the sustainable and productive use of natural capital; strengthening the resilience of urban and rural infrastructure, human capital, and livelihoods to climate and environmental risks; and promoting more efficient and cleaner production, consumption, and mobility.

The operation also supports reforms for strengthening inclusion in development decision-making and access to assets and services; and encourages private sector investment in greening Nepal's economy and creating jobs and livelihoods related to such areas as community forestry, agriculture, clean air, and solid waste management.

"Nepal's shift to the GRID approach is a strategic move during a challenging era that is full of opportunity. This shift will help the country continue to make progress on expanding and protecting prosperity while reducing poverty in the face of compounding challenges that affect Nepal's development, including Covid, disaster, climate and environmental risks," said Steve Danyo, Sector Leader for Sustainable Development for Maldives, Nepal and Sri Lanka, and the Task Team Leader for the operation.

Monetary Policy will create more pressure on liquidity situation: FNCCI

The Monetary Policy is expected to create more pressure on the liquidity situation seen in the market for about eight months, the Federation of Nepalese Chambers of Commerce and Industry (FNCCI) said in a review of Monetary Policy 2022/23.

The policy was unveiled by Nepal Rastra Bank Governor Maha Prasad Adhikari, on July 22. The central bank which is looking forward to providing fewer loans by about 7% points than last year, has adopted a policy of maintaining liquidity in the market and increasing the interest rate of loans by reducing consumption, FNCCI reviewed.

The policy tends to control debt and cut expenses rather than increasing the source of foreign exchange earnings. FNCCI has welcomed provisions such as reducing the interest rate of loans in the productive sector compared to other businesses, maintaining re-loan facilities for businesses hit hard by the Covid 19 pandemic, and realignment facilities for small entrepreneurs. However, due to the lack of concrete measures to reduce the lack of capital, the Monetary Policy does not encourage the private sector, FNCCI opined.

The policy has not been able to cover concrete measures of import substitution and export promotion. It will be challenging to achieve the economic growth rate target of 8% announced in the annual budget as private sector investment will also shrink due to the austerity policy.

The compulsory cash balance of 3% has been increased to 4%. This will bring in about Rs 50 billion to the central bank. Likewise, if the statutory liquidity ratio is increased by two percentage points, the additional amount will go from the banks to the central bank. When the bank

rate increases from 7% to 8.5%, it will lead to an increase in the interest rate, according to FNCCI.

In the case that the deposits have not increased even when the interest rate is increased, these provisions will only allow the loan interest rate to increase. Construction of hydropower, tourism and other projects will also be affected as approved loans cannot be obtained due to a lack of investable funds.

Although credit is expensive due to strict policies, it is not easy to keep inflation within the desired limits only through monetary instruments.

Likewise, the reforms in the stock market have addressed small investors. Previously, the system of borrowing Rs 40 million from a single financial institution and Rs 120 million from the entire financial system has been revised to Rs 120 million that can be borrowed from one financial institution.

Similarly, the risk weight of share loans up to Rs 2.5 million has been reduced from 150% to 100%. Some strict measures have been taken on unopened and overdraft loans.

Meanwhile, loans will be provided at a lower rate in the productive sector than in the business sector. The central bank has addressed the demand raised by FNCCI for some time that there should be a difference in the interest for loans to the productive and business sectors. For the time being, it has been arranged to charge 2% premium on loans up to Rs 20 million based on food production, livestock, fisheries, exports and 100% domestic raw materials. Its concrete blueprint should come through the guidelines.

Entrepreneurs who have availed loans of up to Rs 50 million will not be charged penal interest if they pay within October for the deadline of June/July. Also, the re-loan facility will be extended to businesses most affected. This will make the situation easier for small entrepreneurs. But the FNCCI has demanded that refinancing be maintained

by linking refinancing with productivity.

The policy, which mentions that alternative sources will be sought for startups, is silent on the possibility of giving project loans to small entrepreneurs. The federation also requests for the implementation of project mortgage loans to create a conducive environment for small enterprises that have a large share in exports and have the potential for import substitution. FNCCI has already submitted its feasibility study report to the central bank last year.

The Monetary Policy mentions that concessions will be given with facilities to bring in remittances through formal channels. It is mentioned that card-to-card service will be provided. It is positive that the policy has covered the issues of green economy and digital payments.

Regarding the lack of investable funds in the market, it is mentioned in the policy that banks and financial institutions (BFIs) could bring funds from abroad, bring in foreign investments, and encourage the savings of non-resident Nepalis. The federation has further drawn the attention of all stakeholders to the Country Rating issue mentioned in the government's policies and programmes which has not been covered by the annual budget and Monetary Policy.

The federation has opined that the existing system of keeping 20% liquidity can be modified. FNCCI has expressed its hope that guidelines will be issued to implement the plans mentioned in the policy.

Daayitwa advocates for creating employment opportunities to retain youth labour force

Daayitwa organised the second policy dialogue of the ECO Talks Series on youth employment on July 19. The dialogue featured Gokarna Bista, Member of Parliament and Former Minister for Labour, Employment and Social



Security and Former Minister for Energy as the Policy Guardian.

The panel comprising of Jiblal Bhusal, Joint Secretary of Ministry of Industry, Commerce and Supplies; Amun Thapa, President of Confederation of Nepalese **Industries Young Entrepreneurs** Forum and Founder and CEO of Sasto Deal: Moushumi Shrestha, Director of Shreenagar Agro Group; and Dr Kalpana Khanal, Senior Research Fellow of Policy Research Institute examined the challenges and innovative ways of mobilisation of human resources and made some recommendations to take parliamentary actions to promote employment opportunities to retain the youth labour force in Nepal.

The need to address the gap between planning and implementation of enterprisebased policies, the challenges experienced by the startup and innovation industry due to lack of proper policies and expertise in government, the urgency to shift Nepal's remittancebased, trade-based economy to production-based economy, the importance of decreasing the cost of living in Nepal to retain youth labour force, and the gap between the industry needs and the skills equipped by our academic institution were the major issues discussed in the dialogue.

The event brought together 60+ policymakers, CSOs, private companies, journalists and other relevant policy stakeholders. In the Eco Talks Series, the dialogues will continue to feature panels with three key policy stakeholders - policy beneficiaries, policy critics and policy implementers and championship of the major takeaways by the young parliamentarian as the policy

guardian.

Bista highlighted the necessity of addressing policy issues in innovative ways. He said. "Human resources and capital are the most important factors to be considered while discussing the development of Nepal. Unfortunately, the government does not possess the exact data, however, the average estimate of the labour force that has gone from Nepal in search of foreign employment is over 60 lakhs. Creating sustainable employment opportunities within the nation is the only way to retain the youth labour force in Nepal. But, as long as we don't prioritise production over trade, this problem will not be addressed."

"The high cost of living is the main reason why the youth labour force going abroad cannot be retained in Nepal. The young human resource that we've lost to foreign countries cannot be brought back and the reason is the cost of living in Nepal is higher than that of the other countries. Unless we resolve this, we cannot retain the youth labour force in the country," said Nirmal Dhakal, Under Secretary of the Ministry of Finance.

"While Nepal's economic situation is rapidly degrading, youths are resorting to better opportunities abroad. In 27 years, Nepal will be an aged nation and if this low employment trend is not corrected, it will face a dire social and economic quagmire. How do we retain our youth in the country? How do we promote youth employment through youth entrepreneurship? These are the major policy issues that we are trying to address through this particular dialogue," said Dr Pukar Malla, Founder and Chairperson of Daayitwa.

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LIAN suggests govt lift ban on import of international alcoholic beverages

The Liquor Importers
Association of Nepal (LIAN)
has urged the government to
lift the ban imposed on the
import of international alcoholic
beverages. The government has
extended the ban on the import
of vehicles, alcohol, tobacco,
and other luxury items from July
17 for another 45 days.

In a press meet organised by the association in Lalitpur on July 26, stakeholders said the government's decision to extend the ban on international brand beverages will have an adverse effect on the economy.

It was highlighted that the total foreign currency reserves consumed by bottled imported alcoholic beverages was only \$12 million equivalent to about Rs 1.5 billion annually and this accounted for about 0.10% of the total foreign currency reserve outflow annually. The government revenue generated by bottled imported alcoholic beverages was about Rs 3.3 billion making it more than twice the currency outflow.

The association members said they have already witnessed the availability of counterfeit/duplicate alcohol products of some international brands which will now have a huge impact on public health.

It has come to light that large quantities of popular brands are being smuggled across the border from India via Uttar Pradesh and West Bengal due to a huge gap in maximum retail price (MRP) in Nepal and in these Indian states adjoining the border due to higher duties and excise in Nepal.

It is said hotels, restaurants and bars have been incurring losses due to shortage of international alcoholic beverages and their sustainability could be endangered. With increased cost pressures, hotels, restaurants and bars will be forced to lay off employees resulting in unemployment.

On average, about \$15 per litre is the currency

outflow but when this is sold at hotels and restaurants the revenue generated is \$1,220 per litre which is eight times the currency and this entire value addition of \$105 per litre happens within the boundaries of Nepal. This is negatively impacting tourism. A large number of Indian tourists coming to Nepal consume these international brands which are contributing to generating foreign currencies.

LIAN represents members who import international beer, wine, and spirits brands in Nepal.

Nepal's first conference on Establishing Business Incubators 2022 held

Antarprerna, a private company, organised Nepal's first conference on establishing business incubators to promote and strengthen the startup ecosystem on July 25. The conference was held in association with the Ministry of Industry, Commerce and Supplies, Federation of Nepalese Chambers of Commerce and Industry (FNCCI), PUM Netherlands and the International Centre for Integrated Mountain Development (ICIMOD).

Minister for Industry,
Commerce and Supplies
Dilendra Prasad Badu
inaugurated the event that
focused on the exploration of
multilateral collaboration and
opportunities nationally and
globally.

A manifesto to make Nepal a Startup Nation by 2030 was made public amidst a symbolic ringing of the bell for change.

The conference is seen as an opportunity to promote collaboration among the key actors of the entrepreneurial ecosystem, government, industry and academia to discuss the formulation of plans for establishing business incubators as well as their importance.

Daraz Summit held in capital

Daraz, Nepal's leading online marketplace, held its first annual Daraz Summit on July 3. The day-long event featured three different panels with experts in their respective fields. Keynote speakers included Dr Ganesh Prasad Pandeya, Secretary, Ministry of Industry, Commerce and Supplies and Dr Baikuntha Aryal, Secretary, MoCIT as well as special guest, Kewal Prasad Bhandari, Member of Secretary, National Planning Commission.



Aanchal Kunwar, Managing Director of Daraz Nepal, started the event by explaining how Daraz aims to make a cultural impact by uplifting communities through the power of commerce. She expressed that the company 'wants to be an active channel of change and a stepping stone in this dialogue'.

The three panels covered the topics 'From Conventional Commerce to E-commerce in Nepal', 'Blending of the Market Place and Commerce for Digital Economy', and 'Uplifting Communities through the Power of Digital Commerce in Nepal'.

In the past four years that Daraz has been providing services in Nepal, it has succeeded in creating a reliable, useful, and popular market place to meet locals' demands. With over 15,000 sellers, 15 lakh active app users per month, and deliveries to 101 cities in Nepal, Daraz has quickly revolutionised the ecommerce space.

Government and World Bank sign \$80 million project to improve water supply and sanitation services

The Government of Nepal and World Bank signed an agreement equivalent to \$80 million (approximately Rs 10 billion) concessional loan for a project to improve the delivery of water and sanitation services and promote integrated water resources management.

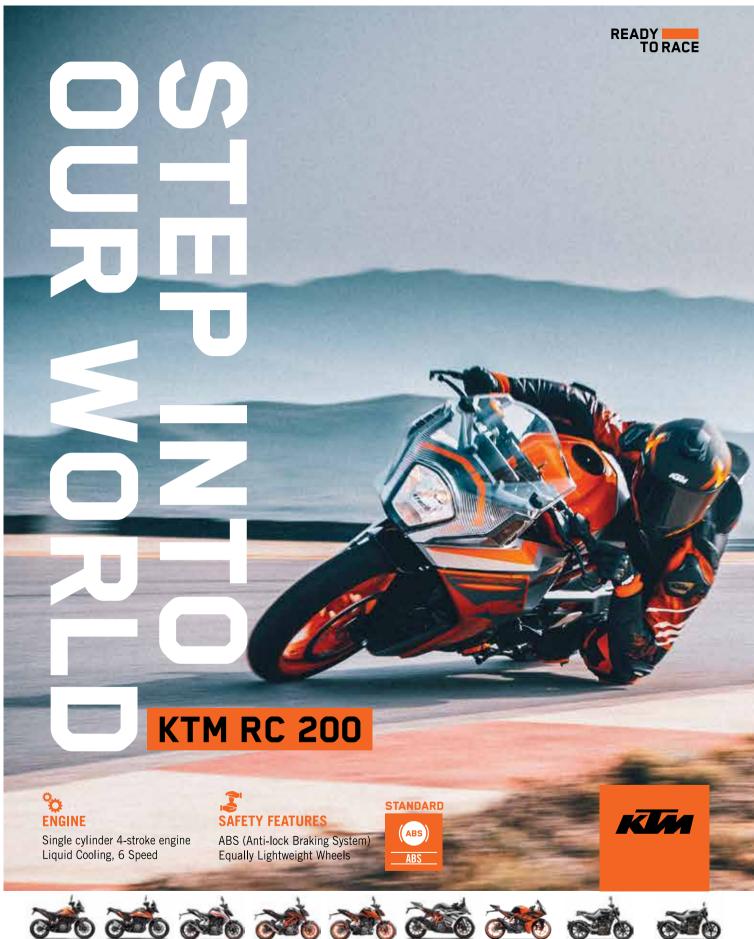
The agreement was signed by Finance Secretary, Madhu Kumar Marasini, on behalf of the Government of Nepal, and Faris Hadad-Zervos, World Bank Country Director for Maldives, Nepal, and Sri Lanka.

"Our overarching priorities are guided by the objective of achieving sustainable and inclusive growth in alignment with federalism principles enshrined in the Constitution of Nepal. The project will support the provision of much-needed water supply and sanitation services to underserved and vulnerable communities, ensure better water sector coordination, and promote higher water quality and service standards," stated Marasini, Finance Secretary.

The Water Sector
Governance and Infrastructure
Support Project will be
implemented in strategic towns
and rural municipalities in
Karnali and Sudurpashchim
provinces. Both provinces have
low access to water supply and
sanitation services, a higher
incidence of poverty, and are
vulnerable to climate change.

"This project will help strengthen the delivery of water and sanitation services at the local level by building the capacity of municipalities, while at the same time addressing critical gaps in water and sanitation infrastructure to support Nepal's economic progress and a green, resilient, and inclusive development," said Hadad-Zervos.

The project will help the local governments develop viable institutions to deliver water supply and sanitation services sustainably and efficiently. The project will also strengthen the accountability of the sector to customers by building the monitoring and regulatory capacity of provincial and federal government agencies in the sector. These will be complemented by investments in construction and rehabilitation of vital water supply and sanitation infrastructure, as well as waterquality surveillance facilities and monitoring systems.























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B360 / NATIONAL

Mahindra unveils the allnew Scorpio-N in Nepal

Mahindra & Mahindra, pioneers of the SUV segment in Nepal, unveiled its muchawaited SUV, the 'All-New Scorpio-N' on June 27.
Combining performance, technology, capability and innovation, the all-new Scorpio-N packs an immersive, cutting-edge driving experience while keeping alive the rich legacy of Mahindra's Authentic SUV DNA.

The Scorpio-N has been designed to redefine the D-segment SUV category with its dominating presence, head-turning design, commanding driving position and well-appointed, interiors. Moreover, making good on its authentic SUV promise, it delivers high on performance and adventure capabilities for a thrilling driving experience.

The introduction of the all-new Scorpio-N also marks the unveiling of Mahindra's new visual identity, with a brand-new logo to differentiate the company's SUV portfolio. Characterised by the 'Twin Peaks' logo, this represents the bold new direction Mahindra has embarked on with newage products that have been designed to deliver a new-age ownership experience.

The all-new Scorpio-N is engineered for those looking for a new-age authentic SUV. Built on a new thirdgeneration body-on-frame platform, the Scorpio-N boasts of class-leading structural rigidity, off-road capability and exemplary on-road manners. The Scorpio-N is powered by a TGDi mStallion (Petrol) engine with 149.14 kW (200 PS) of power and 380 Nm of torque, and mHawk (Diesel) engine with 128.6kW (175PS) of power and 400 Nm torque, offered in both 6-speed Manual and Automatic Transmissions, and 4X4 as option. The Scorpio-N scores high on technology, offering an unmatched value proposition for urban and tech-savvy customers looking for engaging with their SUV to the next level. It has the lowest

CO2 emission in its segment. This has been achieved through competent engineering and product development right from the outset. M&M has consciously adopted several environment friendly manufacturing processes under Mahindra's goal of moving towards carbon neutrality.

NMB Bank partners education payments from Nepal

NMB Bank has announced a strategic partnership with Flywire Corporation to digitise the payment experience for Nepali students studying abroad. With this, NMB has become the only bank in Nepal to process all payments on behalf of Flywire across 1,700 plus educational institutions all over the world including USA, Canada and Australia.

For payers in Nepal looking to pay education payments overseas, the process was initially time consuming and imposed security risks. Likewise, on the receiving end, tuition bills could not be efficiently tracked, and accepting payments in different currencies made it difficult to reconcile while requiring the institutions to deal with paperwork. Together, NMB Bank and Flywire are powering a new digital payment solution for overseas education expenses, to simplify complex security and compliance.

The partnership between NMB Bank and Flywire digitises and ensures a secure payment process in compliance with local regulations. Students and families can make education payments online even if they don't have an NMB Bank account. Payments to NMB Bank can be made digitally without having to deposit the funds in cash, from other banks. Furthermore, students can directly pay their education related fees and payments in their own currency, eliminating the costs incurred for currency exchange.

THAI Smile begins Kathmandu-Bangkok flights



THAI Smile Airways, a regional airline operating with full services, commenced the flight operation for Kathmandu to Bangkok. The two-way flights were started from July 1. The airline has planned daily flights from Kathmandu to Bangkok. The Airbus 320 aircraft designated to fly on the sector has seating capacity of 162 seats holding 150 seats in economy class and 12 premium economy class seating. It is a full-service carrier which includes onboard meal services. Thai Smile also supports onwards connections within all Thailand domestic airports and connections to international destinations like Australia, Japan and Kuala Lumpur on Thai Airways International. THAI Smile also flies to domestic destinations like Phuket and Pattaya providing easy connectivity within Thailand.

Society International Travel Services, a part of RR Group of companies, will be providing a wide range of sales, marketing, and airport operational services as well as full customer and agency support services for THAI Smile Airways.

FNCCI Senior Vice-President Dhakal urges NRNs to invest in Nepal



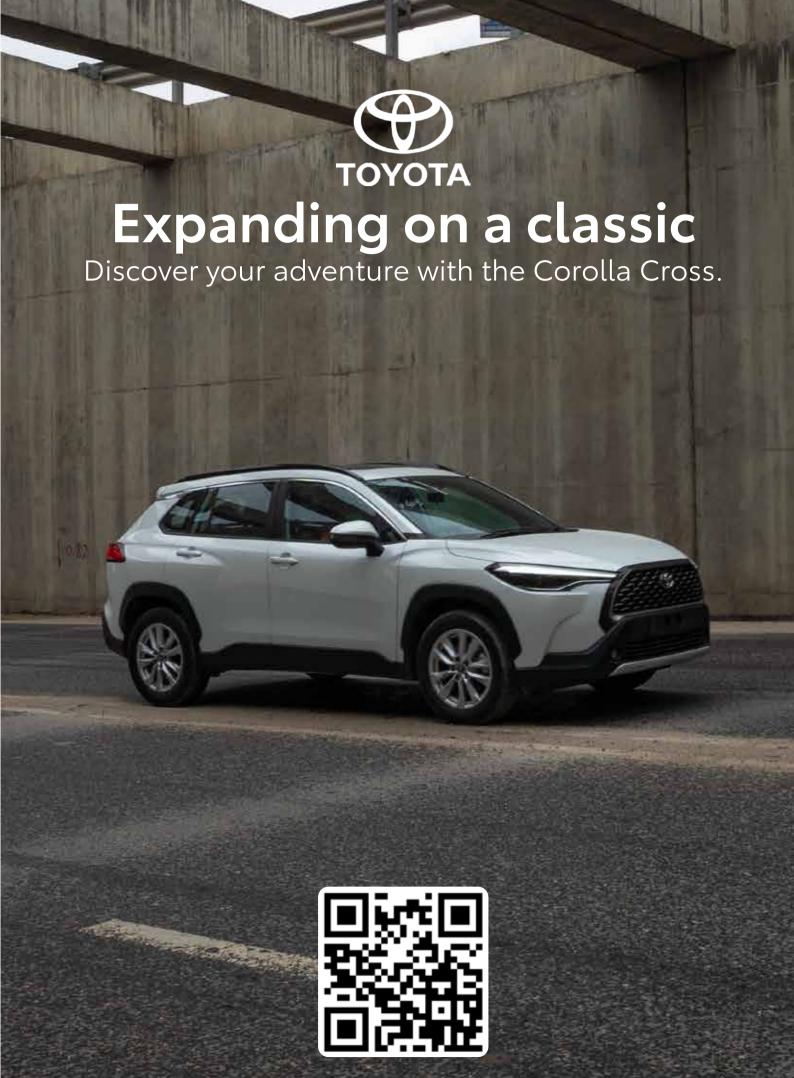
Senior Vice-President of the Federation of Nepalese Chambers of Commerce and Industry (FNCCI), Chandra Prasad Dhakal, has called for foreign investment in Nepal to save the country from economic crisis in the aftermath of the coronavirus pandemic.

Speaking on the sidelines of the annual general assembly (AGM) of the Federation of

Nepali Journalists (FNJ) UK in London on July 10, Dhakal said Nepal is also facing an economic downturn due to the impact of the Covid 19 pandemic. He urged Nepalis around the world to bring in capital and technology to Nepal and make foreign investments to prevent the country from an economic crisis.

"Now, with the coordination of the Government of Nepal and Nepal Rastra Bank, nonresident Nepalis can open bank accounts in dollars," he said and urged NRNs to take advantage of this facility and bring in more investment in Nepal." He also mentioned that the pandemic and ongoing Russia-Ukraine war has caused many problems including stagflation that has affected Nepal. He opined that Nepal was one of the many countries that could get good returns from investment.

Addressing the meeting, Dhakal presented examples that there are many possibilities for investment in Nepal and maximum returns could be obtained from investments. Dhakal, who is also chairman of the IME Group, also cited the experience of investing with NRNs.



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Lord of the Drinks is 52nd Best Club in the World



LOD - Lord of the Drinks has officially secured the 52nd spot on the DJ Mag 'Top 100 Clubs'. This milestone entails that LOD is now the number one club in Nepal. With a history of just over three years, LOD opened on February 13, 2019 and has since been providing an epic club experience with state-of-the-art amenities, technology that evolves with time, vibrant atmosphere and quality music.

Since its inception, LOD has been promoting emerging Nepali artists, hosting topnotch events and bringing famous international stars. The major milestone for LOD was on August 28, 2019 when **OUINTINO** (The World #25 DJ of 2019) lured the crowds with his EDM magic. With over 100+ international DJs, famous artists that shook the stage and countless successful events, LOD has changed the EDM scene in Nepal. LOD ranking 52 in DJ Mag 'Top 100 Clubs' is an initial step to introducing more famous international artists to entertain the Nepali crowds.

Rabin Shrestha, CEO and Founder of LOD said, "We believe, we all benefit when the clubbing industry itself gets bigger and better. This milestone, although achieved by LOD, represents a positive achievement for other aspiring clubs, businesses in the entertainment industry, and tourism sector in the country. We are proud to represent Nepal in the world and look forward to achieving more milestones in the future."

Samsung unveils Galaxy F13

Samsung has launched the Galaxy F13 in Nepal. The latest addition to the popular Galaxy F series offers unprecedented style and experience to the aspirational Gen Z and millennial consumers while delivering the best of everything.

The Galaxy F13's 16.62cm FHD+ display features minimised bezels for a maximised viewing experience. Gen MZ and binge-watchers can enjoy a cinematic experience on the large screen thanks to its clear and crisp material.

The smartphone comes with a massive 6000mAh battery (with 15W adaptive fast charging) that lasts throughout the day and lets users bingewatch shows, listen to podcasts or play games on the go. For optimised performance, the Galaxy F13 supports adaptive power saving and AI Power Management that puts apps unused for three days in sleep mode and apps unused for one month in deep sleep mode.



The innovative Auto Data Switching feature for seamless connectivity is available on the Galaxy F13. Through the data of the secondary SIM, the segment-first feature enables users to stay connected with their loved ones even when the primary SIM is in a no-network location. Users of the Galaxy F13 can also benefit from upgraded privacy and security that checks the apps and access permitted.

With it's up to 8GB RAM and RAM plus feature, the Galaxy F13 offers an enhanced performance, smooth multitasking, and seamless app navigation, with uninterrupted gaming. It is powered by the Octa-core Exynos 850 processor. The storage capacity can be increased up to 1TB with additional memory card support.

The 50 MP triple rear camera of the Galaxy F13 lets you capture the finest details of your life. The 123-degree field-of-view images can be captured with the help of the ultra-wide camera. The Galaxy F13's depth camera enables you to shoot stunning portrait shots. The 8MP front camera is right there to help you up your selfie game.

The Samsung F13 is available in waterfall blue, sunrise copper and nightsky green colours. The phone has been priced at Rs 23,999 for the 4+128GB variant.

GWM opens world-class after-sales service facility



GWM-Nepal recently announced the operation of its world-class GWM after-sales service facility in Chakupat, Lalitpur. The new state-of-theart after-sales facility has been built following GWM's global standards.

The after-sales facility covers 15,000+ square feet in area. It has six bays with a quick service capacity of 600+ vehicles per month. The facility is equipped with hi-tech equipment and well-trained technicians in order to provide best-in-class service experience to the valued GWM customers. A strong genuine spare parts inventory has been maintained at the facility at very affordable prices. The after-sales service facility provides periodic maintenance service (PMS), body works (ABP), wheel alignment (3D), wheel barrow, injector cleaning, battery tester and management device, TPMS setting device, engine scanner and cruise calibration.

Vivo announces partnership as official sponsor of FIFA World Cup Qatar 2022



Vivo, the innovative global smartphone brand announced its partnership with the most prominent international football tournament, the FIFA World Cup Qatar 2022 as the official sponsor. Vivo has been the official smartphone of the FIFA World Cup since 2017 for two editions. This year, the tournament will take place in Qatar from November 21.

Through this partnership, Vivo will leverage its rights to the FIFA World Cup, including the official emblem, official brand identities, and run unique promotions to connect with passionate football fans globally. Looking ahead, Vivo strives to grow internationally by creating immersive customer experiences and advancing its groundbreaking smartphone technology.

Since its debut in South
Asia, Vivo's focus and
commitment have been
about making superb product
experiences available to local
customers. It has seen rapid
market growth share due to its
localised product and marketing
strategies. The company
will continue putting users
at the centre and constantly
innovate to deliver pioneering
smartphone technologies.



Royal Tulip to debut in Nepal

A luxury brand from Louvre Hotels Group, managed in South Asia by Sarovar Hotels, continues to expand its global footprint with the signing of its first Royal Tulip hotel in Nepal by KTM Hospitality, a subsidiary of KTM Group Holdings, Nepal.

Royal Tulip Hotel is located in Chitwan National Park, a UNESCO World Heritage site. Upon completion, it will have 64 rooms and suites overlooking uninterrupted views of the park. The hotel will feature a 'Terrace Specialty Grill and Bar' and a 'Multi-cuisine All Day Dining' serving popular dishes from around the world. It will also lay special emphasis on celebrating local cuisines and beverages. The hotel will offer a swimming pool, gym and spa, and an activity zone offering games and activities for adults and children.

This will be Louvre Hotels Group's fourth signed hotel in Nepal after Sarovar Premiere, Manakamana; Sarovar Premiere, Janakpur; and Sarovar Portico, Birgunj and KTM's first hospitality venture in the country.

NIBL Ace Capital celebrates 10th anniversary

NIBL Ace Capital Ltd, a pioneer merchant and investment banker in the Nepali capital market has celebrated its 10th anniversary. The company has more than a million customers and has been appointed as registrar and transfer agent of over 50 public limited companies. It has managed more than 188 public issue with issue size of over Rs 35 billion.

The total value of assets under management of NIBL Ace Capital as on date is above Rs 5.5 billion. The company has been successfully managing two close-ended and one openended mutual fund schemes, NIBL Samriddhi Fund-1, NIBL Pragati Fund and Nibl Sahabhagita Fund, respectively. It works in synergy with its client in Portfolio Management Services (PMS) and has been

Aloft Kathmandu Thamel celebrates three years of being 'Different By Design'



Another year, another milestone down. Aloft Kathmandu Thamel, one of Marriott International Inc's distinctive brands, is celebrating its third anniversary. Since its inception, the hotel has established its Sassy, Savvy, Space brand presence right in the heart of Kathmandu and continues to do so. Speaking on the occasion of the anniversary, Prithivi B Pande, Chairman, Aloft Kathmandu Thamel, stated, "The last three years have been a great challenge, and I am happy that we have pulled through. My vision is to continue giving very personalised service to our guests and to serve our country by providing employment opportunities to our youth."

General Manager of the hotel, Vikram Singh, said, "The hotel's three-year journey has been like no other; from its beginnings and growing popularity to navigating a pandemic and ensuring the well-being of all guests and associates and staying open to adjusting to the new normal. We have seen it all and are excited to see what the future holds for us!"

able to provide vivid services under PMS to more than 700 clients. NIBL Ace Capital has been serving 34 companies under its corporate advisory service as well.

The company has experienced phenomenal growth in its decade-long existence and has been one of the most customer centric and innovation driven investment bankers with an objective of creating value through innovative and dynamic financial products. Reflecting on 10 years of progress, the capital has successfully redeemed its very first closed-ended mutual fund scheme 'NIBL Samriddhi Fund -I' with outstanding return. Furthermore, it has filed a new closed-end mutual fund 'NIBL Growth Fund', which is under preliminary review in SEBON's pipeline.

To commemorate this milestone, NIBL Ace Capital has launched various attractive offers whereby customers can pay demat renewal fee for 10 years in advance and get another 10-year renewal for free, among others.



Turkish Cargo to offer three new services for shipment

Being one of the most reliable solution partners in the global air cargo industry, Turkish Cargo has been investing in infrastructure and technology to provide cost saving, flexible and privileged shipment offers by means of three new services – TK Smart, TK Premium, and TK Urgent.

TK Smart, one of the most preferred services in routine transports, has been developed for general cargo transportation and offers cost-effective advantages for shipments without weight or size limitations.

TK Premium, a privileged world that has specially been designed for critical and last-

minute shipments, shipments requiring a short journey time and shipments with LAT acceptance (Latest acceptance time). It is also designed for providing minimum connections and fast delivery.

Shipments within the scope of TK Premium are transported as FAB (Flown as booked) for a time saving process. Having been developed for agents that require high priority, such service also offers a capacity guarantee and a high priority in operational processes for the shipments up to 300 kilograms on freighters closed.

TK Urgent offers the fastest solution for urgent shipments in the industry and provides the opportunity to transport with capacity guarantee, minimum connection and shortest possible

time. Shipments with TK Urgent service are to be carried as FAB (Flown as booked) and with a 100% money-back guarantee under certain terms and conditions. The dedicated 'Urgent Team' is accessible on a 24/7 basis and provides follow up from booking to after-sale process.

Providing the best connections for transport to the production and trade centres in the world, Turkish Cargo continues to improve the rewarding opportunities it offers, as based on a high-quality service concept, for the purpose of meeting the requirements of its customers in the best manner. By developing tailored and practical solutions for the ever-increasing demand for logistics, the carrier provides support to its business partners as well, while promoting the regional trade.

TVS Apache RTR 160 4V RTFI with BS-VI launched in Nepal



Jagdamba Motors has launched the all-new Apache RTR 160 4V RTFI with BS-VI through an official launch ceremony held on June 23. TVS Apache RTR 160 4V RTFI is a long-awaited motorcycle in Nepal with the first and best-inclass features such as three ride modes (Rain, Urban and Sport), making it easier for riders to adapt to any riding conditions. The motorcycle produces 17.55PS power @ 9250rpm in Sports mode and 15.64PS power @ 8600rpm in Urban and Rain modes. Similarly, it produces 14.73Nm torque @ 7250rpm and 14.14Nm torque @ 7250 rpm in Urban and Rain mode. The ride modes optimise the power and ABS setting to adapt to any riding conditions.

The motorcycle is equipped with Race Tuned Fuel Injection (RTFI) technology with BS-VI compliant engine that helps in better fuel economy, enhanced

power delivery, improved engine durability and better emissions control. This technology makes the motorcycle durable and environmentally friendly. It also houses technology like SmartXConnect that displays multiple information regarding the ride and connects to the rider's smartphone through Bluetooth. Additionally, the motorcycle has first-in-segment features like aggressive DRL headlamps, ABS and more.

Jagadamba Motors is the only official distributor for TVS two wheelers in Nepal. With a strong nationwide distribution network of more than 137 dealers and 200+ service and genuine spare parts stations across Nepal, TVS has been able to keep its strong grip on the market and position it in the minds of customers.

Community Action Month at the Radisson Hotel Kathmandu



Radisson Hotel Group celebrated the month of June as Community Action Month by finding ways to positively impact sustainable and responsible business for people, the community, and the planet. The hotel organised a 'Let's make impact together' campaign on June 23 and June 28 by organising various CSR activities. On June 23, the hotel team led by Subrata Banerjee, General Manager, went to an old-age home named 'Nishava Sewa Sadan' located in Shantinagar with food and funds for the elderly. In collaboration with Red Cross Society, the hotel also organised a blood donation campaign on June 28.

SmartChoice Technologies and Pay Nep sign agreement for Smart OR services

SmartChoice Technologies (SCT), a payment system operator licensed by Nepal Rastra Bank and Pay Nep (Moru Digital Wallet) have entered

Hitachi to launch four new products in Nepal



Hitachi held a meet-and-greet programme on July 29 to inform about its four new products to be launched in the market. The event was held in the presence of delegates from Hitachi, and Universal Electrocom, a branch of Ramesh Corp and an authorised distributor for Hitachi home appliances in Nepal. Managing Director, AHSG, Chen Teck Beng, General Manager Tarun Jain, Business Development Department (Export Business), and Senior Manager Elvin Tham of Business Development Department (Export Business) were also present at the programme.

Hitachi announced the four different products that will soon be available in the market. The products include four models of microwave oven, front-load fully automatic 12 kg washing machine, French bottom refrigerator 638 litre, and cordless stick vacuum cleaner.

Various products of Hitachi such as refrigerators, washing machines, and vacuum cleaners were also displayed at the event to help the attendees understand product goals, details of the user experience, and the scope of features. Hitachi unveiled its plan of further strengthening its operation in Nepal to bring Nepali users the best in products that are available in the global arena.

into an agreement to render Smart QR based digital payment services.

With the signing of the agreement, 5 lakh+ Moru Digital Wallet users will be able to scan and pay at 160,000+ merchant outlets availing Smart QR service and merchants not enrolled in Smart QR services so far will be able to subscribe Smart QR digital payment services completely free of cost via Moru. Smart QR is fully EMV client QR Payment Platform mobilising state-of-theart financial switch to process payment transactions.

The agreement was signed and exchanged between CEO of SCT, Narayan Prakash Bhuju, and CEO of Moru, Ashitosh Sah.

FLCEN launches Wah! Alaichi campaign

The Federation of Large Cardamom Entrepreneurs of Nepal (FLCEN) in collaboration



with the Hotel Association Nepal (HAN) supported by the Ministry of Agriculture, Province 1 and the Swiss Agency for Development and Cooperation (SDC) is launching the Wah! Alaichi campaign.

The campaign focuses on raising awareness and increasing the use and consumption of Nepali large cardamom among domestic and commercial consumers. The campaign will not only enhance the traditional value of Nepali large cardamom and its usage in Nepali dishes as an important ingredient but will also increase economic advantage.

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B360 / NATIONAL

Chef Santosh Shah, winner of UK's reality cookery TV series BBC MasterChef: The Professionals Rematch, as the brand ambassador, will also curate special recipes to promote Nepali large cardamom in the domestic market. In addition, the campaign will also provide a platform for young aspiring apprentices and chefs to enhance their culinary skills and use Nepali large cardamom innovatively.

Globally Nepal is the largest producer of large cardamom and produces 6,600 metric tonnes of the crop and it is the main source of income for farmers in eastern Nepal.

However, the domestic use of Nepali large cardamom has not increased, rather it is being substituted by green cardamom which is 100% imported from countries like Guatemala and India. In 2021, the import of green cardamom was 564 metric tonnes whereas the consumption of Nepali large cardamom in the domestic market was less than 100 tonnes. Similarly. Nepali consumers are also paying a higher price for green cardamom which is currently retailed between Rs 400 and Rs 500 for 100 grams compared to Nepali large cardamom that is retailed between Rs 100 and Rs 150 for 100 grams.

Benelli Nepal holds motovloggers meet



Benelli Nepal hosted the motovloggers meet for creators, makers, and the people who like to bring their creative ideas to life using videography. More than 40 motovloggers attended the Benelli motovlogger's meet hosted on July 30. The meet educated the motovloggers regarding road safety and illegal modifications, while the motovloggers also shared about their journey and enjoyed the recognition of their community. Benelli also showcased its flagship models such as 752S, TNT600i, 302S, TRK251 and Panarea 125 during the event and allowed all participants to experience Italian design and performance.

Benelli was founded by the Teresa Boni Benelli Family in Pesaro, Italy in 1911. It is one of the two oldest Italian motorcycle brands. Benelli is a brand that not only offers street and sport performance motorcycles but also premium scooters. Benelli motorcycles & scooters are created to meet the requirements of all varieties of riders, ensuring the ultimate riding experience and safety at the same time. Currently Benelli is present in more than 90 countries.

KTM International Trading is the authorised distributor of Benelli and Keeway brand in Nepal and has been in operation since 2015. Currently they have a dealer network of 26 outlets with 3S Facility.

BIZ.QUOTES



I believe you have to be willing to be misunderstood if you're going to innovate.

- Jeff Bezos, Founder, Amazon



I think it's very important to have a feedback loop, where you're constantly thinking about what you've done and how you could be doing it better. I think that's the single best piece of advice: constantly think about how you could be doing things better and questioning yourself.

- Elon Musk, Founder, Tesla and SpaceX



You can worry about the competition... or you can focus on what's ahead of you and drive fast.

- Jack Dorsey, Co-founder and Former CEO, Twitter



One misconception is that entrepreneurs love risk. Actually, we all want things to go as we expect. What you need is a blind optimism and a tolerance for uncertainty.

- Drew Houston, Co-founder and CEO, Dropbox

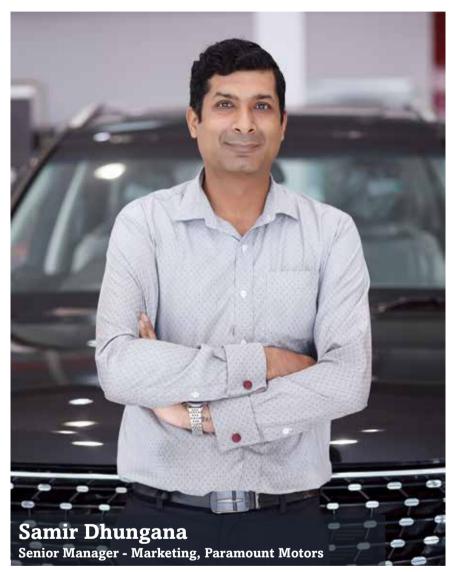


The office is the laboratory and meeting your users is like going into the field. You can't just stay in the lab. And it's not just asking users what they want, it's about seeing what they're doing.

- Brian Chesky, Co-founder and CEO, Airbnb

TOP PICK

"In Nepal, we are basically into copy paste. Instead of CTRL C and CTRL V type of business we should try something new and different"



Samir Dhungana is the Senior Manager – Marketing with Paramount Motors which was established in 2018 and is the official authorised distributor of MG and Mazda four-wheelers for Nepal.

Dhungana started his career as graphic designer with Yellow Pages after which he moved to advertising working as senior executive with Prisma Advertising for nine years. Dhungana then traversed to Teletalk as marketing manager working with brands like Gionee and Xiaomi for five years. His foray into the automobile industry was with BPS Petroleum and now he is at Paramount Motors.

"I have taken it upon myself to make

Paramount a leading automobile player in Nepal and I am working towards that goal," states Dhungana. In this issue of **Business 360**, he talks about his pick of favourite brands.

Your top 3 best-selling products

MG ZS EV, Hector and HS

Top 4 apps that you use the most

WhatsApp, Facebook, Viber and mobile banking apps

3 destinations within Nepal you want to travel to

Manang, Khaptad National Park and Manaslu

Women-run businesses you think deserve accolades

There are some incredible businesses being run by women. Nikita Acharya of Urban Girl and Anushka Shrestha of Makkuse have created a benchmark in the areas they are involved in and definitely deserve accolades.

How do you think can we support local businesses?

The best way to support local businesses is to write good positive reviews about them while posting on social media. Also, if any feedback is to be given then call the concerned person and give the feedback so that they can improve on it.

A non-profit you want to contribute to

Nepal Ambulance Service (NAS) Dial 102 which has been helping save so many lives since its inception.

An entrepreneur who inspires you

Suman Shakya, who is into SmartPaani, inspires me a lot. Collecting rain water is a must for the future. His ideas and plans have been executed in various schools, hospitals and restaurants.

The best work advice you have received

Always do your best and create good networks and relationships. Also know your target audience and meet your goals.

If you could change ONE thing about the present entrepreneurial scene in Nepal, what would that be?

In Nepal we are basically into copy paste. Instead of CTRL C and CTRL V type of business we should try something new and different.

Startups are important for a country like Nepal because...

As we are a developing country and most youths are leaving the nation for a better life, I think we need a stable government for at least five years and startups need to be provided all necessary facilities to create a culture of entrepreneurship. **B**

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BESIDES BUSINESS



Growing up as the only girl child among cousins, Anu Joshi Shrestha, who is a Rural Enterprise and Value Chain Specialist with the Livelihood programme of ICIMOD, was a very protected youngster. "Not only my father but my entire family, cousins included, were very protective of me," she shares, adding, "However, my father always wanted the best for me so I went to India for my higher secondary studies." Staying in a protective environment has its pros and

cons, says Shrestha, "But one should never try to live a placid life where everything is decided and done for you."

Shrestha wanted to try her hand at different things growing up. "I wanted to start my own venture; the entrepreneurial journey always intrigued me. At the same time, I also wanted to work in a team so that I could learn from others," she recalls. However, her inclination for wildlife and nature, made her decide to join the King

Mahendra Trust for Nature Conversation, and that is show her journey in the development sector began.

Shrestha, meanwhile, is also the Co-founder of The Beauty Bar which is a salon and day spa.

In a conversation with **Business 360**, Shrestha shares the five things that have impacted her work and life.

Life is all about decisions

Life is a course that you have to go through and within

that journey, you face many challenges and hurdles, and must make many decisions. There are some decisions that I consider to be the better decisions for my life and career. I had completed my higher studies from India and my father encouraged me to study for a Bachelor's degree in Nepal. I was also a faculty member at Kathmandu College of Management, Kathmandu University from where I completed my Bachelor's degree in Business



having my children became life changing decisions. I came to realise that life after children is so very different but they are the ones who teach you the most valuable lessons.

Similarly, Suren sir is my colleague and mentor. He has been a pushing factor for my career. He recognised me for who I am and pushed me to do better. He suggested that I work with ICIMOD because it resonates with my core values and the work I want to do. This has helped me to understand what empowerment is as it has made me financially independent and confident to reach heights that I had never imagined I could achieve.

My father, my inspiration; my mother, my inner voice

My father is the one who always believed in me and always made me feel that I am the best. So, that really gave me the confidence to face the world. Being the only daughter, he wanted me to have the best education and never stopped me from taking the leap because he had the same confidence in me that I had in myself. He used to say, "If you're not happy, I am always there for you." He inspired me to do what my heart wanted and what I truly believed in. He became my inspiration for the values and confidence that are set within me.

My mother is my inner voice. My mother always made sure that I was in check with reality. She was always there to pull me down and help me understand life values. She was there to teach me, help me learn and unlearn. She was the one who made me understand the ethics of life. It helped me to understand what it means to work hard and that the outcome of hard work is always worth all the hiccups.

Look before you leap

Whenever I am in a situation that is not in my favour or is a bit difficult, I don't flare up. I listen and try to look at the situation from a bird's-eye perspective. I tell myself 'not right now' and try to keep an open mind as much as possible. I take some time to understand and then come back to it after I have a clear view of the situation; I try to handle it with ease of mind.

I would say that one needs to have patience when we face such situations. One should have the heart and courage to go back to solve the problem. For me, balancing the situation is what I believe in the most and this is something I follow religiously.

One step at a time

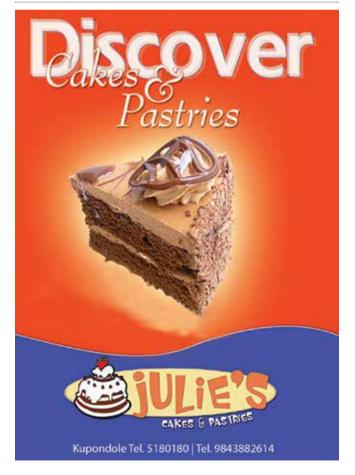
Satisfaction in terms of happiness is very important over anything else. I don't want materialistic things and pride or ego to be counted over happiness. Happiness of the ones around me is really important. Family values and their happiness are very crucial for me. Similarly, success for me is taking single steps day by day. One step at a time is what I believe in. It's a process, it's me against me.

Women can uplift others

Women as leaders are very few but gradually increasing. It's an uphill journey. The perception we have about women by women itself holds us back. When we are going somewhere, we want to take everyone with us - that is the true nature of a leader, and we women possess it naturally. The need is to showcase our skills on different platforms. One needs confidence and as a leader, one has to strike first then pull everyone along. That is a quality I have seen in every woman. B

Administration (BBA). It gave me the network and connections which proved to be useful for my professional life. There I was also introduced to the Management Association of Nepal which opened a door for me to explore my potential and calibre in due course.

The second, I married my husband. He is one of the best decisions that I made. He resonates with me. And I think I am who I am because of him. He has been my pillar and support system. Later,



GET FIT

EXERCISE IN THE MORNING TO GET MORE OUT OF YOUR DAY



▲ Sandesh Palungwa Limbu, Certified professional fitness instructor, founder of RAGE Fitness, and specialises in mixed martial arts.

Using the early hours of the morning well is super beneficial not just for your health but for a successful lifestyle. Rising early is a common trait among most successful people in the world. Morning people are known to be more proactive and productive. A majority of people who workout consistently are the ones who workout in the mornings. It not only gives you a boost of energy but also a strong sense of accomplishment. There's a range of workouts you can choose from - working out in the gym, Zumba, cardio kickboxing, cycling, running, walking, yoga, tai-chi or martial arts training. Here we explain what happens when you exercise regularly in the morning:

- You kick start your metabolism and keep it elevated for hours by working out in the morning. That means you are burning more calories all day long.
- You feel energised throughout the day.
- Your appetite is regulated and you will find yourself making conscious decisions towards healthy food choices.
- Exercise increases mental acuity so you are more focused and sharper in the head.

- You have a higher quality of sleep and will feel more relaxed and are able to deal with stressful situations better
- You can think clearly, meditate, pray, plan the day and relax mentally even when you work out.
- ME time it's just something you do for yourself, your mind, body and soul.

I hear a lot of people complain about struggling to wake up in the morning. "I am not a morning person, I feel tired if I wake up early, I need to go back and sleep after a bout of exercise in the morning" - are some statements I get to hear a lot. But here are some things you should consider:

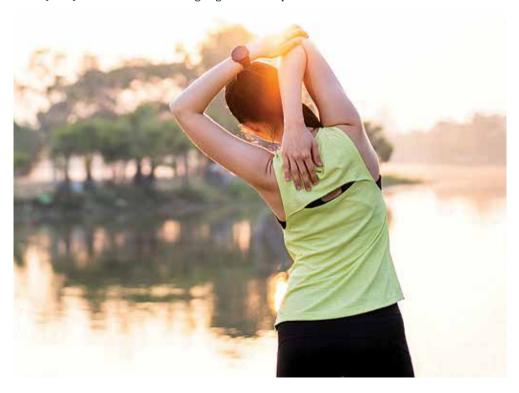
- You will struggle if you do not get adequate or good quality sleep. 7-9 hours of a good night's sleep is a must for most people.
- · Sleep early. Rather than

- watch TV late into the night, it's wiser to just not have a TV set in the bedroom. You may find it difficult in the beginning, but once you have made up your mind and stick to a fixed time, it'll become routine
- Don't extend your sleeping hour. Even if it's cold or you are just plain lazy. Just ten more minutes usually turns into an hour. Extending your sleeping hours only leads to procrastination and tiredness. Jump out of bed and get those legs moving.
- Don't reach for the phone first thing in the morning.
 Make it a practice to not check your socials until you are done with breakfast.
 You'll find that you have so much more time on your hands and not feel rushed.
- Keep your alarm out of reach if you have the habit of hitting the stop button and going back to sleep.

- Establish a routine attend to important tasks first and get to the others as the day progresses to avoid feeling rushed or stressed.
- Develop a get to attitude

 be excited about doing
 and getting things done. Be
 accountable for how you
 spend your time.
- Eat healthy breakfast is the most important meal of the day and dinner must be kept light and had at least 2-3 hours before you go to bed,
- Wake up at the same time every day.

Master your morning, get more out of your day, remember this quote:
Somewhere, right now, someone is training while you are not, when you race him, he will win! B









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THROUGH THE MYSTIC EYE

BE STRAIGHT WITH YOURSELF



▲ Sadhguru. Ranked amongst the 50 most influential people in India, Sadhguru is a yogi, mystic, visionary and bestselling author. Sadhguru has been conferred the "Padma Vibhushan", India's highest annual civilian award, by the Government of India in 2017, for exceptional and distinguished service.

When we talk about a spiritual process, we are not talking about jumping to conclusions and assuming things that we do not know. If you are straight enough to see, "What I know, I know. What I do not know. I do not know," you are already a spiritual aspirant. This is the fundamental aspect of spirituality that "I am not so flaky in my head that I make up things. I am willing to come to terms with what I know and do not know." Once you see this, the very nature of human intelligence is such that it cannot live with "I do not know." It wants to know. Once wanting to know comes, seeking will come. Once the seeking comes, finding a way could happen. That is why, once you are on the spiritual path we refer to you as a seeker.

But right now, it looks like the whole world is against this simple "I do not know." Whatever we do not know, we just believe. Before you can barely pronounce your own name, you already know who God is, who his wife is, how many children he has, his address, his birthday, what he likes, what he does not like - you know the works.

Instead of giving you these silly suggestions and answers, if your parents and society had nurtured "I do not know" - that you actually do not know anything - where the hell you came from, where you will go, you do not know both - then every human being would have been a mystic on this planet.

Because human intelligence cannot be satisfied by just eating, sleeping and living well. Naturally it wants to know. Some people think this is a problem, but it is the greatest possibility too.

Maybe you think I am taking away your Gods! I am not taking away your Gods. It's like this, once, there were two young brothers who were very energetic. These boys are in office, made him sit down and left. The priest walked in with his long robes, glanced at the boy, ignored him and walked up and down dramatically.

The priest was thinking up a strategy. Then he thought, "If I just remind this boy that God is within him, all his mischief will go away." People who have never raised children in their life always have fantastic ideas. People who have raised children know there is no damn idea that works.

The priest believed if he just told the boy, "God is within you," all his mischief would evaporate. So, suddenly, he stopped in midstride and with a booming voice said, "Where is God?" The boy looked bewildered. He looked all over - because if he

around the table, came to the little boy, put his finger on the little boy's chest and said, "Where is God?"

The boy just got up, bolted out of the room, ran to the plac where his elder brother was and

getting it at all, so he walked

The boy just got up, bolted out of the room, ran to the place where his elder brother was and said, "We are in real trouble." The older brother asked, "Why?" He said, "They lost their God and they think we did it!"

So, I am not taking away your Gods. I want you to know, if we work hard enough on you, we can make you believe just about anything - even the most ridiculous things on the planet. From the day you were born, if I told you my little finger is God, then when I raise my little finger, divine emotions will overflow. Or from the day you were born, if I went on telling you this same little finger is the very devil himself, terror will arise within you.

Once you believe something that you do not know just because a book or someone says so - with all due respect to all the books and the great men of the past - you destroy all possibilities of knowing. Suppose I tell you something that you do not know and which is not in your experience, the only choice you have is either to believe me or disbelieve me. If you believe me, you do not get any closer to reality. If you disbelieve me, you still do not get any closer to reality. If you want to get somewhere you have to be in touch with reality. Otherwise, you will not get anywhere, you will just hallucinate that you know things.

"What I know, I know and what I do not know, I do not know." This is a simple way to exist. If you cannot be straight with anyone in the world, that's a social issue — it's up to you. But if you want to progress spiritually, at least take one single step in your life: be absolutely straight with yourself. **B**



constant trouble, and the whole neighbourhood is talking about them. The parents are very embarrassed that everyone's talking about their children. So, they want to fix them. They decided to take these children to the local parish priest. They decided to take the young one first because together, they are very strong. They took the young boy into the priest's

is somewhere, he must be in the priest's office. Then the priest saw, "Okay, he is not getting it." So, he wanted to give him a clue. He leaned over the table and pointed at the little boy. He is indicating to him, "there he is."

Again, the priest asked, "Where is God?" The boy looked even more bewildered and looked under the table. Then the priest saw he was not



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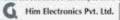
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10 Years





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I believe that a leader is a person born with the potential to become one. What can be acquired is the skill to unleash, share and expose one's leadership qualities"



It has been 18 months since Narayan Prasad Sharma Duwadee was appointed as the Joint Secretary of the Ministry of Industry. Commerce and Supplies. He currently heads the Industrial and Investment Promotion Division. Duwadee is also responsible for policies that deal with investment and intellectual property. In his official capacity, he also plays the role of facilitating industrialists, corporate houses and entrepreneurs from the government's side to help them scale their enterprises.

In this edition of **Business 360**, we spoke to Duwadee to learn about his views on leadership.

How do you define a leader?

Being a leader is not an easy task. It is contextual. Leadership is based on an individual's personal understanding and experiences. For me, a leader is someone who leads, guides and shows the path for their followers. I believe that a leader is someone who thinks outside the box and is willing to travel that extra mile to achieve the set goals. I have three convictions regarding a leader: a leader is someone who puts effort honestly, thinks outside the box and is ready to travel the off-road journey.

Is leadership in-born or can it be acquired?

Leadership qualities can be both inborn and acquired. Genetics and social environment do play a role in a child being born with leadership qualities. However, it can also be acquired later in life. I believe that a leader is a person born with the potential to become one. What can be acquired is the skill to unleash, share and expose one's leadership qualities.

Who comes to your mind as 'an ideal leader'?

I have actually never given any thought to this. There is no specific person whom I would consider an ideal leader as there are a lot of people who have inspired me along the way. Right now, the images of many people are coming to my mind but I cannot pinpoint anyone specific.

Could you share with us any incident that tested your leadership ability?

As we start our career and move up the rungs, we definitely will encounter many situations that will test our leadership qualities. Right now, being in the position of a Joint Secretary, there are increased leadership roles. I feel my leadership ability being tested in every division I am appointed to. For instance, in the Public Service Commission, I felt myself being tested regarding how I could maintain the notion of meritocracy but now I am satisfied because I get feedback that I did a good job there. Another instance that comes to mind is during the mass movement when I was appointed Chief District Officer of Makawanpur. I was able to grasp and analyse the situation fairly quickly and keeping that in mind, the initiatives I took prevented property and human

How important is it to have a good team to work with?

I have always maintained that leadership is not just about an individual, especially for people working in the public sector. Ultimately, it all boils down to teamwork. What we all need to keep in mind is that if we do not complete the tasks that are assigned to us then eventually the entire system will not be able to function. It is a prerequisite to have a good team around you for successful leadership.

When should leaders hand over the leadership position?

If it is a public sector like ours, then by laws and the regulations, we must transfer all the leadership responsibilities to the next individual. If a leader cannot produce the vision and take initiatives towards reaching that vision, I think that is the time one should hand over their position and responsibilities to a bettersuited individual. Whether in a political or a private circle, if a leader cannot carry the mindset of youths and if one starts fearing losing their credibility, that is the time to put your hands up and let go.

Your thoughts on the import ban of some high-end commodities.

I believe the main motive for this is to energise and revitalise our domestic capacity. The rapidly increasing culture of consumerism also can be controlled with the help of this step. I think this will impact that aspect positively. There have been some informal reports from some businesses regarding how it has been tough for them to do business. Besides that, consumers also have raised their voices, because if you are able and want to consume anything, then how can anyone stop them. This kind of mentality has also been surfacing as of lately.

What do you consider as your most significant accomplishment as a leader?

I believe that in whichever position I have taken over, I have tried working professionally and I am completely satisfied with my work. Right now, I am the Head of the Industrial and **Investment Promotion Division** which entails developing partnerships with the private sector and coordination with line agencies. The manner in which I have been able to conduct all these responsibilities and many more, I feel is my most significant accomplishment as a leader.

How can a leader prepare for the unknown?

In technical terms we can refer to it as crisis management. The unknown can bring about crises as well as opportunities. A leader should be well-versed with past experiences and be able to speculate and forecast the near future results. And if that is not possible, we can fully equip ourselves as well as our team academically as well as technically. Thirdly, we can take notes from success stories of those who have previously been in the same predicament and learn from them.

As the head of an important division of the ministry how do you view the challenges brought about by the Covid 19 pandemic?

The most hard-hit sector by Covid was indeed industry and commerce with regards to operations, productivity and profitability. Despite this, the pandemic also brought along a few opportunities such as the implementation of information technology in our system. It was a learning curve and a test of our ability to adapt. And post-Covid, it gave us a new understanding that we should focus on domestic production and consumption. Selfsustainability and self-reliance are also important to survive during adverse situations such as Covid. The perception of the private sector by the government also changed; financial as well as nonfinancial incentives, waivers, etc were introduced to support the private sector to some extent. B



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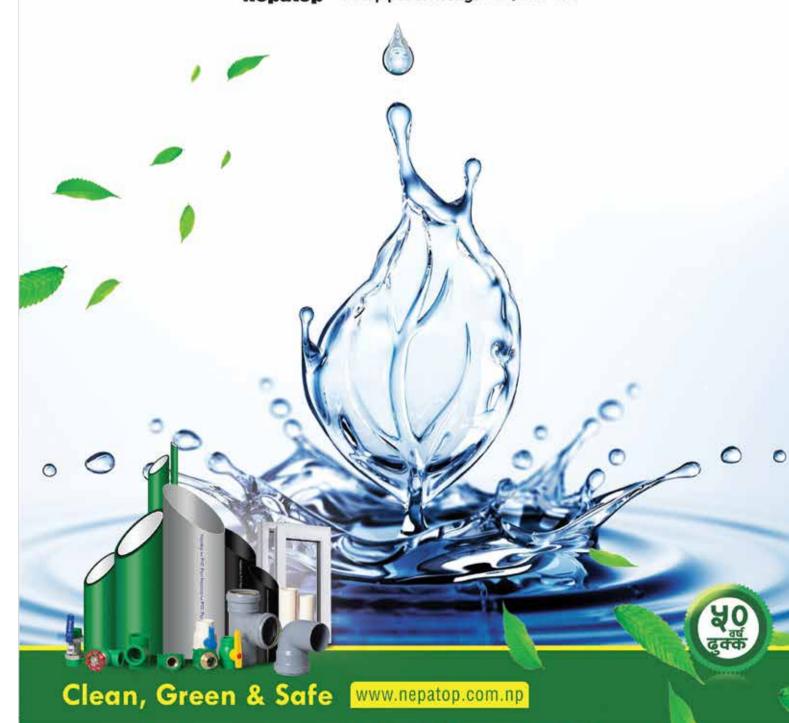






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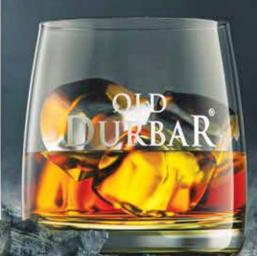
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