

# Flash News



**2073**

**Banking and Financial Sector**



Budget speech delivered by honorable Finance Minister on Saturday, Jestha 15, 2073 included following clauses among others reform programs of Banking and financial sectors-

### **Flash News 1** [Bill Related to the Bank and Financial Institutions](#)

Nepal Rastra Bank Act Amendment Bill, Bank and Financial Institution related Bill, Deposit and Credit Guarantee Bill, Employees Provident Fund Act Amendment Bill and Banking Crime Act Amendment Bill, which are under consideration in the Legislature-Parliament will be passed and implemented.

Amendment Bills of Foreign Exchange Regulation Act and Citizen Investment Fund Act, Insurance Bill and Commodity Market Related Bills will be submitted in the Legislature-Parliament in the next Fiscal Year.

### **Flash News 2** [Establishment of Infrastructure Development Bank](#)

To enhance the investment in infrastructure sector, infrastructure development bank shall be established in joint collaboration of private and government sector. The bank and financial institution shall be motivated to extend the banking services in rural sectors. Mobile banking and branchless banking shall be promoted.

### **Flash News 3** [Listing of in Production Based Corporates in Stock Exchange and Income Tax Exemption of 15%](#)

Production based companies will be encouraged to be listed in the stock market. For the industries and businesses established under public companies and Companies listed in the stock market, Budget has provisioned 15 percent tax rebate on their income.

### **Flash News 4** [Insurance of Cultural & Archaeological Heritages](#)

Insurance companies will be encouraged to expand the access in rural sector. A provision will be made to insure government property, cultural and archeological heritages. A provision will be made to insure private houses.



### **Flash News 5** [Minimum 5% in Micro- insurance](#)

A compulsory provision has been made to the insurance companies to dedicate minimum 5 percent of their insurance services to micro insurance.

Under vehicle insurance, a similar provision of third party insurance will be made to insure the passengers travelling in public vehicles.

### **Flash News 6** [Subsidy in Insurance Premium](#)

Up to 75 percent of total premium on insurance of Agriculture and Livestock will be subsidized. Agriculture credit will be made available easily.

### **Flash News 7** [Concessionary Agriculture Loan Programme](#)

Budget has increased interest subsidy to 5 percent on agriculture and livestock credit.

The concessional loan provided by Rural Self Reliance Fund, Poverty Alleviation Fund and Youth and Small Business Self Employment Fund will be continued. The implementation of concessional agriculture loan program focused on youth and small Business will be made mandatory to the bank and financial institutions.

Financial literacy program will effectively be expedited.

### **Flash News 8** [Bank Accounts for Every Citizen](#)

Bank Account for All Nepali as Campaign will be launched for the purpose of all of the social security allowances to be provided through bank accounts. An arrangement will be made through Nepal Rastra Bank to open zero balance bank account. Every cash transfer including insurance payment made from the Government to the citizen will be paid only through the bank account.

### **Flash News 9** [A Project Specific Debenture Issuance](#)

A project specific debenture issuance provision will be implemented through utilizing the financial resources available in Employees Provident Fund, Citizen Investment fund, Deposit and Credit Guarantee Fund and Insurance sectors.



## **Flash News 10** [Interest Waiver to Sick Units in Private Sector](#)

Economic Revival Fund established with a purpose of providing interest waiver and refinance to sick enterprises shall be continued and corresponding budget allocation has been made this year as well.

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