



(L to R) Ashoke SJB Rana, Executive Committee Member, NBA & CEO Himalayan Bank; Radesh Pant, President, NBA & MD Bank of Kathmandu; M B N Rao, Chairman, IBA & CMD Canara Bank

In the month of September 2007, Radesh Pant, President, NBA and managing director, Bank of Kathmandu Ltd and Ashoke S J B Rana, Executive Committee Member, NBA and CEO, Himalayan Bank Ltd visited India to attend the FICCI-IBA conference held in Mumbai. Taking this opportunity, a meeting was organised on September 13th, 2007 between the officials of the IBA and NBA to exploit the ways and means of increasing interaction between the two associations.

Nepal Bankers' Association (NBA) was established in view of the growing banking business in Nepal, for collective efforts, and participation of the banks to establish and enhance the inter-relationship and co-ordination among the commercial banks incorporated in Nepal. The NBA has 26 members including 20 commercial banks, four development banks and two representative offices.

M B N Rao, chairman, H N Sinor, chief executive, and other senior officials from IBA attended the meeting. The main focus of the meeting was the discussion of the IBA-NBA Summit to be held in 2008 in Kathmandu. The other item on the agenda was setting up of a SAARC Bankers' Association. The NBA officials expressed that in the South East Asian region Indian banks were far advanced in the areas of infrastructure funding, small and medium enterprises (SME) lending, financial inclusion through the

## A Delegation of Nepal Bankers' Association visits IBA

self help group (SHG) model, HR and technology. They invited IBA to participate in an NBA-IBA summit in Kathmandu in 2008 where leading Indian bankers, regulators and officials from the Ministry of Finance could share their views with their counterparts from Nepal. It was therefore decided that an NBA-IBA summit of about two days would be held in the latter half of February 2008 in Kathmandu and Ernest & Young would be the knowledge partner for this event.

The chairman, IBA noted that Nepal banks could gain from India's experience on Basel II. He suggested participation of Nepalese bankers in training programmes conducted by the leading institutes in India such as the Institute for SME and small enterprises, IIBF and ICAI. He offered IBA's assistance in formulating framework for guidelines in banking. The members discussed the issue of making hassle free remittances to Nepalese pensioners of the erstwhile Indian army. The NBA officials admitted that about 1.5 to 2 billion USD entered their country per annum from the neighbouring countries in the form of remittances of pension to retired army officials and that these were fraught with KYC and compliance issues. They added that efforts are being made to resolve these issues and make the remittances hassle free and cost-effective.

The NBA officials welcomed the idea of setting up a SAARC Bankers' Association and commended IBA for the same. IBA offered to hold a preliminary meeting of the SBA at Mumbai by December 2007, followed by meetings at other locations. IBA offered to draw up the broad structure for the SBA and also to identify and crystallise the main areas of focus for the discussions at these meetings.

A vote of thanks was proposed by H N Sinor at the end.