



NICCI e-Newsflash

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Adventurous Nepal



Paragliding at Pokhara.....

Amendment in Nepal-India Treaty of Transit for Export of third country goods

Nepal and India have formalized an amendment to the 'Export Procedure' prescribed under the Memorandum to the Protocol to the Treaty of Transit between the two sides. This decision would facilitate traffic in transit for goods of third country origin exported from Nepal. A Letter of Exchange formalizing this decision has been finalized by both sides.

This amendment in the provisions of the Treaty of Transit brings into effect a significant decision which was reached between the two sides during the Nepal-India Inter-Governmental Committee (IGC) meeting on Trade, Transit and Cooperation to Control Unauthorized Trade held in Kathmandu on 21-22 December, 2013.

Nepali government officials and the Indian Embassy in Kathmandu said goods of non-Nepali origin will be allowed export to third countries through India. "This provision would facilitate Nepal's genuine third country export which may be required for re-export of goods imported in to Nepal for display in fairs and exhibitions," read an Indian embassy statement.

"The amendment would also facilitate re-export of third country origin capital goods from Nepal to third countries for repair and return and also re-export of rejected goods from Nepal."

The amendment was necessary as the earlier procedure only allowed goods of Nepali origin to be exported through India to third countries.

Ministry of Commerce and Supplies Joint-secretary Mr. Jib Raj Koirala said Nepal had been unable to send machineries for repair and maintenance due to the previous provision, which has now been resolved.

The amendment to the treaty will also facilitate Nepali business as it will allow re-export of goods imported from third countries after some value addition and movement of diplomatic cargo exported from Nepal and transiting through India.

Two sides are yet to finalize two other important trade facilitation measures which were discussed in the IGC meeting. The measures are allowing Nepali importers to drive vehicles imported from third countries through Indian roads to Nepal and facilitating the import of bulk cargo into Nepal through the operationalization of multi-modal transport link from the Kolkata port through Jogbani-Biratnagar and Sunauli-Bhairahawa land routes.

Amendment in Nepal-India Treaty of Transit

Mr. Koirala said that two proposals are under consideration of Nepal and they were holding discussions on the modality and wording of the proposal. "The Cabinet will have to take a decision first, which will be done shortly."

The Embassy of India, Kathmandu statement said "There are two other important trade facilitation measures which were discussed by the two sides in the last IGC meeting pertaining to allowing movement of imported vehicles on their own power from Kolkata port into Nepal and facilitating the

import of bulk cargo into Nepal by operationalization of multimodal transport link from Kolkata port through Jogbani-Biratnagar and Sunauli-Bhairahawa land routes. Proposals for making these amendments in the Treaty of Transit had been finalized by Government of India and shared through the Indian Embassy in Kathmandu with the Government of Nepal. These proposals are presently under consideration of Government of Nepal. Once finalized, these measures would further facilitate Nepal's transit trade through India."

Electronic cheques from mid-July

Central bank has postponed making electronically readable cheques mandatory for the second time. Issuing a circular, Nepal Rastra Bank (NRB) has directed the financial institutions to issue electronically readable cheques by the end of current fiscal year. Back in October, NRB had directed the banks to circulate such machine-readable cheques by mid-January, 2014. Moreover, in April 2013, central bank had fixed mid-July, 2013 as the cut-off period.

However, the provision is only mandatory for the financial institutions that are availing electronic cheque clearance service from Nepal Clearing House Ltd (NCHL). To make the cheques compatible for electronic clearing, financial institutions have to issue cheques according to Cheques Standards and Specifications Guidelines 2011.

The central bank has been postponing the cut-off date since past one year due to financial institutions' inability to replace the existing cheques with standard ones.

The standard cheques will have a character recognition technology that will help facilitate the processing of cheques and will have the routing number and account number at the bottom of a cheque.

Nepal Clearing House started electronically clearing Nepali currency cheques from April 2012. The clearing house, established in 2009 in association with Nepal Bankers' Association, Nepal Rastra Bank (NRB) and other financial institutions, has started Automatic Check Truncation and clearing systems with the current normal cheques.

Working Committees at NICCI

In order to promote bilateral trade, and transit, hydropower, tourism, further visibility of NICCI, and resolve sector-wise issues, NICCI Executive Committee has formed Sub-committees as follows:

Member Counseling Sub-committee

(Industrial & Trade Promotion, Customs, Transit Committee)

Mr. Shyam Kumar Lohia, **Convenor**
Vice President - NICCI
(Managing Director, Aarti Vegetable Products P Ltd.)

Mr. Buddhaditya Mukherjee, **Member**
Vice President-NICCI
Country Director, Asian Paints (Nepal) P. Ltd.

Mr. Cabinet Shrestha, **Member**
Executive Member-NICCI
Managing Director, Agni Incorporated P Ltd.

Hydropower/Energy Sub-committee

Mr. Saurya SJB Rana, **Convenor**
Secretary General
President, Siprodi Trading P. Ltd.

Mr. Narendra Prajapati, **Member**
Chief Executive Officer, Bhotekoshi Power

Mr. H.R. Subedi, **Member**
Resident Representative, SJVN Ltd.

Mr. Pramod Acharya- **Member**
General Member-NICCI
Manager HR, GMR/Himtal Hydro Power

Mr. Anand Chaudhary - **Member**
Asst Manager, Naulo Nepal Hydroelectric
(Subsidiary of Patel Engineering Ltd,
Mumbai- Budhi Gandaki 'ka' & 'Kha')

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Working Committees

Tourism Sub-Committee

Mrs. Shreejana Rana, Executive Member Director –CSR/R&D, Hotel Annapurna	Convenor	Mr. Upal Mazumdar, CEO, Hotel Annapurna	Member
Mr. Yogendra Shakya, Chairman, Ambassador Hotels	Member	Mr. Nalin Mandiratta, GM, Hotel Soaltee Crowne Plaza	Member
Mr. Suman Pandey, President, PATA Nepal Chapter	Member	Mr. Kanishka Dasgupta, Advisor (Foreign Affairs-NICCI)	Member
Mr. Madhusudan, Vice President, NATTA	Member	<u>PR and Publication Sub-Committee</u>	
Mr. Basant Mishra, MD - Temple Tiger Pvt. Ltd.	Member	Mr. Suhrid Jyoti, Executive Member Director, Bhajuratna Engineering & Sales Ltd.	Convenor
Mr. Shyam Kashyapati, President, HAN	Member	Dr. Pronab Sen, Executive Member Chief Executive Officer, National Insurance Co. Ltd.	Member
Mr. Ashok Pokharel, President, NATO	Member	Mr. Srikanth Srinivasmadhavan, Executive Member Managing Director, Unilever Nepal Ltd.	Member
Ms. Nandini Lahe Thapa, Sr. Director, Nepal Tourism Board	Member		

Indian Business Forum Sub-Committee formed

Similarly, in order to create a platform for existing Indian Investors as well as for mentoring investors who are willing to invest in Nepal, an "Indian Business Forum Sub-Committee" has been formed under the Executive Committee of NICCI, to be headed by the Vice President looking after the affairs of Indian JVs in Nepal. The sub-committee would have periodic meetings and would update the NICCI Executive Committee during ECMs. The formation of the Sub-Committee is as follows:

Mr. Budhaditya Mukherjee, Vice President- NICCI (Country Director, Asian Paints Nepal P Ltd.)	Convenor	Mr. Saibal Ghose, General Member- NICCI (Country Manager, Berger Jenson & Nicholson)	Member
Mr. A K Ahluwalia, Executive Member- NICCI (Chief Executive Officer, Everest Bank Ltd.)	Member	Mr. H. S. Bedi, General Member- NICCI (Country Manager, Dabur Nepal P Ltd.)	Member
Dr. Pronab Sen, Executive Member- NICCI (CEO, National Insurance Company Ltd.)	Member	Mr. P. R. Mishra, General Member- NICCI Chief Executive Officer, LIC Nepal P Ltd.	Member
Mr. Srikanth Srinivasmadhavan, Executive Member- NICCI (Managing Director, Unilever Nepal Ltd.)	Member	Mr. Alok Kumar Sharma, General Member- NICCI (Managing Director, Nepal SBI Bank)	Member
		Mr. Harvinder Manocha, General Member - NICCI Director, GMR/Himtal Hydropower	Member
		Mr. S P Pauchari, General Member- NICCI Chief Executive Officer, United Telecom Ltd.	Member



Nepal-India Chamber of Commerce & Industry

PR & Publication Committee

Suhrid Jyoti - Convenor
Srikanth Srinivasmadhavan - Member
Dr. Proban Sen - Member

Concept/Text / Research / Analysis/

Design /Edit

K M Singh

Dissemination

Marshal Rathour

GPO Box 13245

Ace Apartments,
Narayanchaur, Naxal
Kathmandu, Nepal.

Phone: 977-1-4444607

Fax: 977-1-4444608

Email: secretariat@nicci.org

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New Members of NICCI

- Life Care Distributors Pvt. Ltd.
- IME Automotives Pvt. Ltd.
- Civil Bank Ltd.
- Syakar Trading Company Pvt. Ltd.
- Oremet Minerals and Metals Nepal Pvt. Ltd.
- SCION Trading
- Flash Freight & Logistics Pvt. Ltd.

Change in the Executive Committee

Since Mr. Syed Mahmood Ahmad, MD of Surya Nepal Pvt. Ltd. who was also serving as Vice President at NICCI Executive Committee has been transferred, Mr. Budhaditya Mukherjee, Executive Member has been nominated to the post of Vice President of NICCI by the meeting of the Executive Committee held on 20th January 2014. Similarly, the meeting also nominated Mr. Abhimanyu Poddar, MD at Surya Nepal Pvt. Ltd., to the post of Executive Committee Member of NICCI. Now, the formation of Executive Committee of NICCI is as follows:

Mr. Sashi Raj Pandey (CEO, Shree Investment & Finance Co. Ltd.)	President
Mr. Arun Kumar Chaudhary (MD, Arun Intercontinental Traders)	IP President
Mr. Shyam Kumar Lohia (MD, Aarti Vegetable Products P. Ltd.)	Vice President
Mr. Budhaditya Mukherjee (Country Director – Asian Paints Nepal P Ltd.)	Vice President
Mr. Saurya SJB Rana (President, Sipradi Trading P Ltd.)	Secretary General
Mr. Rajendra Man Sherchan (Chairman, Himalayan Center for Education & Development Pvt. Ltd.)	Treasurer
Mr. Abhimanyu Poddar (MD, Surya Nepal P Ltd.)	Executive Member
Mr. A K Ahluwalia (CEO, Everest Bank Ltd.)	Executive Member
Mr. Cabinet Shrestha (MD, Agni Incorporated P Ltd.)	Executive Member
Mr. Lalit Kumar Lohia (President, NICCI Eastern Region Chapter, Biratnagar)	Executive Member
Dr. Pronab Sen (CEO, National Insurance Co. Ltd.)	Executive Member
Mrs. Shreejana Rana (Director – CSR/R&D, Hotel Annapurna)	Executive Member
Mr. Srikanth Srinivasmadhavan (MD, Unilever Nepal Ltd.)	Executive Member
Mr. Suhrid Jyoti (Director- Bhajuratna Engineering & Sales Ltd.)	Executive Member

We solicit suggestions/feedback from all members and readers for NICCI e -Newsflash at secretariat@nicci.org

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