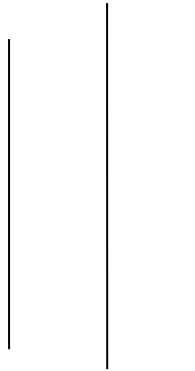


Internship Report on General Activities of Rastriya Baniya Bank Limited



Submitted By

.....Collage

ID No.:

TU Regd. No:

An Internship Report Submitted to

Office of Dean

Faculty of Management

.....University

In partial fulfillment of the requirements for the degree of
Bachelor of Business Administration (BBA)

Kathmandu

August, 2018

DECLARATION

This is to certify that I have completed the Internship Report entitled “General Activities of RastriyaBanijya Bank” under the guidance of Mr. KiranThapain partial fulfillment of the requirements for the degree of **Bachelor of Business Administration** at Faculty of Management, Tribhuvan University. This is my original work and I have not submitted it earlier elsewhere.

Date: April 6, 2018

Signature:

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CHAPTER I

INTRODUCTION

1.1. Background

Internships provide real world experience to those looking to explore or gain the relevant knowledge and skills required to enter into a particular career field. Internships are relatively short term in nature with the primary focus on getting some on the job training and taking what's learned in the classroom and applying it to the real world.

The Bachelor in Business Administration (BBA) program under the faculty of management ofUniversity is a four year semester system program that provides knowledge in the management field. BBA is the advanced management course with the objective of preparing students to take up middle level managerial positions in business sector along with development of entrepreneurial skills. So at our eighth semester, we are assigned to prepare an internship report by working in any financial institution or corporate house to get familiar with the real working scenario.

This internship report covers an overview of general banking procedures of one of the branch of Rastriya Banijya Bank Limited situated at Lagankhel, Lalitpur. Here focus is made in knowing the framework and guidelines of various departments and their working procedures. The study is at its layer covering major three departments and they are Customer Service, Credit/Loan and Clearance department.

During the internship period at RBB, the internee spent more time on Customer Service and Credit department because these two departments were more active at the branch than others and interns were not allowed in Cash teller as every bank has their own rule. Credit department is considered as important because main earning of any bank is interest earning that will be possible only if quality of lending is made by credit department whereas customer service is considered as another important department because it reflects overall image of bank performance. This internship report covers all the activities learnt and contributed during my 8 weeks internship at RBB at Suryabinayak.

1.2. Objectives of Internship

The internship program was conducted as a partial fulfillment of the BBA program under Tribhuvan University. The main objective of this internship is to gain practical knowledge and experience in the banking sector. The other general objective is to be familiar about the various activities of different departments of a bank. Beside these objectives, the internee had some specific objectives as she was placed in different departments in the bank. Some points to describe the specific objectives of the internship program are as follows:

1. To learn to provide different banking services to customers.
2. To learn how credit facility is delivered to customers.
3. To gain the knowledge about administrative work in a bank and this includes cheque clearing process.
4. To learn to handle different types of customer and disseminate information as per requirement.

1.3. Methodology

The internee's study is completely based on observation and learning in various department of RBB for the period 8 weeks. There are several steps to be taken before starting of internship till the completion of the program. The important steps taken for the internship are briefly explained below.

1.3.1. Organization Selection

Organizational selection for internship was not an easy task at all. The selection of a reputed organization is a must in order to secure future career. As finance being my specialization, the internee approached many financial institutions mainly commercial banks. The internee submitted my curriculum vitae along with the recommendation letter provided by the college and a personal application requesting to provide internship program in different organizations. Finally, the internee got the acceptance letter from RastriyaBanijya Bank Limited.

1.3.2. Placement

Talking about the placement, the internee was placed in RBB's Branch office at Suryabinayak working as an intern for the period of 8 weeks. At the time of internship, the internee worked in Customer Service Department (CSD), ATM and Clearance, and Credit Department under the supervision of the department heads and supervisors. The placement in these departments helped the internee to gain various knowledge about banking sector, customers of the bank and different working procedures.

1.3.3. Duration

The duration of internship has been defined for minimum of eight weeks. The tenure of internship was from June 8th to August 10th, 2018 under the supervision of Mr. Binesh Ban, intern mobilizer at Suryabinayak branch. The interns had to involve in day to day activities in regular working hours from 10:00AM to 5:00PM. RBB at Suryabinayak comprises of Customer Service, Credit, ATM and Clearing, and Cash teller department.

Under various departments at RBB, the internee was assigned to work on three departments for following duration.

Table 1.1: Duration of Internship

Departments	Working Weeks							
	1 st	2 nd	3 rd	4 th	5 th	6 th	7 th	8 th
Customer Service Department								
Clearing and ATM Department								
Credit Department								

1.4. Activities done

The whole internship period in RBB has been fruitful as it provided opportunities to understand the banking activities and develop interpersonal skills. During this internship period, internee got the opportunity to observe as well as perform various types of activities in different departments. The activities performed in different departments are briefly explained below.

A. Credit Department

In this department the internee had to prepare different documents required for different types of loan such as Personal Loan, Home Loan, Vehicle Loan, Hypothecation etc. which were of both revolving and long term nature. The internee prepared necessary documents for new loan, additional loan and renewal of loan for revolving type of loan. The necessary documents include promissory note, applicants' information such as income statement etc. The internee also prepared vouchers for loan charges of the customer.

B. Customer Service Department(CSD)

CSD is the first department where customer comes in contact with the bank. This department is directly related with the image of the bank because most of the services

are delivered to customers through this department. This department has to perform various activities and the internee had the opportunity to perform following activities under the supervision of RBB staff.

- Opening new accounts, updating and closing the existing accounts.
- Handle the queries of customers regarding account number and name conformation, balance amount, fund transfer, interest rates and charges.
- Printing and dispatching account statement to the accountholders.
- Printing cheques, maintaining cheque inventory and delivering cheque books.
- Making online request for debit cards, delivering the debit cards.
- Helping the customers to fill the vouchers.
- Maintaining ledger on different headings such as personal account, corporate account, KYC update, dispatch of cheque books and debit cards etc.
- Handling phone calls.

C. Clearance Department

At RBB Suryabinayakbranch, they have recently installed the ECC machine for clearing cheques so all the clearance activities were performed through machine. The cheque were initially received and the verified whether cheque were mentioned as “A/C Payee“. After cheque is verified it is scanned through scanner or clearance machine. Then computer ask some of the information regarding which bank cheque is to be deposited, date of cheque written, date of clearance, amount to be deposited and so on. But before sending the cheques they are to be verified. Now the cheques are sent. Since the clearance time is up to 2pm, one had to wait if the cheque is honored or rejected. In RBB after cheque were accepted or honored then the next day cheque is posted to respective account number. However if the cheque is rejected it means some error has occurred and must be corrected either by calling the person who deposited the cheque or if error has occurred due to bank mistake they correct and send next day. Then next day the cheques that are accepted are sent to the account mentioned in the cheque. For this also necessary requirement like amount, date, name of bank whose cheque is being deposited and code of RBB is mentioned and then it is posted.

CHAPTER II

INTRODUCTION TO THE BANKING INDUSTRY

2.1. Meaning of Bank

Bank is a financial institution, which deals with money by accepting various types of deposits, disbursing loan and providing other financial services. It is not safe for the people to keep their money with themselves and even investing on their own would be risky and more costly. Therefore the bank collects small amount of money from the general public and provide some interest in return. The money thus accumulated can be invested in different sectors such as business, trade, agriculture, industries and social works for which it charges certain percentage of interest which is higher than the interest they provide to depositors. We can say that the bank actually acts as mediator between savers and borrowers as they collect money from savers and provide to the investors or users.

A bank provides easy payment and withdrawal facility to its customers in the form of cheques and drafts. It also provides various banking facilities to its customers including general utility services and agency services. A bank is a profit seeking institution having service oriented approach.

According to the shorter Oxford English dictionary," A bank is an establishment for the custody of money received from or on behalf of its customer essential duty is to pay draft on is profit areas from its use of the money left unemployed by them".

According to Nepal Rastra Bank Act 2002, "Bank is a financial institution, which provides financial services that may be in the form of accepting deposits, advancing loan, providing necessary technical advice, dealing over foreign currencies, remitting funds, etc."

2.2. Evolution of Banking Industry in World

The concept of banking is not a modern concept. This concept had started to evolve immediately after the humans were able to realize and develop money. Money had made the human life much easier than before in barter system. But along with that money also had created some complexities in their life. So, in order to overcome these complexities and the difficulties that were attached with the benefit of money the concept of banking emerged in the human mind. Earlier the moneylenders and the landlords performed the banking activities as the informal banks but later the activities of these people were formalized and the concept of bank as an institution emerged.

The term bank is either derived from Old Italian word “Banca” or from a French word “Banque” which both mean a Bench or money exchange table .In olden days, European money lenders or money changers used to display coins of different countries in big quantity on benches or tables for the purpose of lending or exchanging. The Jews of Lombardy were thought to be the early bankers who transacted their business at the benches in the marketplace and when they were unable to meet their liabilities, the depositors used to break their benches and this tradition had given birth to a banking term “Bankrupt”.The first ancient Bank of the world is supposed to be the Bank of Venice which was established in 1157 A.D. Following the footsteps of this bank, other two banks were established in 1401 and 1407 named Bank of Barcelona and Bank of Geneva, respectively. The crucial breakthrough in the modern banking history was made in 1694 A.D when the first modern bank “The Bank of England” was established. After the establishment of this first English Bank, Banking sector had experienced various ups and downs but still they persisted and because of that persistence they are now able to exist in this 21st century world as one of the essential element of human life.

Nowadays, banking sector acts as the backbone of modern business. Development of any country mainly depends upon the banking system. Presently, banks are not only the deposits collecting and loan lending institutions but also the institutions which helps its customers from various ways as per their convenience and ability with full security. They had been developed as the essential service providing institutions in this rushing world. The banks had start affecting the lifestyle of the citizens as well as the economy of the country as well.

2.3. Evolution of Banking Industry in Nepal

In the ancient period, the concept of bank existed, when goldsmiths and the rich people used to give money to the common people against their valuable items as collateral and the depositors would get back their gold and valuables after paying the total amount which included a small amount for safekeeping and saving. Nepal is no exception as goldsmiths; landlord and other rich people were the ancient bankers.

The modern banking started in Nepal with the establishment of Nepal Bank Limited in 1937 A.D. It was the first commercial bank established with the motive to develop trade and industry in the country. It was established with 51% ownership of the government and 49% equity participation from the public. The central bank of the country, Nepal Rastra Bank was set up in 1956 A.D. with the development of banking sector and to help the

government formulate monetary policies. Since then it contributed to the growth of financial sector. The growth and development of the country is possible only when competitive banking services reach each and every corner of the country. However, as the central bank, Nepal Rastra Bank had its own limitations and as a commercial bank it was not logical for Nepal Bank Limited to go to unprofitable sectors. So, the government established Rastriya Banijya Bank in 1966 A.D as a fully state owned commercial bank to eliminate such problem. Later in 1984 A.D, Nepal Arab Bank, the first joint venture bank of Nepal was established with the aim to provide quality-banking service, enhance the efficiency and healthy competition. The bank was the outcome of joint venture with Dubai Bank Limited of United Arab Emirates.

After the restoration of democracy in Nepal there has been tremendous development in banking sector. The economic and financial reform policies undertaken by the government have increased both number of banks and the types of services offered. For the purpose of regulation and control, NRB has divided the depository financial institutions into four classes on the basis of minimum paid up capital requirement and functions.

This classification is unique feature of Nepalese banking industry only and there is no such classification globally. The Nepalese version of classification of depository financial institutions as per paid up capital according to the Nepal Rastra Bank the central bank of Nepal is shown in table 2.1.

Table 2.1: Financial Institutions in Nepal

Category	Type of Financial institution	Minimum Paid up Capital Requirement	Number
A	Commercial Banks	8 Billion	28
B	Development Banks		36
	• National level	250 million	
	• 4 to 10 district level	120 million	
	• 1 to 3 district level	50 million	
C	Finance Companies		25
	• National level	80 million	
	• 1 to 3 district level	40 million	
D	Micro Finance Development Banks	2million	58

(Source: www.nrb.com.np)

The above table shows the classification and sub-classification of financial institutions. The minimum paid up capital mentioned above is the capital that the financial institutions are maintaining currently.

Since the internee had completed the internship in one of the commercial banks of Nepal, the report is specifically focused on the “A” category depository institutions i.e. the Commercial Banks. Commercial banks are the banks that are classified in category “A” as per their minimum paid up capital of Rs.8 billion. They provide various services such as money exchange, accept deposits, grant loans, and offer basic investment products. These institutions are run to make profit and owned by a group of individuals.

2.4. Current Scenario of Banking Industry in Nepal

As the internee has already mentioned that after the restoration of democracy in Nepal there has been tremendous development in banking sector. The economic and financial reform policies undertaken by the government has increased both number of banks and the types of services offered. Currently the banking sector is evolving to be very competitive and challenging. The fastest growing and emerging industrial sector today is not other than banking. It is flourishing and upgrading day by day. Banks are using various new technological advancements to provide timely, fastest and economical services to the customers. Banks with the collaboration of other financial institutions, IT's and other organizations they always try to attract the customers. The different ages of banking sector clarifies the improving current scenario of banking. It can be summarized as in following bullets.

- There is ongoing trend of merger by the banks which are suffering from the problem of low capital base and limited geographical coverage. The numbers of financial institutions are decreasing though becoming powerful.
- A wave of Initial Public Offerings (IPOs) has started among the new BFIs, but very few of them have opted for this route.
- The banking industry has been very supportive and doing various activities to help the victims of earthquake 25th April, 2015 which include collection of disaster relief fund.
- The central bank has directed the banks and other financial institutions to provide home loan for reconstruction of houses with different conditions and facilities in favor of earthquake victims. It has also proposed different conditions and facilities in favor of existing credit holders who are also the victims without hampering the profitability of banking and financial institutions.
- Nepal Financial Intelligence Unit (FIU) gained the membership of international institution Egmont Group of Financial Intelligence Units. The membership would

help to exchange financial intelligence between Nepalese and other international financial institutions in a secure way using Egmont Secure Web.

- The commercial banks are reducing the interest rate lower than the inflation rate. The unhealthy competition and low investment against the flows of deposit have compelled the banks to cut the interest rate.
- The net profit of banking and financial institutions in aggregate also shows increasing trend.

2.5. Challenges of Banking Industry in Nepal

With the rapid growth in the field of technology, with the growing competition level the challenges in the banking sectors are also increasing. Some of the challenges are mentioned below:

- Dealing with aggressive and innovative non-bank competitors.
- Implementing fully digital banking.
- Interactive customization of products and services to meet customer demands.
- To come to a new level of growth and sustainable profitability by developing new and reliable sources of revenue.
- Rebuilding asset quality and strengthening their capital adequacy as the central bank has proposed to increase the capital of different class of financial institutions up to certain limit within 2 years.
- Enriching and increasing the business value of customer relationships, at a time when customer behaviors and expectations are more demanding.
- There is challenge in managing excess liquidity problem. Due to lack of investment resulted by the complex investment climate, the investors are not making any investment.

2.6. Opportunities of Banking Industry in Nepal

With the increase in the urbanization, living standard of people, increase in income, the concern of people is increasing for the management of their financial activities. Besides the drastic improvement in the technology which has led to several innovations in the field of technology has also opened the door for opportunities. Some are listed below:

- By reaching remote locations, BFIs can utilize the funds available and contribute towards overall development.

- Proper availability of remittance services via banking channels all over Nepal, especially to the remote areas, can prove to be crucial. Since remittance is one of the mainstays of our economy, it must be given special consideration.
- The industry can customize its product and services for earthquake victims to project positive image which refers to Corporate Social Responsibility.
- The banking sector also realizes the potential of small and medium sized enterprises (SMEs) in the rural sector.

CHAPTER III

INTRODUCTION TO THE ORGANIZATION

3.1.Introduction to RastriyaBanijya Bank

RastriyaBanijya Bank Ltd. was established on January 23, 1966 A.D (2022 B.S). RBB limited is fully government owned and the largest commercial bank in Nepal. The bank is considered synonymous of stable and people's bank in Nepal which is one of the pioneers Bank in the country with the history of more than a half century. Earlier constituted under RBB act 2021 with the full ownership of the government of Nepal, the Bank has been running under Bank and Financial Institute Act (BAFIA) 2073 and Company Act (CA) 2063 at present. The Bank licensed by NRB as an 'A' class commercial Bank of the country, has grown up as an indispensable component of the Nepalese economy.

RBB has made glorious history of contributing for the monetization of the economy, eliminating dual currency in the market, initiating preliminary financial literacy; help flourish industrial, commercial and financial sector of the country. And now it has emerged as a modern and strong financial institute of the country. The Bank with 2600 hands has expanded its wings in the most part of the country through multiple distribution outlets of 162 branches, 17 counters, 28 branch less banking (BLB) and 72 ATMs. RBB is the bank with the highest public confidence which is reflected in the highest deposit base and growing demand for branch establishment in the various parts of the country.

The Bank with as many as 1.7 million satisfied /direct customers ranging from poor to elite ones and millions of indirect ones has drawn important imprint in the picture of country's economy through its significant involvement in the best use of its resources to enhance the production, income and employment opportunities. The Bank is fully committed to contribute its best for the socio economic development of the country and people in the days to come.

3.2.Mission, Vision and Objectives of RBB

The mission, vision and objectives of the bank are stated below.

3.2.1. Mission

The mission statement of RBB is, "To provide easy and innovative banking products and services for our customers by implementing one stop service concept from our wide network using our modern technology qualified human resources in competitive environment. We always look for the benefit of the local communities supporting entrepreneurship, social responsibility and economic prosperity of the nation."

3.2.2. Vision

The vision of RBB is, “To provide innovative banking services to everyone, every time and everywhere for the economic development.”

3.2.3. Objectives

The objectives of RBB are mentioned as follows:

1. Focus on providing innovative financial services.
2. Increase in capital base by meeting the minimum capital requirement.
3. Business growth and increase in market share.
4. Enhance operational efficiency and sustainable increase in profits.
5. Focus on empowerment of deprived class.

3.3. Organization Structure at RBB

The Bank has 4 membered Board of Directors. The Management Committee includes 9 members with a CEO, 2 Acting Deputy CEO, 2 Deputy General Manager, 2 Acting Deputy General Manager, 2 Dept Chief. The executive power is vested in the Chief Executive Officer (CEO). The government nominates all board members including the Chairman. Bank has its Main Branch office at Bishal Bazar, Kathmandu and the Corporate Head at Shingha Durbar Plaza, Kathmandu.

Table 3.1: Regional Offices of RBB

S.N	Regions	Branches
1	Kathmandu	40
2	Biratnagar	50
3	Birgunj	28
4	Pokhara	43
5	Nepalgunj	43

(Source: www.rbb.com.np)

1. It has been actively expanding its branch network and still is the bank with largest branch network.
2. It has been very much active in CSR activities such as financial literacy campaign, women entrepreneurship, disaster relief fund etc.
3. It has introduced CDM service, a self-service terminal that lets you make cash deposits and payments.
4. It has earned net profit of Rs.3.6 billion in the last fiscal year which is the highest profit ever in banking industry.
5. It has encouraged youths to engage in agriculture by providing agriculture loan at low interest rate.

The bank has 17 departments. Operation division includes financial direction committee, employee management and service committee, audit committee (internal audit committee) and risk management committee.

Under CEO, management committee and asset management committee are directly linked. The bank then has subdivided into banking business department and banking operation department. Under banking business, there are agriculture and social banking department, information technology department, law department, compliance department, human resource, training and development, asset management, general service and risk management and loan department. Under banking operation the bank has, sectorial credit, management information system and budget, electronic banking, interbank account reconciliation, infrastructure development, loan recovery and restructuring, marketing and investigation and treasury department.

The hierarchical structure has been affixed in appendix 1.

3.4.Challenges of RBB

Delivery of effective and efficient services is the greatest challenge for the bank. Some other challenges are listed below:

1. Retention of customers.
2. Customization of products and services.
3. Minimizing the default risk which may arise due to earthquake.
4. Dealing with private banks in terms of technological enhancement
5. As it has just become 5 years of KYC being mandatory at RBB, updating KYC of old customers is a challenge.
6. Adopting new technology as the organization lacks skilled manpower.

3.5.Opportunities of RBB

Wherever there will be a challenge there will be several opportunities. Some opportunities of RBB are listed below:

1. It can expand its market in remote areas as it can provide service there despite of poor infrastructural development because it is a government owned bank.
2. It can attract customers by customizing its services as people have more trust.
3. It can provide the service of remittance in difficult geographical location as it has the most extensive branch network in Nepal.

It can customize its product and services for earthquake victims.

CHAPTER IV

ANALYSIS OF ACTIVITIES DONE AND PROBLEM SOLVED

During my internship at RBB, Suryabinayak, the internee worked in three departments. They were Credit/Loan, Customer service and Clearing departments. In all the departments the internee worked sincerely and achieved inevitable knowledge that will be beneficial in my future. With the keen support of bank staff, the internee was able to use theoretical knowledge in actual field. As an intern, the internee was able to gain as much as possible practical experience with the help of staffs. The environment was fully supportive and realistic view of workplace could be experienced. In every department, way of dealing with the customer was different. The internee's contribution and learning while working at different department are mentioned below.

4.1. Technology Used

RBBL has installed PUMORI Plus-III as banking software throughout the branches to carry out all the banking activities. PUMORI Plus is an online multi-user; multi-currency integrated banking system of international standard developed by Mercantile Office Systems, Nepal. It integrates all functions of front office and back office as one package. The system runs on Windows NT network and provides adequate security features for keeping smooth operation of the system.

4.2. Credit Department

Bank provides various loan facilities as per the requirement of customer such as loan against fixed deposits/government bonds, loan against gold, personal loan etc. that help to manage personal as well as business needs of the customers. Credit department basically invests by lending certain amount to customers and charge some fixed rate of interest. The interest rate is always greater than the interest rate on deposits because it is more risky. This department is one of the crucial departments for a bank to increase its earning and project image among people. The decisions in this department should be made very carefully because there may be chances of default risk, cases of fraud and money laundering.

4.2.1. Activities Performed in Credit department

The major activities performed by the intern in credit department are discussed as below

1. Updating CIB

KarjaSuchana Kendra Limited is one of the oldest Credit Information Bureau in the SAARC region and was established in May 1989 with the sole objective of restraining the

growth of the Non-Performing Assets of the Banking and Financial sector of the country that was increasing alarmingly during the period. Later, it got registered as the Company in 2004 under the Company Act 2053 and started its operation as the independent and autonomous entity from March 2005. It operates through provisions made in NRB Act 2058, Article 88. It is a public limited company with banks and financial institutions holding majority of equity (90%) while the rest (10%) is held by Nepal Rastra Bank. KSKL currently has 62 promoter shareholders including 22 commercial Banks, 7 Development Banks, 32 Finance Companies and Nepal Rastra Bank. RBB also is a member of CIB and has to submit the CIB update weekly and after each loan sanction. The intern had to update CIB with the following details

a. Client System

The client code had to be inserted. All the list of client codes is available in the credit facility section of loan. The client code will now be the access codes for the CIB update. The access codes are 4-5 alphanumerical codes provide by the bank for all the customers while they open account or use any banking services from the bank. The internee had to insert following details of the loan client in the database:

- Name of the firm/ customer
- Type of client (Individual 001 or Joint 002)
- Ownership type (Individual 001 or Joint 002)
- DOB/Date of registration
- Purpose of loan (Individual or Commercial)
- Communication Address, Permanent Address for individual and PAN Details and Company Registration Details for commercial
- Loan Limit (Approved Loan Limit)
- Other information like marital status, mother's name, father's, spouses, DOB, ID,
- Introducers

b. Credit Facility System

It is the hub of client's activities and includes all the details regarding the type and purpose of credit the client has taken. The internee updated the following information under credit facility system:

- Purpose (4 digit codes for each objectives of loan like 1002 for residential
- Type of loan (Overdraft, Hypothecation, etc.)

- Department under which the company is registered
- Asset classification or Loan Status (Pass Loan, Substandard loan. Watch List, Loan, Loan Loss)
- Legal Action Taken (Yes or No)
- Security Status (Yes or No)

c. Securities

Under securities, the internee entered the details of securitized land and building (if any).The valuator's evaluation book and CDT 12 (Site Visit Report) of the bank were considered to determine estimated value and security value of the collateral respectively.The following information was inserted in the database:

- Type of collateral (Real Estate and Building mostly)
- Collateral details (Plot No., Plot Location, Plot Owner's Name)
- Remarks (Loan Account Number, Loan Title)
- Estimated Collateral Value (Valuation from the Valuation book)
- Security Value (Valuation from CDT 12)
- Insurance: policy no, issue date, maturity date, remarks, amount insured, premiumamount to be paid, frequency (quarterly, monthly), coverage of security byinsurance and the name of insurer
- Security linkage: access to security code, reference number for account and loanaccount held, value of security, effective rate and date for security renewal
- Valuator's link

d. Common Entity Segment and business entity

It is the relation or guarantor's link. It is a relation link to link the loan with the personal or business guarantors. The proprietor needs to present the guarantors to the bank to guarantee the repayment of the debt. If the proprietor defaults, the guarantors are liable and indebted to 100 percent of the loan amount. It includes the data like entity name (the name of guarantor), client code (the access code of loan for which guarantee has been given), personal information like, DOB, CZ#, gender, 3 generations details

For corporate guarantee info like company registration PAN, guarantee basis is provided.

e. Valuator Link and Subject Link

The valuator of the collateral is further linked with the loan client. The same valuator could be evaluating several loan collaterals and hence could be linked to many loan clients.

Valuator's name, Valuator's PAN details, Valuator's Address

2. Assistance in Loan Department

a. Preparation of CIC

CIC or the Credit Information Cent is the working department of CIB which includes all the details about the loan client and the guarantors. The intern was not allowed to self-prepare to document but was allowed to assist the senior staff for the same. CIC (Credit Information Centre) charge (Rs.450 each for guarantor and the proprietor)

The different information updates in CIC are:-

- Purpose of seeking report (new loan, renewal of term loan, restructuring requirement, rescheduling of EMI (appendix 4), additional)
- Type of loan facilities (personal, land, home, vehicle, agriculture etc.)
- Loan amount disbursed, paid, due
- Credit report of bank (if CFR and other report has been submitted then yes if not then no)
- Information about guarantor, client (name, citizenship/ PAN no, issue date, issued district/ issue authority, 3 generations detail)
- Occupation of guarantor

b. Preparation of CFR

The intern did not prepare CFR but assisted and learnt about the different documentation required through the senior loan staff and helped in preparation of gross income sheet

- Affixing field visit and site evaluation report
- Describing the nature of proposal (facilities like Overdraft, class (old or new), limits (loan limits approved), security margin (usually 40-65% due to liquidity crunch, pricing (interest rate, fees)
- Loan pricing (interest rate, fees, prepayment charges, expected interest, processing charge, renewal charge) all the details regarding interest rate has been affixed in annex.
- Repayment capacity of borrower:

- Gross income sheet

Source of income (rental income, employment income, collateral value- check for the documents verified and access the total and net amount)

Calculation of Gross income

Monthly average of Gross income or (GMI)

Charge TDS and Rental Tax (10+2 %)

Calculation of GAI (Gross Annual Income)

Cut expenses (personal expenses, loan from other banks and interest, insurance premium)

Net monthly income calculation (Taxable Income calculation)

Access the Direct Tax to be paid by the client with reference to Income Tax procedures

Generate Credit Score as per the Income

c. Credit Score Table

A credit score table is prepared for risk grading purposes. It includes the details about the collateral value, sale ability of collateral, net worth to loan ratio, EMI coverage, nature of income, and distance from the bank, loan repayment history, banking transaction and credit committee recommendation. If the weighted score is greater than 3, the investment is considered to be risky. Hence, the bank only extends credit to the client with a weighted score of less than 3. The weighted score credit rating table used by RBBL is shown in appendix 5.

The bank uses 5C Approach: RBBL monitors the investment environment based upon five components: a. Character b. Capacity c. Collateral d. Conditions e. Capital

d. Preparation of CIC

- The internee had to assist the clients prepare loan files on behalf of clients by filling up Loan Application Form with the details of clients,
- The internee used Financial Analysis tool of PUMORI system to calculate EMI for the approved loan limit.
- RBBL does not sanction full loan amount while investing. Only margin amount of the approved loan amount is disbursed initially. However, the interest is charged for the entire loan limit.
- The revolving natured loan investments need to be renewed every year. In order to
- renew the loan, the proprietor is required to bring necessary documents as mentioned below:
 1. Firm Renewal Certificate

2. Tax Clearance Certificate
3. Land and Building Tax Clearance (MalpotTiro)
4. Audit Report of last two fiscal years and projected report of currentfiscal year.
5. Stock Details (For Hypothecation Loan)

The renewal process involved the following charges to be taken from the loan client:

- Interest (Interest and penal rebate was given if the repayment and renewal were timely)
- CIC (Credit Information Centre) charge (Rs.450 each for guarantor and the proprietor)
- Renewal fee (0.15 percent up to the loan amount of Rs.2500,000 and 0.10 percent forloan amount above Rs.30,00,000)
- Only 45-65% of margin of collateral valuated was being sanctioned

3. Gold loan registry

a. Gold loan account opening

After the cashier approves the loan, the loan approval letter has to be verified and registered in PUMORI VERSION III system.

- Sort the application verification letters in accordance to their serial number
- Open the loan CIB software and follow the procedure
- Account opening (retrieve the access code from the facility system and input inthe client code bar, assign the gold loan code to the new account number for theclient. If the KYC has been updated no need to fill the credentials if not thencredentials have to be filled.
- Account maintenance: rate limit maintenance has to be tabbed. The amount ofloan sanctioned, the time period of issue and expiry and loan interest rate (13%)has to be set
- Loan registry: after the rate limit has been affixed the loan has to be registered.Total amount of loan, interest rate and expiry has to be thoroughly checked. Afterthe registry the loan account will be open for operation.
- Loan disbursement: total amount of the loan sanctioned has to be retyped. Thecash counter is the nominee for all gold loans, the principal amount and interestwill begin accruing from the disbursed date.

- Loan posting : after the loan has been disbursed the entire operation should be posted so that the records will gather up in the day's end registry

b. Loan repayment

Under Repayment of Loan segment in PUMORI System, the loan account number had to be inserted and outstanding interest had to be jotted down for the clients. The intern also prepared voucher for the loan client, who wished to clear their outstanding interest. If the client wished to settle their gold loan, the intern had to prepare voucher consisting the Interest Outstanding, Principal of the loan and Insurance Fee (1% p.a. of the principal).

4. Informing and Counseling

The intern was given prior information about the types of loan offered by the bank, documents required to entitle loan amount of specific type. The intern then had to counsel the new customers about the loan products and the repayment. The intern had to attend loan clients and entertain them on their queries. The counseling would be helpful to clients in getting penalty rebate, interest subsidy and overall creditworthiness. The intern also specified necessary conditions that the collateral must meet.

5. Internal Loan Culture

- The collateral (real estate) should not fall under high tension area. There should be roadway of at least 8 feet connecting the land area. The land and building must be free from any legal up hearing. The property holder must regularly pay Land and Building Tax on the respective department. The land is categorized into three belts as per the distance from the road with 1st being the closest to road. The fair market value is calculated as 70% of commercial rate + 30% of government rate. The distress value is 80% of fair market value. The margin is set as per Fair Market Value
- EMI schedule: Every loan document has the EMI or EQI schedule on top. PUMORI VERSION III EMI calculation tool is used to schedule the repayment
- Bad loans were mostly seen on LC
- Ten days to cash (TDTC*) after submission of complete required documents

4.3. Customer Service Department

Customer service department involves more dealing with customer than other department. For any banks customers are valuable assets so RBB tries to give best to its customers. This department is the sensitive part of a bank as it interacts directly with the customers.

People come for various enquiries about bank, its new services and they come from different background and age groups. Thus it should be efficiently and effectively handled by the employees of the bank. This department creates an impression of the bank towards its customers regarding better services and they will come for the services again and again.

4.3.1. Activities Performed in CSD

a. Opening of Accounts

Account Opening is the initial step in deposit collection. Mainly, Customer open account for depositing money in the bank for their safety and get some return in the form of interest. It is one of the crucial functions of the commercial banks. Account can be opened by individuals and organization.

The customer has to fill up forms for opening of account which is different as per the type of account such as saving, current and fixed account. The customers need to fill forms for other services like mobile banking, e-banking and ATM at the time of opening account if they require. It is the responsibility of CSD employee to explain different type of facilities that the bank provides. While working on this department, the internee got to guide people in opening accounts and actually opened some accounts by carrying out the whole process herself. The customers have to submit documents required for opening of account.

1. Saving Account

With the purpose of developing the saving habits among the individuals this scheme is provided to customers. RBB requires following documents to open various type of account:

- Completed Account Opening Form.
- Citizenship/Passport/Voter's ID.
- Power of Attorney (If the account operator is other than the applicant).
- Two Recent Passport Size Photographs of Applicant/Account Operator.
- Beneficiary's Citizenship Copy.
- Bill of electricity/ telephone/ water or anything that proves the residential location.
- Birth Certificate in case of Minor Account.

2. Current Account

Current account is targeted for the firms/institutions or companies. It includes Limited Liability Company/Social Organization School or Proprietorship/ Partnership Firm.

Limited Liability Company/Social Organization/School

Following documents have to be presented in the bank In order to open an account for Limited Liability Company/Social Organization School:

- Completed Account Opening Form.
- Board Resolution to Open and Operate the Account.
- Certificate of Registration/Incorporation.
- Articles of Association.
- Memorandum of Association.
- Evidence of Identification of Account Operator (Citizenship/Passport/Driving License/Voter's ID).
- Two Recent Passport Size Photographs of Account Operator(s).

Proprietorship/ Partnership Firm

Following documents have to be presented in the bank In order to open an account for or Proprietorship/ Partnership Firm:

- Completed Account Opening Form.
- Certificate of Registration/Incorporation.
- Income Tax Certificate (PAN Card).
- Partnership Deed (in case of partnership firm).
- Evidence of Identification of Account Operator (Citizenship/Passport/Driving License/Voter's ID).
- Two Recent Passport Size Photographs of Account Operator(s).

3. Fixed Account

Fixed account is opened for the fix period of time ranging from few months to certain years. Following documents are required:

- Completed Account Opening Form.
- Citizenship/Passport/Driving License/Voter's ID.
- Power of Attorney (If the account operator is other than the applicant).
- Two Recent Passport Size Photographs of Applicant/Account Operator.
- Introduction by an Accountholder of RastriyaBanijya Bank.

4. Pension Account

Pension is a fund provided at the time of retirement to the employee. It provides employee an option to choose either lump sum amount or monthly amount at retirement. Following documents are required:

- Completed Account Opening Form.
- Original and a Copy of Citizenship.
- 3 Passport Size Photographs.
- Original Patta and Photocopy of the Front Page and Other Pages Showing the Pension Duration.

Procedures of Opening an account

The customers are asked to fill up the account opening form with signature specimen, KYC and other requirements and check if all the required documents are present, verify them with the original ones and attest them once the form has been filled up by the customer. Then will be followed by following activities:

- The document is verified and approved by CSD in charge and Branch manager.
- Then, the CSD in charge makes entry of the information of the customer in the computer in software and account number is assigned.
- The customer is requested to fill the deposit voucher to deposit the minimum balance for opening account except in case of zero balance in the assigned account number.
- The customers are informed regarding collection of cheque book, ATM and other services.
- Then, it is the responsibility of CSD in charge to scan the signature card and approve the signature specimen in the system
- Lastly, the filled up form and documents are maintained in their respective ledger.

b. Closing of account

Customers can close their account due to any kind of their personal reason. But it is the task of CSD employee to convince the customer not to close the account. As per the request of the customer, the department closes the existing account in the bank. For this, customer has to write an application in standard format requesting to close the a/c and present it to the branch manager. As per the policy of the bank, certain balance is deducted

from the customer account as per the type of account and the remaining amount is refunded to the customer.

The internee assisted the staff on closing accounts except making entry in the software and her knowledge regarding closing account is explained below.

Requirements for Closing an Account in RBB

- An application in standard format requesting to close the account addressing to branch manager.
- Original and a copy of citizenship of the account holder.
- Remaining cheque book.
- ATM card issued by the bank.

Procedures of Closing an Account

The account closing requires certain procedures .they are listed below:

- The customer wanting to close the account should write an application in a standard format addressing the branch manager with request to close the account.
- Then, the branch manager approves closing of the account by signing on the application.
- The customer is asked to return the remaining cheque book and ATM card issued by the bank.
- The employee closes the account in the system after changing the minimum balance requirement to zero.
- The system automatically shows the amount to be refunded after debiting the charge for closing of account, tax for interest payment and crediting the accrued interest till date of closing in the previous balance.
- Then, the customer is given a cheque mentioning the total amount to be refunded and s/he can withdraw the amount.
- The employee posts the cheque number of the written cheque used for refunding and rest of the cheques of the account are stopped in the system.
- The returned cheques are punched making them void and the Debit card are also destroyed and blocked.

c. KYC Updating

KYC is the due diligence and bank regulation that financial institution must perform to identify their customers. There is likelihood of banks becoming vehicles for money

laundering, terrorist financing and other unlawful activities. Hence, banks and financial should put in place on effective procedure of knowing their customer.

As the internee have already mentioned, RBB is the bank which has been in service for more than 5 decades, their relationship with the customer is very old as well. People have more trust in RBB than in any other bank as it is fully owned by government. Therefore, the bank has been able to retain its old customers very well. Previously, KYC was not there in the system so bank did not have up to date information about their customers. But it has become three years since the bank has started to update KYC of their existing customer and is mandatory for the new customers as well.

As an intern, the internee helped some of the customers to fill up KYC forms and updated their information in the system in their respective accounts under the guidance of RBB staff. For KYC updating, customers are required to fill up a KYC form with a passport size photograph and a copy of citizenship. Then, the document is approved by branch manager and updated in the software by the CSD employee.

d. Customer Counseling

Customer service is about how an organization delivers its products and services. The efficiency of the customer service department or an organization is the outcome of the quality of the customer counseling that it provides. The enquiry about their balance in the account, bank rules, problems of Debit cards, procedures of opening a new account, fund transfers, charges for different services were the major queries to be answered. Apart from face to face interaction, the internee has to receive incoming calls and respond to different queries of the customers and also maintain good communication and coordination with them. RBB comprises of customers of different age group and mostly old aged people were the regular customer. Therefore, the interns had to deal quite differently with them and help filing vouchers etc. Furthermore, regularity and contacts with customer is essential to flow important messages such as pending documents yet to be provided, delivery of cheque book and Debit cards.

e. Distributing Activities

Another activities performed in CSD are distribution of Debit Cards, cheque books, statements and different forms to the customers as they require. These services are available upon the request of account holder.

Other Activities Performed in CSD

An intern had to perform various activities as a part of being in CSD like performing balance enquiry, assisting customers in writing application and to fill different forms if in case they are not able to do it themselves. Some other activities performed are:

- Helped old aged customers in filling the new forms, vouchers.
- Posting the transactions of new account opening, charges for cheque book lost statement of previous transactions etc.
- Keeping the documents in their respective ledger register such as account opened, cheque slips, KYC update, ATM request form etc.

4.4. Clearance Department

In this department customers bring cheques of different bank and those cheques are processed in order to deposit the amount to customers account in different other branches or the same branch. The clearing department is responsible for the clearing of all cheques that the bank receives daily.

4.4.1. Activities Performed in Clearance Department

The procedures used by Suryabinayak branch for clearing cheques are as follows:

- RBB receives cheques along with the voucher for the same branch and ABBS.
- The customer must sign and write contact number behind the cheque.
- The employee affixes RBB stamp, signs in the voucher and returns a copy of voucher to the customer.
- An OBC serial number is created from the system on the branch code and written in the respective cheques and vouchers.
- The details of the cheque such as account number, name of account holder, amount to be deposited, name & code of the bank drawing cheque and name of person drawing cheque is posted and approved in the system.
- An OBC letter is printed, which shows the cheque numbers, the branch drawn on and amount.
- On the basis of the advice, the amounts of realized cheques are posted to the respective account by employee at the branch.
- If the cheques are not realized then the customers are informed to collect their cheques along with the reason for cheque being dishonored. They are also asked to pay charge of Rs 100.

Other Activities Performed in Clearance Department

As an intern there were not much of the activities to be performed, but here are the list of some crucial activities that has to be handled by an intern. They are listed below:

- Receiving cheques and posting the cheques detail in the system.
- Printing OBC letter.
- Posting the transaction to the respective account after they are cleared.
- Making phone calls to the customers if the details in voucher are incomplete or mistaken.

4.5.Problem Faced and Solved

In course of conducting day to day activities conducted in the bank, we encountered several problems like heavy traffic in the bank, customer dissatisfaction caused due to change in the rules leading into the disputes between the bank and the staffs and many more. Some problems faced as an internee are as follows along with their solution.

Table 4.2: Problem and Solution

Problem	Solution
Not being able to provide the required services to the customer due to system failure or heavy traffic.	Asked the customers to wait for a while and inform administration about system failure and if case of crowd serves on first come first serve basis.
Customers' reaction regarding change in bank rules and service charge.	Speak politely and make them understand about the rules and service charge.
Difficulty in finding the required forms, official letter pad, reference book, vouchers and other office items and important files in credit department.	Arranged those forms, vouchers, files of credit department and other required documents in a proper place in a proper manner.
Not being able to handle the queries of customers due to less knowledge about bank rules and procedures	Asked the employees of the bank about the rules and other information without hampering their work. Then, handing the queries of customers became easy day by day.

CHAPTER V

CONCLUSION AND LESSONS LEARNT

5.1.Conclusion

This internship program has been very beneficial for me as my educational qualification is backed by some experience at the real work place. Internship program not only provides an opportunity to get exposure of real working environment, but also helps to develop interpersonal skills and gain knowledge on different aspects of finance, accounting and other topics in an official setting. The program is based on applying theoretical knowledge in practical field and learning things that cannot be taught in class rooms.

The internee completed my internship tenure of 8 weeks at RBB, Suryabinakbranch. RBB is one of the active banks in milestone of Nepalese banking history. It has extended its area of coverage and the type of services to provide along with change in time and demand of people. It offers wide range of services and people have more trust on this bank than any other commercial bank as it is fully government owned. RBB Suryabinayakbranch comprises of five departments and they are Cash teller, Customer Service, Credit/Loan, Remittance, Administration and Clearance Department. The internee had the opportunity to work in three departments and they are CSD, Credit and Clearance department.

During internship, the internee was able to understand corporate work culture, environment through managerial perspective. The internee was also able to cooperate and comprehend the true concept of working with the people in a team. The internee also came to understand where she really stands in terms of my knowledge, analytical skills, communication skills and ability. The internee deliberately learned the majority of operation of customer service, credit and clearance department including managing customer's information system. At first, the internee was quite nervous while performing the tasks but as days passed the confidence level grew up and it was possible due to friendly and helpful nature of the RBB staff. The internship added sense of responsibility in me while performing any task.

The internship program set by Tribhuvan University and the co-operation of RBB has contributed a lot in my understanding of overall banking functions and its impact on people from various aspects. It was a great experience being an intern in RBB. All in all internship programs has helped students in many ways and in some respect is preparing them for the industry.

5.2.Lessons Learnt

The internship program has been very helpful to the students to learn lessons outside of the classrooms. The lessons learnt in classrooms are different from the learning in practical scenario. In classroom, the knowledge is limited in syllabus and books but the knowledge in practical field is very vast and broad. Therefore, the lessons learnt by the internee during the internship period are summarized below:

- Internee has learned working under pressure and handling the work at rush hour along with handling complaints and attempting to resolve them as per the guidelines established by bank.
- Internee learnt the general banking transaction procedure of different department such as CSD, and Clearance along with products and services of RBB.
- Developed inter-personal communication skills and interaction ability.
- Internee has learned to use supportive devices like scanner, printer, MICR cheque printer, statement printer, etc.
- Internee has learned the procedures of record keeping, posting for different type of transactions in the PUMORI plus software of the bank.
- Internee has learned the importance of discipline, punctuality and regularity which would be an asset of every staffs.
- Internee has learned the procedures of delivering loan to the customers and to prepare the required documents for approval of loan.
- Internee has learned to perform balance enquiry and statement printing.

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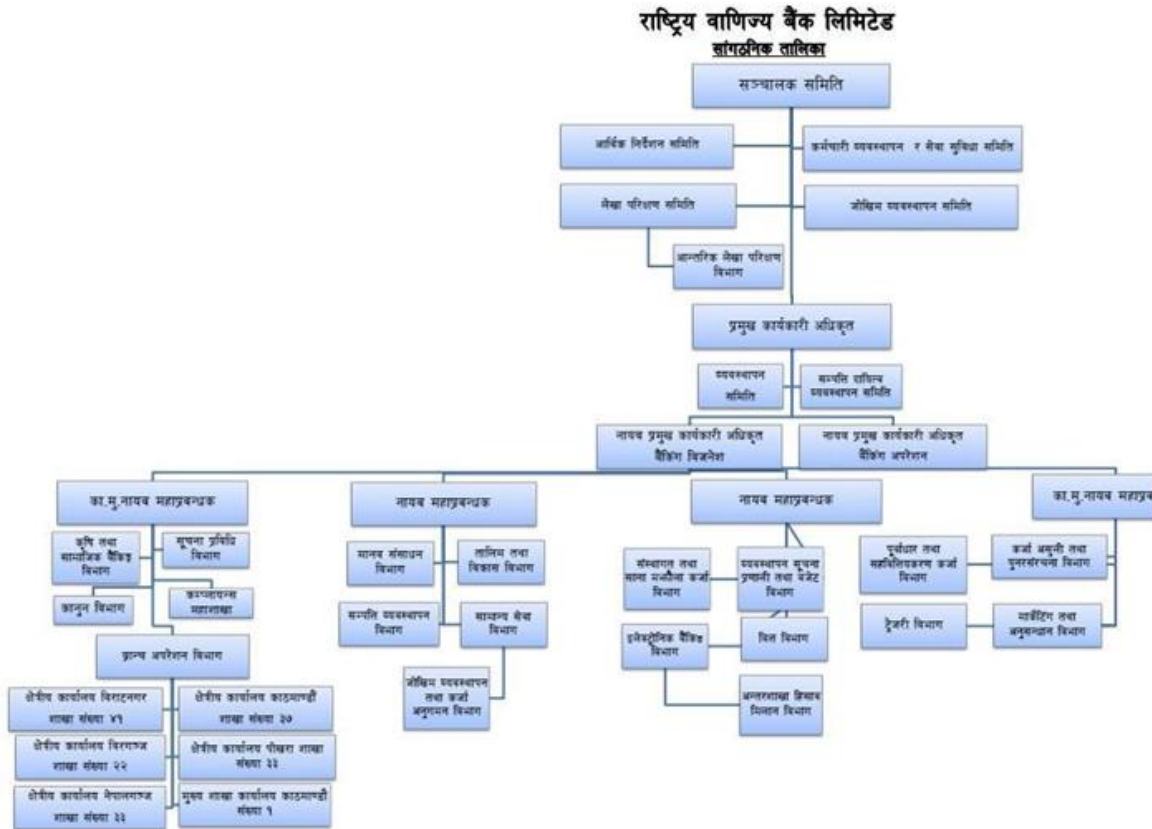
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APENDIX

Appendix 1: Organizational Structure of RBB



Appendix 2: BASEL III

Capital Adequacy Report as per NRB Directives

Third Quarter of F/Y 2074-75(2017-18)

7. **Amount of NPA:** Gross: This Quarter NPR 3,268,056,241.97

Previous Quarter NPR 3,440,952,141.88

8. **NPA ratios:** Gross: This Quarter 2.90%

Previous Quarter 3.11%

9. Movement of Loans and Advances:

	Classification of Loan	2074 Chaitra End	2074 Poush End	Changes
		Gross	Gross	
A	Pass Loan	109,539,909,025.31	107,213,646,492.80	2,326,262,532.51
	Good loan	108,167,067,018	104,420,745,540	3,746,321,478
	Watch List	1,372,842,007	2,792,900,953	(1,420,058,946)
B	NPA	3,268,056,241.97	3,440,952,141.88	(172,895,899.91)
	Restructure/Reschedule Loan	-	-	-
	Substandard loan	733,042,429	701,459,662	31,582,766.95
	Doubtful Loan	718,983,470	652,743,980	66,239,490.36
	Loss Loan	1,816,030,343	2,086,748,500	(270,718,157.22)
C	Total	112,807,965,267.28	110,654,598,634.68	2,153,366,632.60



RASTRIYA BANIJYA BANK LTD.
CENTRAL OFFICE
 SINGHADURBAR PLAZA, KATHMANDU, NEPAL

DISCLOSURE UNDER BASEL III CAPITAL ACCORD
THIRD QUARTER OF FY 2074-75 (2017-18) ENDING ON CHAITRA 30, 2074
(AS PER CLAUSE 7.4 OF THE NEW CAPITAL ACCORD OF NEPAL RASTRA BANK)

1. CAPITAL ADEQUACY RATIO:

1.1. Capital fund Ratio:

SN	CAPITAL ADEQUACY RATIOS	RATIO (%)
a	Common Equity Tier I (CET I) Capital Fund Ratio	11.00
b	Additional Tier I (AT I) Capital Fund Ratio	-
c	Total Core Capital Fund (Tier I) Ratio	11.00
d	Supplimentary Capital Fund (Tier II) Ratio	1.34
e	Total Capital Fund to Total Risk Weighted Exposures	12.34

2. LEVERAGE RATIO **6.87%** (Regulatory Requirement $\geq 4\%$)

Particulars	Amount NPR
Exposure Measure	185,590,065,560.80
1. On Balance Sheet Assets (Net of Specific Provision)	174,054,794,182.98
2. Repurchase Agreements and Securities Finance	-
3. Derivatives	-
4. Off Balance Sheet Exposure	11,535,271,377.82
Capital Measure	12,741,643,573.61
1. Common Equity Tier I Capital (After Regularory Adjustment)	12,741,643,573.61
2. Additional Tier I Capital	-
Leverage Ratio in Percentage	6.87

Appendix 3: Credit Score Table

Heads	Weight	Score	Result
Collateral value to total value ratio	0.1		
Sale ability of collateral	0.1		
Net worth to loan ratio	0.1		
EMI coverage ratio	0.2		
Nature of income	0.1		
Distance from the bank	0.05		
Loan repayment history	0.05		
Banking transaction history	0.05		
Credit committee recommendation	0.15		
Total	1		

Appendix 4: Financial Statement for Third Quarter



ने.रा.बैंकबाट "क" वर्गको इजाजतप्राप्त संस्था

राष्ट्रिय बाणिज्य बैंक लिमिटेड

सिंहदरबार प्लाजा, काठमाण्डौ

लेखापरीक्षण नभएको एकीकृत वित्तीय नतिजा

आर्थिक वर्ष २०७४/०७५ को तेश्रो त्रैमासमा

रकम रु. हजारमा

क्र.सं.	विवरण	यस त्रैमासमा		गत त्रैमासमा		गत वर्षको यस त्रैमासमा	
		समूहको एकीकृत	रा.बा.बैंक लि.	समूहको एकीकृत	रा.बा.बैंक लि.	समूहको एकीकृत	रा.बा.बैंक लि.
१.	कुल पुँजी तथा बाधित्व (१.१ देखि १.७ सम्म)	१७७,८०७,६८९	१७७,८८१,१८६	१७४,१०७,८१९	१७४,१८०,८७९	१४९,७३९,९४४	१४९,७३९,९८०
१.१	चुक्ता पुँजी	८,४८८,९७२	८,४८८,९७२	८,४८८,९७२	८,४८८,९७२	८,४८८,९७२	८,४८८,९७२
१.२	जगडा	४,९७७,९१७	४,९७७,९१७	३,६७७,२४४	३,६७७,२४४	२,०९३,२७४	२,०९३,२७४
१.३	हिबेन्चर तथा बाण्डहरु	-	-	-	-	-	-
१.४	सापटी	२७४,३४१	२७४,३४१	३८२,४९७	३८२,४९७	७६४,९००	७६४,९००
१.५	निक्षेपहरु	१४३,१४९,२८२	१४३,२२३,९१७	१४९,०३१,९०२	१४९,१०४,३२९	१३४,३६२,८८६	१३४,३६२,८४४
	क. स्वदेशी मुद्रामा	१४१,४६७,३४१	१४१,४४१,९७६	१४८,४७९,९३२	१४८,६४२,३४९	१३४,०८०,४४१	१३४,०८०,४२०
	ख. विदेशी मुद्रामा	१,६८१,९४१	१,६८१,९४१	४४१,९७०	४४१,९७०	२८२,३३४	२८२,३३४
१.६	आयकर बाधित्व	-	-	-	-	-	-
१.७	अन्य बाधित्वहरु	१०,८१७,१७७	१०,८१६,३६४	१२,४२७,१९३	१२,४२६,४८७	१२,९२९,९३३	१२,९२९,९६९
२.	कुल सम्पति (२.१ देखि २.७ सम्म)	१७७,८०७,६८९	१७७,८८१,१८६	१७४,१०७,८१९	१७४,१८०,८७९	१४९,७३९,९४४	१४९,७३९,९८०
२.१	नगद तथा बैंक मौज्दात	१६,८७१,३९८	१६,८७१,१४३	२०,१८१,४४४	२०,१८१,१८८	१७,१२१,४७४	१७,१२१,४४०
२.२	माग तथा अन्य सूचनामा प्राप्त हुने रकम	१,८८०,११४	१,८८०,११४	२,४८०,०००	२,४८०,०००	३४०,०००	३४०,०००
२.३	सगानी	३३,७६०,०७१	३३,७६०,३९४	३२,३०४,१९४	३२,३०४,४१८	३०,४६२,७७१	३०,४६२,७७१
२.४	कर्जा तथा सापटी (क+ख+ग+घ+ङ+च)	११२,८०७,९६६	११२,८०७,९६६	११९,६४४,४९९	११९,६४४,४९९	१०१,३६४,४९७	१०१,३६४,४९७
	क. रियल स्टेट कर्जा	३,६२७,९९६	३,६२७,९९६	३,०३२,१९२	३,०३२,१९२	३,१८६,७८३	३,१८६,७८३
	१. आवासीय घर कर्जा (रु.१ करोड सम्मका व्यक्तिगत घर कर्जा बाहेक)	४३३,१७१	४३३,१७१	३३०,१७९	३३०,१७९	२९१,३७४	२९१,३७४
	२. व्यावसायिक सवत तथा आवासीय अपार्टमेन्ट निर्माण कर्जा	९३३,८२८	९३३,८२८	८७७,९१३	८७७,९१३	१,१३८,११४	१,१३८,११४
	३. निर्माण सम्पन्न भई आय आर्जन गर्न बाँचेको व्यापारिक कम्प्लेक्स कर्जा	-	-	-	-	-	-
	४. अन्य रियल स्टेट कर्जा (जग्गाजमिन खरिद तथा प्लटिग कर्जा समेत)	२,२६०,९९७	२,२६०,९९७	१,८२४,१००	१,८२४,१००	१,७४७,२९४	१,७४७,२९४
	ख. आवासीय घर कर्जा (रु.१ करोड सम्मका व्यक्तिगत घर कर्जा)	९,१०७,४४४	९,१०७,४४४	८,८१२,०४८	८,८१२,०४८	७,०००,९९४	७,०००,९९४
	ग. मारिजिन प्रकृतिको कर्जा	१,३२७,०६८	१,३२७,०६८	१,६९९,१०३	१,६९९,१०३	१,३९६,७८६	१,३९६,७८६
	घ. आर्थिक कर्जा	६८,७४६,९९२	६८,७४६,९९२	६८,१४७,७८६	६८,१४७,७८६	६८,२४२,२७९	६८,२४२,२७९
	ङ. अधिविकल्प / ट्रस्ट रिसिप्ट कर्जा / चालु पुँजी कर्जा	६९,४७८,१४७	६९,४७८,१४७	६८,८९८,४६८	६८,८९८,४६८	६२,७४८,०२४	६२,७४८,०२४
	च. अन्य	१०,४१०,१९८	१०,४१०,१९८	१०,०६४,००२	१०,०६४,००२	८,७९९,६३०	८,७९९,६३०
२.५	स्थिर सम्पति	१,८४८,६३७	१,८४८,२३१	१,७०४,०३४	१,६९८,७६४	१,४२०,६२१	१,४१९,९७३
२.६	गैर बैकिंग सम्पति	७६,९०१	७६,९०१	७६,९४२	७६,९४२	८४,०२३	८४,०२३
२.७	अन्य सम्पतिहरु	१०,४९६,६०३	१०,४९६,४२८	६,७०४,८६८	६,७०४,८६८	८,८३६,४६८	८,८३६,३६६
३.	नाफा नोक्सान हिसाब	यस त्रैमास सम्ममा		गत त्रैमास सम्ममा		गत वर्षको यस त्रैमासमा	
		समूहको एकीकृत	रा.बा.बैंक लि.	समूहको एकीकृत	रा.बा.बैंक लि.	समूहको एकीकृत	रा.बा.बैंक लि.
३.१	व्याज आम्दानी	८,२४८,३४४	८,२४८,८१२	४,३२७,८४२	४,३२६,४१२	६,०३०,७३३	६,०२७,३१४
३.२	व्याज खर्च	२,०६१,९०७	२,०६६,४८१	१,३१२,३४९	१,३१४,२०७	१,३४६,९४४	१,३४६,९४४
क. शुद्ध व्याज आम्दानी (३.१-३.२)		६,१८६,४३७	६,१८२,३३१	३,०१५,४९३	३,०१२,२०५	४,६८३,७८९	४,६८०,३७०
३.३	फि, कमिशन तथा डिस्काउन्ट	३६७,८२७	३६७,८२७	२४६,००१	२४६,००१	३६३,८४०	३६३,८४०
३.४	अन्य संचालन आम्दानीहरु	४३१,२७४	४२९,३६३	३०४,८७४	३०६,१४९	४४३,१४७	४४३,२३७
३.५	विदेशी विनिमयबाट नाफा / नोक्सान (शुद्ध)	२३,६२१	२३,६२१	१४,३६०	१४,३६०	३६,२४०	३६,२४०
ख. कुल संचालन आम्दानी (क+३.३+३.४+३.५)		७,०११,१६०	७,०११,०४२	४,४८६,७६८	४,४७४,६१४	५,४२३,०७६	५,४२३,६८६
३.६	कर्मचारी खर्चहरु	१,९३१,२८१	१,९२४,८११	१,२००,३१८	१,१९६,२१३	२,११४,४८०	२,११४,३०३
३.७	अन्य संचालन खर्चहरु	७०३,८१७	७००,७३७	४४४,३८४	४४३,४८७	६४२,१९९	६४१,९६६
ग. व्यवस्था अधिको संचालन मुनाफा(ख-३.६-३.७)		४,३८६,०६२	४,३८६,४८७	२,९४२,०२४	२,९२८,०९४	२,७६६,३९७	२,७६६,३९७
३.८	समावित जोखिम बापत व्यवस्था	१,२४४,३०१	१,२४४,३०१	८८९,४८६	८८९,४८६	९४४,९१६	९४४,९१६
घ. संचालन मुनाफा (ग-३.८)		३,१४१,७६१	३,१४२,१८६	२,०५२,५३८	२,०३८,६०८	१,८२१,४८१	१,८२१,४८१
३.९	गैर संचालन आम्दानी / नोक्सानी (शुद्ध)	२,१८७	२,१८७	१,३६०	१,३६०	६,३६०	६,३६०
३.१०	समावित जोखिम बापत व्यवस्थाबाट फिर्ता	१,०६३,१३४	१,०६३,१३४	४०८,७०३	४०८,७०३	६६४,२२०	६६४,२२०
ङ. निष्पत्ति क्रियाकलापबाट आम्दानी (घ+३.९+३.१०)		४,२०४,०८२	४,२०४,४०७	२,४६४,४०२	२,४४६,४९२	२,४८४,०६१	२,४८४,०६३
३.११	असामान्य आम्दानी तथा खर्चहरु (शुद्ध)	१४६,९०४	१४६,९०४	११७,७४६	११७,७४६	९२,६०६	९२,६०६
च. बोनस तथा कर अधिको नाफा (ङ+३.११)		४,३५१,९८६	४,३५१,३११	२,५८२,१४८	२,५६४,२३८	२,५७६,६६७	२,५७६,६६९
३.१२	कर्मचारी बोनस व्यवस्था	३२२,४०१	३२२,४०१	१९०,०९२	१९०,०९२	१९०,०९८	१९०,०९८
३.१३	आयकर व्यवस्था र स्वयंन कर खर्च	९४४,०००	९४४,०००	४९०,२३३	४९०,२३३	३०९,८३८	३०९,९९३
छ. शुद्ध नाफा नोक्सान (च-३.१२-३.१३)		३,०२५,५८५	३,०२५,०१०	१,९९१,९२३	१,९९४,९१३	२,०७६,९४१	२,०७६,९४३
४	अनुपातहरु	यस त्रैमासमा		गत त्रैमासमा		गत वर्षको यस त्रैमासमा	
४.१	पुँजीकोष / जोखिम भारित सम्पति	१२.३४%		११.४२%		११.४७%	
४.२	निष्क्रिय कर्जा / कुल कर्जा	२.९०%		३.११%		२.७०%	
४.३	कुल कर्जा बापत जोखिम व्यवस्था / कुल निष्क्रिय कर्जा	१३४.४८%		१३८.६९%		१४३.२०%	
४.४	पुँजीको लागत (औषत)	२.१४%		२.०१%		१.२८%	
४.५	कर्जा / निक्षेप अनुपात	७३.६२%		७४.२१%		७४.८८%	
४.६	कर्जा / स्वदेशी निक्षेप तथा प्राथमिक पुँजी अनुपात (ने.रा.बैंकको निर्देशन अनुसार गणना गरिएको)	६८.६७%		६९.१२%		६९.८४%	
४.७	नेट स्रोत	४.९४%		४.९९%		४.८२%	
४.८	आधार दर	६.२००%		४.९८०%		४.४८%	
४.९	कुल सम्पत्तिमा प्रतिफल	२.२४%		१.९६%		१.४८%	
४.१०	शेयरधनी कोषमा प्रतिफल	३४.२१%		३१.४०%		२८.६९%	

नोट : १. आ.व. २०७४/७५ को तेश्रो त्रैमाससम्मको कर्मचारी अवकाश सुविधा दायित्वहरुको लागि व्यवस्थापनको अनुमानको आधारमा उक्त दायित्वहरु बापत रु. ४० करोड व्यवस्था गरी कर्मचारी खर्चको रूपमा लेखांकन गरिएको छ ।

२. यस बैंकको शतप्रतिशत शेयर स्वामित्व रहेको आर्थिक मन्त्रालय बैंकिङ लि. को बासलात तथा नाफा नोक्सान हिसाबलाई एकीकृत वित्तीय विवरणमा समावेश गरिएको छ ।

३. सुपरिवेक्षण गर्ने निकाय तथा बाध्य लेखापरीक्षकले थप/घट गर्न निर्देशन दिएमा परिस्कृत वित्तीय विवरणमा फरक पर्न सक्ने छ ।

४. यस अवधिमा रकमसंग तुलनायोग्य बनाउन विगतका रकमहरु पूनर्वगीकरण गरेर प्रस्तुत गरिएको छ ।

Appendix 5: Rates of Interest from Jestha 1, 2075



Rate of Interest

With effect from Jestha 1, 2075 (15 May, 2018)

Product	% per annum	Min. Balance NPR	Product	New Int Rate
Saving deposit [^]			Working Capital Loan	% Per annum
Normal Saving	2.00		A) Overdraft *	Base Rate + 3.5 to 5.5
RBB Special Saving [#]	4.00	50,000.00	B) Hypothecation *	Base Rate + 3.5 to 5.5
RBB Golden Saving [@]	4.00	100,000.00	C) Pledge loan	Base Rate +3.5 to 5.5
RBB Diamond Saving ^{@@}	4.00	200,000.00	Term Loan	
Karma Yogi Bachat Khata ^{@@}	4.00	5,000.00	A)Industrial / Commercial	Base Rate + 3.5 to 5.5
Maha Laxmi Bachat Khata ^{@@}	4.00	5,000.00	B)Housing / Real state	Base Rate +3.5 to 5.5
Chhuna Muna Bachat Khata ^{@@}	4.00	Min Rs.500.00 & Per Month Rs.500.00	Loan against Gold and Silver	Base Rate + 6 to 7
Teacher's Bachat Khata	4.00	500.00	Loan against Government Bonds	Base Rate +2 to 4
Dirghayu Saving	4.00			
Call Deposit	2.00		Loan against RBB's Fixed Deposit	Coupon + 2.00
Fixed Deposit			Loan against First Class Bank Guarantee	Base rate + 4
Normal Fixed Deposit		Min 5,000.00	Priority Sector Loan	Base rate + 4
3 Months	5.50		Deprived Sector Loan	
6 Months	5.75		A)Individual (up to 2 lacs)	Base Rate + 3
1 Year	6.00		Individual (more than 2 lacs)	Base Rate + 3
2 Years	6.25		B)Institutional	
3 Years	6.50		Wholesale	Base Rate + 2 to 4
RBB Special Fixed Deposit ^{##}		Min 500,000	Direct	Base Rate + 3 to 4
1 Year	6.00		Agriculture Loan	Base Rate + 2.5 to 4.5
2 Years	6.25		Trust Receipt / Import Loan	Base Rate + 2 to 3
3 Years	6.50		Export Loan	Base Rate + 1 to 3
37 Month ^{@@}	6.75		Export Refinancing	As per NRB Circular
60 Month ^{@@}	7.00		Hire Purchase Loan	Base Rate + 5 to 6
RBB Corporate Fixed Deposit ^{###}		5,000,000.00	Refinancing	Base Rate + 2 to 4
1 Year	6.00		Contract Loan	Base Rate + 3 to 4
2 Years	6.25		Home Loan	
3 Years	6.50		Upto 5 Years	Base Rate + 3 to 4
RBB Fixed Deposit for NPPAP ^{@@@}			Upto 10 Years	Base Rate +4 to 5
3 Months	7.00		Upto 15 Years	Base Rate + 5 to 6
6 Months	7.25		Maha Laxmi Home Loan	
2 Years	11.00		Up to 10 years	Base Rate + 3 to 4
RBB Platinum Fixed Deposit ^{@@}	5.00-6.00	100,000,000.00	Up to 15 years	Base Rate + 4 to 5
RBB Nagarik Fixed Deposit	6.00	10,000.00		
RBB Anniversary Fixed Deposit ^{@@}	8.00	100,000.00	Auto Loan	Base Rate + 3 to 4
RBB Akshayakosh Fixed Deposit ^{@@}	8.50	2,000,000.00	Teacher's Loan	Base Rate + 3 to 4
RBB Golden Fixed Deposit ^{@@} 1 year	10.00	1,000,000.00	Rastra Sewak Loan	Base Rate + 3 to 4
RBB Golden Fixed Deposit ^{@@} More than 1 to 2 years	10.50	2,000,000.00	Education Loan	Base Rate + 3 to 4
RBB Dirghayu Fixed Deposit 3 years ^{@@}	11.00	1,500,000.00		
Foreign Currency Deposit			Loan against Shares	Base Rate + 4 to 6
Saving Deposit			Mortgage Loan	Base Rate + 4 to 6.5
USD	0.90		Personal Loan	Base Rate +5.5 to 6.5
EURO	0.75		Consortium Loan	As per Agreement
Other Foreign Currency	0.75			
Call Deposit				
USD	0.50			
EURO	0.50			
Other Foreign Currency	0.50			
Fixed Deposit				
1 Year	1.00			
Above 1 Year	Negotiable		Base Rate for the month of Chaitra 2074	6.20%
Above USD 10,000 and Equivalent	Negotiable		Spread Rate for the month of Chaitra 2074	4.95%

* 0.50% rebate on timely payment

[^] for student up to 26 years, saving account will be open at '0' balance & free ATM, SMS and e-banking facilities

0.50% premium on prevailing interest rates will be provided to senior citizens of 70 years and above on deposit products

0.50% premium on prevailing interest rates will be provided to single women(widowed) on deposit product.

^{@@@} This is provided to the National Pride Projects Affected People only
The new reduced interest rate will not be applied to defaulting borrowers.

^{@@} Conditions applied

Lending rates shall be changed by the same percentage as change in the base rate on a quarterly Basis.