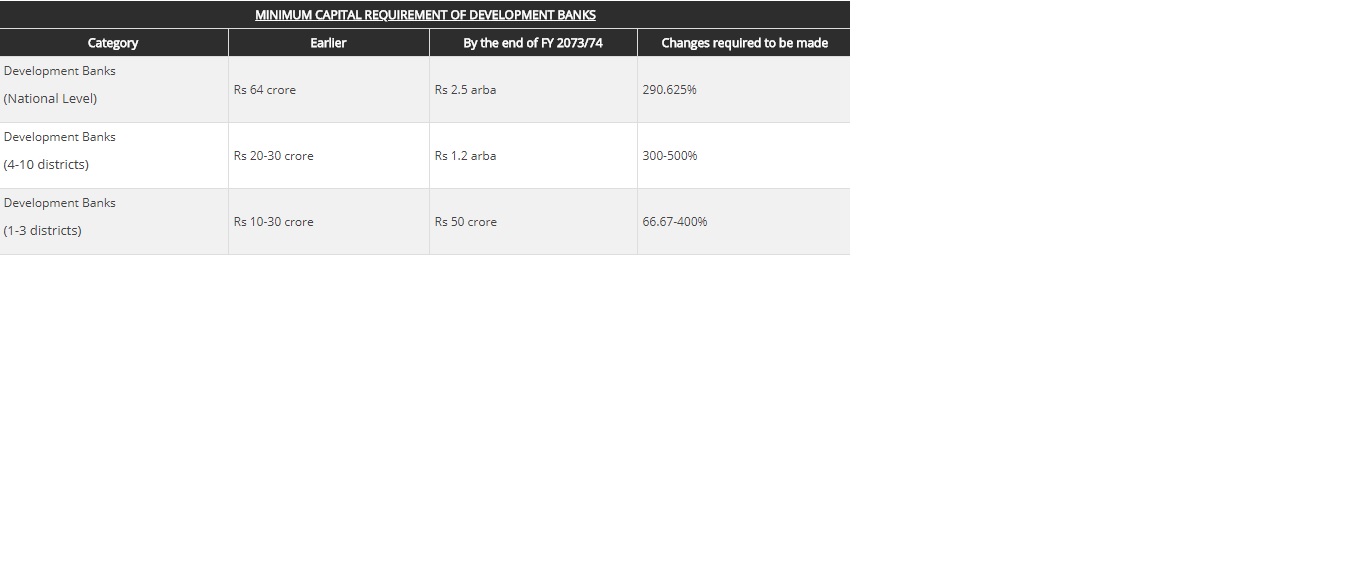
As of Poush 2074, there are total 36 Development Banks in Nepal. Among them, 13 are of national level, 1 Development Bank is with a working area of 4-10 districts and 22 are with a working area of 1-3 districts out of which 2 banks are operating in a single district.

According to the Monetary Policy 2072/73 unveiled by NRB, the minimum paid-up capital requirement for national level development banks is Rs 2.5 arba. Similarly, 4-10 district level Development Banks are required to hike their capital to Rs 1.2 arba and 1-3 district level Development Banks need to hike their capital to Rs 50 crore and by the end of FY 2074. Earlier the minimum paid up requirement for national level, 4-10 district level and 1-3 district level Development Bank was Rs 64 crore, Rs 20-30 crore and Rs 10-30 crore, respectively.



As per the latest second quarterly report of Fiscal Year 2074/75, only 5 national level development banks has been able to maintain its capital above Rs 2.5 arba. Shine Resunga Development Bank Limited, the only bank operating in 4-10 districts, has also maintained its capital above the minimum requirement.  And only 6 banks with a working area of 1-3 districts have been able to maintain the minimum required capital. However, Nepal Rastra Bank (NRB) has extended deadline for Class ‘B’ and ‘C’ financial institutions operating in a single district to meet the requirement of minimum paid-up capital within Poush 2076.

Mahalaxmi Bikas Bank Limited (MLBL) has the highest paid-up capital of Rs 2.63 arba out of all the national level development banks. It has already met the minimum requirement of paid-up capital.

Similarly, Shine Resunga Bikas Bank Limited (SHINE), the only development bank with a working area of 4-10 districts, has a paid-up capital of Rs 1.37 arba and has met the minimum capital requirement set by Nepal Rastra Bank.

Likewise, Excel Development Bank Limited (EDBL) has the highest paid up capital of Rs 69.26 crore out of all 1-3 district level development banks. It has also met the requirement of paid up capital of Rs 50 crore set by the monetary policy of 2015/16.

Given below is the list of development banks in Nepal along with their working areas and paid-up capital as per the latest quarterly report (i.e. Q2 Report of FY 2074/75):



\*   NIDC Development Bank Ltd. is in the process of merger with Rastriya Banijya Bank.

\*    Narayani Development Bank Ltd. has been declared crisis-ridden bank. So, its latest paid-up capital is not available.

\*    Corporate Development Bank Ltd. has been recently released from crisis-ridden bank. So, its latest paid-up capital is not available.

\*    Kabeli Bikas Bank Ltd. is in the process of acquiring Mount Makalu Development Bank Ltd. So, their latest paid-up capital is not available.

\*    Tourism Development Bank Ltd. is currently in the process of merger with Mega Bank Ltd.

\*    Sahara Bikas Bank Ltd. in the process of being acquired by Deva Bikas Bank Ltd. However, the given paid-up capital is as per the second quarter of FY 2074/75.

\*    Salapa Bikash Bank Ltd and Green Development Bank Ltd. second quarter reports for FY 2074/75 are not available. Also, Salapa Bikas Bank has not issued its IPO yet.

Two of the national level development banks as well as some of the development banks working in 1-3 district areas are in the process of merger and acquisition. Hence, the total number of development banks after the on-going merger and acquisition will be 11 national level development banks, 1 development bank with working area of 4-10 districts, 18 development banks with working area of 1-3 districts out of which only 1 development bank will be operating in 1 district.

Out of the 5 development banks currently working with the working area of 1 district, Kabeli Bikas Bank Limited is in the process of acquiring Mount Makalu Bikas Bank Limited; Sahara Bikas Bank Limited is being acquired by Deva Bikas Bank Limited and Hamro Bikas Bank Limited has expanded its working areas. That leaves only Salapa Bikas Bank Limited which is operating in a single district, i.e. Khotang will be the only remaining development bank with a single district working area.

Most of the banks are issuing right shares and bonus shares and thus, the most of the banks will meet their minimum capital will be met in the upcoming quarter of the on-going fiscal year 2074/75.

Source : Sharesansar, 27th March 2018

**News Source**

http://www.sharesansar.com/c/know-the-paid-up-capital-of-development-banks-working-area-wise-have-the-development-banks-met-their-minimum-capital-requirement-yet-which-banks-have-the-highest-capital.html