

Press Release

Salient Features of the Economic Survey for FY 2009/10

- The aggregate Gross Domestic Product (GDP) is estimated to grow by 3.5 percent in the current fiscal year 2009/10 as compared to the growth 4.0 percent achieved in the previous fiscal year. Growth in the agriculture sector is estimated to remain at 1.2 percent due to decline in agricultural products attributable to adverse climatic situation. Similarly, economic activities in the non-agriculture sector could not expand as desired due to domestic factors like time-to-time closures (*bandhs*), strikes, labour problems, and interrupted electricity supply on one hand and contraction of external markets on the other. All these factors contributed to non-achievement of economic growth as targeted.
- Based on agricultural production index, production of vegetables, fruits, meat, and milk are estimated to grow by 7.2 percent, 22.0 percent, 2.66 percent and 4.05 percent respectively in this fiscal year. However, production of food grains is estimated to decline by 5.88 percent in the current year in comparison to the previous year.
- Non-agriculture sector in this period is estimated to have grown by 5.1 percent. As compared to the previous year, sub-sectors that have registered growth during this period are mining and quarries, industry, gas and water, construction, hotel and restaurant, financial intermediation, real estate, leasing, and commercial services.
- Growth of the construction sector in this fiscal year is estimated at 6.6 percent as compared to 0.9 percent in the previous year. Satisfactory growth is observed in the construction sector as a whole due to rapid rate of construction of homes, residential apartments and office buildings in Kathmandu valley and other urban areas.
- Growth of commercial services like real estate, leasing and other services that had registered nominal (growth) rate of 1.8 percent in the previous fiscal year is estimated to grow by 4.9 percent in the current fiscal year. Credit for such positive impact on real estate and other commercial services can be attributed to the expansion of housing projects. This sector in the last five years has registered average growth rate of 7.0 percent while making average 9.2 percent contribution to the GDP.
- The mining and quarry sector is estimated to register a growth of 4.2 percent in comparison to this sector's dismal growth of 0.7 percent in the previous year. Average growth rate of this sector for the last five years has been 4.0 percent.
- The manufacturing industry (sector) is estimated to grow this year by 2.6 percent as compared to negative 1.0 percent growth in the previous year. According to the industrial production index, GDP of the industry sector is estimated to record a growth this year with increase in the production of commodities like biscuits, iron rods, beverages, noodles etc.

- Hotel and restaurant sector is estimated to record highest rate of growth of 8.5 percent in this current fiscal year as compared to 3.0 percent growth in the previous fiscal year. Major reasons behind such notable growth of this sector can be attributed mainly to gradual improvement in the global financial crisis and economic recession, and rise in tourist arrivals with improved security situation in the country.
- Production of electricity, gas and water sector is estimated to turn positive by 0.5 percent this year from the negative 0.9 percent in the previous year.
- Gross capital formation in FY 2009/10 is estimated at Rs. 228.14 billion, which comes out to 36.9 percent of GDP. Such ratio was 30.6 percent in the previous fiscal year.
- Government finance situation is satisfactory. Revenue mobilization in this fiscal year is estimated to grow by 24.6 percent. The proportion of Government revenue and GDP is estimated to grow from 14.5 percent in the previous year to 15.1 percent this year.
- The proportion of total outstanding public debt and GDP is estimated to come down to 32.7 percent by the end of this fiscal year from 40.3 percent in the fiscal year 2008/09. Both foreign and domestic debts during this fiscal year have come down from the previous year's 25.3 percent and 12.1 percent to 23.3 percent and 10.5 percent respectively. By amount, total outstanding government debt that stood at Rs. 370.69 billion by mid-March 2009 has gone up amounting to Rs. 399.75 billion by mid-March 2010 with an increase of 7.8 percent.
- The point to point Average Urban Consumer Price Index, which was 13.1 percent in mid-March of 2009 has come down to 11.2 percent during the same period of the previous fiscal year.
- The Balance of Payment deficit stood at Rs. 23.53 billion by the end of first eight months of the current fiscal year 2009/10 due to notable rise in imports against the declining trend of exports. Though remittance inflow is on increase, but with its growth rate slowed in comparison to previous years. Despite decreased foreign exchange reserve due to the balance of payment deficit, its capacity to cover imports is at the satisfactory level.
- Despite a number of economic problems like rising trade deficit, liquidity problem, the decreasing growth rate of remittance, and balance of payment deficit, timely economic and monetary policy interventions have helped lowering the pressure of these issues to a greater extent.
- Despite overall satisfactory status of the economy, analyses of economic indicators reveal the presence of obstacles in accelerating the economic growth while sustaining the economy. Hence, the situation calls for government policy and program interventions while addressing these challenges.
- By first eight months period of fiscal year 2009/10, Middle Marsyangdi Hydropower Project (79 MW) built under the German Government assistance has been commissioned, started commercial production, and connected to national grid. Similarly, construction of several other projects, i.e., Chameliya Hydropower Project (30 MW) in Darchula of Far-West Region, and Kulekhani III (14 MW) in Makwanpur, and Upper Trishuli 'A' 60 MW in Rasuwa/Nuwakot district are underway.

Domestic investment has been garnered to build Upper Tamakoshi Hydropower Project, the project is transformed into a company, and construction of access road and other works is started.

- The private sector enthusiasm in electricity generation has been satisfactory in fiscal year 2009/10 like in previous years. In the process, construction of Pati Khola (0.996 MW), and Seti II (0.979 MW) have started generating electricity after their completion. Hydropower projects expected to be completed by the end of this fiscal year and start generating electricity are Ridi Khola (2.4 MW); Upper Handi Khola (0.991 MW); Lower Puluwa Khola (0.99 MW); and Mai Khola (2.4 MW). Likewise, Power Purchase Agreements (PPAs) have been concluded by the end of previous fiscal year for purchase of 121 MW from 21 projects.
- In the process of extension of electricity facility, electrification in 106,000 households has been completed in participation of 107 Community-based Organizations (CBOs) under the Participatory Community Rural Electrification Program. Work is underway with the target of connecting additional 50,000 households with such facility.
- Construction of remaining sections of Pushpalal People's highway will be carried out speedily in the fiscal year 2009/10 with the target of opening up the track along the whole highway. Similarly, opening of 16 kilometer track is complete along the Kathmandu - Nijhgarh fast track road while track will be opened in the remaining 60 kilometer in the next fiscal year. Upgrading of 210 Km road into black-topped level, 60 Km graveled level, 210 Km. of new roads are constructed by the first eight months of the current fiscal year. With addition of these roads, total road length is estimated to have reached 20,138 Km.
- There has been gradual qualitative improvement in the telecommunications services since last few years. By now, 3624 VDCs out of total 3915 have access to telephone service with 291 VDCs still remaining beyond this service. By the end of the first six months of the current fiscal year, telephone lines totaling 1,308,552 belonging to various technologies have already been distributed to 7,617,769 customers reaching 27.70 percent telephone density.
- The student per teacher ratio that stood at 33.55 in the academic calendar 2009 has now come down to 32.85 in 2010. Proportionately more teachers are being recruited than the number of students gets enrolled every year.
- By mid March of the current fiscal year 2009/10, 6,644 primary, 2136 lower secondary, and 1,030 secondary level schools totaling 9,810 are handed over to communities under the program of handing over managements of primary schools to communities and in pursuance to the policy to operate primary education services through the local entities.
- Community and school-based preliminary child development program, especially for the children belonging to deprived communities, is being conducted as per the primary objective of Education for All (EFA) Program for ensuring child development and extension. A total of 24,773 Child Development Centers have already been established by FY2008/09, 2,000 more centers are target to establish in this fiscal year with classes expected to run from mid April 2010.

- Among Nepal's MDG targets, satisfactory progress has been achieved in the area of reducing child and maternal mortality rates. For instance, encouraging progress has been achieved in terms of child mortality rate, which stood at 43 deaths per 1000 live births in 1996 has come down to 14 by now. Similarly, the maternal mortality rate, which was 539 per 100,000 births has come down notably to 281.
- The model integrated habitation development program in Thawang of Rolpa district is underway beside continuation of programs carried through to the current fiscal year. The program to build low-cost housing in Siraha, Saptari, and Kapilvastu Targeting the *Dalits and* ultra poor Muslim population under the the People's (*Janata*) Housing Program is underway. Similarly, activities like preparation of physical development plans, and infrastructure development of settlements and small towns along the alignment of People's Highway (*Lokmarga*) are being carried out.
- Sanitation program is integrated in the fiscal year 2009/10 with all drinking water projects to be implemented under the 'one family one latrine' program. Construction of 110,000 toilets is underway in the current fiscal year under this program.
- A new Industrial Policy is already made public with the recognition to industrial development as a foundation of the economy. The Government of Nepal is fully committed to implement institutional, legal and practical tasks in line with the Industrial Policy.
- The third party insurance program introduced in view of frequent road blockades due to road accidents has been successful in bringing down the number of such incidents significantly.
- A number of campaigns have been initiated to protect the people's lives and properties by maintaining law and order; end of impunity, and protection of human rights through effective implementation of peace and security program. Various Action Plans and Campaigns have been initiated through the execution of Special Security Program 2009. Such activities are: (a) Action Plan to Control Public Service and Roads Obstruction, 2009; (b) Program for the Control of Abduction and other Serious Crimes; (c) Kathmandu Valley Special Security Plan, 2009; (d) Terai, Eastern and Mid-Western Hills Security Strengthening Action Plan; and (e) Awareness Campaign for the Effectiveness in the Management of Peace and Security. Implementation of these programs, with intensive mobilization of security personnel, have been successful in bringing down the criminal incidence in major cities of Nepal including Kathmandu valley
- Natural disasters from time to time cause significant loss of human lives and properties in Nepal. The Government in 2009 approved the National Strategy for Disaster Risk Management, 2009 for effective operation of rescue, relief, and rehabilitation programs affected by such disasters. The government has also prepared the Draft Disaster Management Act, 2010. Besides, establishment of an Emergency Operations Center (EOC) under the Ministry of Home Affairs is in final stage.
- Situation calls for reducing gaps between the rich and the poor by providing continuity to the the present poverty reduction policy and programs whereby in situations of weak productive employment, shrunk industry sector, dependency rising due to remittance inflow, and persistent issue of landlessness. In the present situation when the country is moving ahead on the road of

restructuring and transformation, it is utmost necessary to give emphasis to poverty reduction by bringing forward solid programs targeted to poor and ultra poor class of the people.

Main Points of Annual Performance Review of Public Enterprises

- The Annual performance Review of PEs incorporated performance of 74 Enterprises comprising 36 Public Enterprises with full or majority government holding, 26 Enterprises with minority share, 11 development committees involved in commercial activities and Employees Provident Fund incorporated under special Act.
- Among these 36 Public Enterprises of Nepal during FY 2007/08, 17 were in profit and 19 were in loss, whereas in FY 2008/09 half of the PEs is in profit and other half are in loss.
- Analyzing the profit and loss of these 36 PEs the overall net profit increased to Rs. 10.55 billion in FY 2008/09 from Rs.4.94 billion in FY2007/08.
- Net Fixed Assets of these 36 PEs has increased by Rs. 8.85 billion and reached to 133.74 billion at the end of FY2008/09. Net Fixed Assets was Rs.124.89 billion in last fiscal year.
- Total Shareholder`s Fund of all PEs reached to Rs.61.10 billion at the end of FY2008/09 from Rs.48.11 billion in FY 2007/08. According to FCGO report, the total investment on these PEs by the government has been reached to Rs. 86.13 billion in FY 2008/09 from Rs.81.92 billion in FY 2007/08.
- Loan investment has decreased to Rs. 79.04 billion in FY 2008/09 from Rs. 83.52 billion in FY 2007/08.
- In FY 2008/09 the government received Rs. 3.47 billion as dividend from Nepal Industrial District Management, Nepal Telecom Limited, Nepal Stock Exchange and Rastriya Beema Sansthan. This return is 4.03% of the total share investment by the government.
- All seven PEs of Industrial Sector are in loss, total net loss of this sector reached to Rs. 701.10 million in FY 2008/09 from Rs. 435.9 million in FY 2007/08. Total outstanding debt of all PEs in Industrial Sector reached to Rs.3.69 billion in FY 2008/09. The Net position of all PEs in this sector has been negative worth of Rs. 1.41 billion at the end of FY 2008/09.
- Net Profit of all PEs of the Trading Sector is Rs. 3.22 billion in FY 2008/09 whereas in FY 2007/08 there was a loss of Rs. 5.69 billion. Total Debt outstanding and total shareholder`s fund of all PEs of Trading Sector at the end of FY is Rs. 12.27 billion and Rs.7.14 billion negative respectively.
- PEs of Service Sector has suffered a loss of Rs. 593.4 million in FY 2008/09. Total Shareholder`s Fund of this sector is positive by Rs.8.01 billion at the end of FY 2008/09.
- PEs of Social Sector has suffered a loss of Rs. 283.2 million in FY 2008/09. Total Shareholder`s Fund of this sector is positive of Rs. 1.18 billion at the end of FY 2008/09.

- Net Profit of Three PEs of Public Utility Sector is Rs. 4.57 billion in FY 2008/09 which is 34.82% less compare to pervious FY 2007/08.Total Shareholder`s Fund positive by Rs. 61.27 billion at the end of FY 2008/09.
- Net Profit of Eight PEs of Financial Sector is Rs. 4.32 billion in FY 2008/09 whereas in FY 2007/08 there was a profit of 3.96 billion. Deposit collected by PEs of this sector has increased by 11.55% and reached to Rs.104.79 billion in FY 2008/09. Total Shareholder`s Fund is negative by Rs. 804.6 million at the end of FY 2008/09. This is mainly due to Rs.13.47 billion negative shareholder`s fund of Rastriya Baniya Bank.
- Out of 36 PEs, only 14 PEs have completed Audit up to FY 2007/08, 15 PEs have completed Audit up to FY 2006/07, two PES have completed up to FY 2005/06 and two PEs have completed up to FY 2004/05.
- The task of limiting the number of Board of Directors to Five has not been fully complied, because of the concerned Act and Regulations of some PEs specifies the number of Board of Directors more than Five which remained to be amended. Consequently, the policy of including efficient, professional and expert in the operation and management of Public Enterprises has not been materialized yet.
- As per the report of FCGO total investment of government in these 36 PEs is Rs. 86.13 billion and received Rs. 3.47 billion as dividend in FY 2008/09. The return stood at 4.03 % only in comparison to total government share investment. Similarly, in loan investment, the outstanding balance remained Rs. 74.6 billion at the end of FY 2008/09. There has always been some difference in the account of FCGO and concerned PEs regarding the amount of share investment and loan investment. Unless such differences are reconciled and settled as soon as possible, the reconciliation process becomes more complicated in the future. Therefore there is the urgency to reconcile and settle such differences in time.
- Employee working in these 36 PEs has decreased to 33,603 in FY 2008/09 from 34,170 in FY 2007/08. However, average expenditure per employee per month has increased to Rs.27, 110 in fiscal year 2008/09 from Rs. 21,672 in FY 2008/09.
- Unfunded liability has increased by 92.59% and reached to Rs. 9.54 billion in FY 2008/09. Likewise in FY 2008/09 total of Rs.17.10 billion is recorded as contingent liability by PEs.

11 July 2010

(Janardan P Tripathi)

Deputy Spokesperson

Macro Economic Indicators

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
Economic Activities										
<i>Real GDP</i> in Basic prices including Financial Intermediation	Annual % Change	0.2	3.8	4.4	3.2	3.7	2.8	5.8	4.0	3.5
<i>**Agriculture</i>	Annual % Change	3.1	3.3	4.7	3.5	1.9	1.0	5.8	3.0	1.2
<i>**Industry</i>	Annual % Change	0.7	3.1	1.5	2.9	4.4	4.0	1.6	-0.3	3.9
<i>**Services</i>	Annual % Change	-1.8	3.7	6.8	3.3	5.6	4.5	7.3	6.3	5.5
<i>Real GDP</i> at Producers' Prices	Annual % Change	0.1	3.9	4.7	3.5	3.4	3.4	6.1	4.9	4.6
<i>Real Percapita GDP</i>	Annual % Change	-2.0	1.6	2.5	1.5	1.5	1.4	3.8	1.5	2.3
<i>Per capita Gross National Income (at constant prices)</i>	Annual % Change	-2.5	1.6	2.3	2.1	1.9	1.7	3.8	2.9	2.2
<i>Gross Domestic Products (at Current Prices)</i>	Annual % Change	4.1	7.1	9.0	9.8	11.0	11.3	12.1	21.5	19.3
<i>Gross National Income (at Current Prices)</i>	Annual % Change	3.5	7.1	8.9	10.5	11.5	11.6	12.0	21.8	19.1
<i>Gross National Disposable Income (at Current Prices)</i>	Annual % Change	3.6	7.6	9.3	11.1	14.0	10.1	16.5	24.5	18.1
<i>Per capita GDP</i>	US Dollar	255	261	293	328	350	390	464	467	562
<i>Per capita GNI</i>	US Dollar	254	261	292	329	352	394	469	472	568
<i>Per capita GNDI</i>	US Dollar	292	301	339	383	420	464	573	589	703
<i>Real GDP</i> in Basic prices including financial intermediation	billion Rs.	427.40	442.13	464.83	480.34	499.54	515.13	545.30	567.61	588.53
<i>**Agriculture</i>	billion Rs.	162.40	167.80	175.77	181.98	185.36	187.18	198.07	204.03	206.39
<i>**Industry</i>	billion Rs.	72.22	74.45	75.56	77.76	81.15	84.41	85.79	85.56	88.87
<i>**Services</i>	billion Rs.	192.78	199.87	213.50	220.61	233.03	243.54	261.44	278.02	293.27
<i>Real GDP</i> at Producers' Prices	billion Rs.	442.05	459.49	481.00	497.74	514.49	532.04	564.52	591.93	619.03

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
<i>Real Percapita GDP</i>	Rs.	18682	18990	19467	19754	20043	20332	21108	21416	21905
<i>Per capita Gross National Income(at constant prices)</i>	Rs.	18658	18964	19406	19809	20194	20540	21313	21924	22417
<i>Gross Domestic Products (at Current Prices)</i>	billion Rs.	459.44	492.23	536.75	589.41	654.08	727.83	815.66	991.32	1,183
<i>Gross National Income (at Current Prices)</i>	billion Rs.	458.8	491.6	535.1	591.0	659.0	735.3	823.6	1003.1	1195.1
<i>Gross National Desposable Income (at Current Prices)</i>	billion Rs.	527.0	567.1	620.0	688.8	785.2	864.3	1006.4	1252.6	1479.1
<i>Percapita GDP</i>	Rs.	19410	20340	21694	23300	25290	27525	30171	35865	41851
<i>Percapita GNI</i>	Rs.	19385	20312	21626	23365	25482	27806	30465	36290	42291
<i>Percapita GNDI</i>	Rs.	22265	23433	25056	27227	30359	32684	37227	45316	52340
<i>Gross Consumption/GDP</i>	%	90.5	91.4	88.3	88.4	91.0	90.2	90.2	90.3	90.6
<i>Gross Domestic saving/GDP</i>	%	9.5	8.6	11.7	11.6	9.0	9.8	9.8	9.7	9.4
<i>Gross National Savings/GDP</i>	%	24.2	23.8	27.3	28.4	29.0	28.6	33.2	36.1	34.4
<i>Gross Fixed Capital Investment /GDP</i>	%	19.6	19.9	20.3	19.9	20.7	21.1	21.9	21.3	21.3
<i>*Government/GDP</i>	%	3.7	2.9	2.6	2.7	2.6	3.2	3.6	3.7	4.1
<i>*Private/GDP</i>	%	15.5	16.3	16.3	15.7	17.2	16.9	15.7	14.7	14.6
<i>Gross Investment /GDP</i>	%	20.2	21.4	24.5	26.5	26.9	28.7	30.3	31.9	38.2
<i>Gap between Gross Domestic Saving and Gross Investment/GDP</i>	%	-10.8	-12.8	-12.8	-14.9	-17.9	-18.9	-20.5	-22.2	-28.8
<i>Net exports of goods and Services (Export-Import)/GDP</i>	%	-10.9	-11.3	-11.1	-13.1	-14.7	-15.2	-16.5	-18.9	-28.4
<i>*Imports /GDP</i>	%	28.5	28.5	29.5	29.5	31.3	31.7	33.3	34.6	38.1

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
*Exports/GDP	%	17.7	15.7	16.7	14.6	13.4	12.9	12.8	12.4	9.2
<i>Total Population</i>	Million	23.7	24.2	24.7	25.3	25.9	26.4	27.0	27.6	28.3
Price										
<i>Consumer Price Index*</i>	% change	2.9	4.8	4	4.5	8	6.4	7.7	13.2	10.7
<i>GDP Price Deflator</i>	% change	3.9	3.1	4	5.9	6.9	7.3	5.6	15.8	14.0
*Primary	% change	3.6	0.7	2.8	3.5	4.4	6.1	3.3	20.3	20.0
*Secondary	% change	4.8	4.1	5.4	5.5	3.6	5.7	11.0	13.3	7.5
*Tertiary	% change	3.8	4.7	4.5	7.8	9.9	8.3	5.3	13.6	11.9
*Wholesale Price Index@	% change	4.9	3.8	4.1	7.3	8.9	9.0	9.1	12.8	13.3
<i>Salary and Wages Rate Index&</i>	% change					3.9	9.8	9.7	15.4	13.9
*Salary	% change					0.3	6.3	10.9	10.5	13.8
*Wages	% change					5.3	10.9	9.4	16.9	14.0
Public Finance										
<i>Revenues</i>	% change	3.2	11.5	10.9	12.5	3.1	21.3	22.7	33.3	24.6
<i>Total Government Expenditures</i>	% change	0.3	4.9	6.5	14.7	8.1	20.5	20.8	36.1	20.9
*Recurrent Expenditure	% change	6.6	6.6	6.6	11.0	8.6	15.1	18.6	39.7	25.1
*Capital Expenditure	% change	-12.5	-9.8	3.3	18.4	8.1	34.2	34.7	36.6	19.4
*Principle Payments	% change	13.1	48.6	12.9	25.4	5.4	17.4	-2.2	14.9	-1.9
<i>Debt Servicing (Principal & Interest)</i>	% change	17.5	32.6	7.1	13.9	3.4	12.2	-0.7	18.6	5.5
<i>Revenue/GDP</i>	%	11	11.4	11.6	11.9	11.1	12.1	13.2	14.5	15.1
*Tax Revenue/GDP	%	8.6	8.7	9.0	9.2	8.8	9.8	10.4	11.8	13.3
*Non-Tax Revenue/GDP	%	2.4	2.8	2.6	2.7	2.3	2.3	2.8	2.7	1.7

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
<i>Total Government Expenditure/GDP</i>	%	17.4	17.1	16.7	17.4	17.0	18.4	19.8	22.2	22.5
*Recurrent Expenditure/GDP	%	10.6	10.6	10.3	10.5	10.2	10.6	11.2	12.9	13.5
*Capital Expenditure/GDP	%	5.4	4.5	4.3	4.6	4.5	5.5	6.6	7.4	7.4
*Principal Payment/GDP	%	1.4	1.9	2.0	2.3	2.2	2.3	2.0	1.9	1.6
<i>Debt Servicing (Principal & Interests)/GDP</i>	%	2.7	3.3	3.2	3.4	3.1	3.1	2.8	2.7	1.6
<i>Foreign Grants/GDP</i>	%	1.4	2.3	2.1	2.4	2.1	2.2	2.5	2.7	3.4
<i>Budget Deficit/GDP</i>	%	5.0	3.3	2.9	3.1	3.8	4.1	4.1	5.0	3.9
<i>Foreign Loan/GDP</i>	%	1.7	0.9	1.4	1.6	1.3	1.4	1.0	1.0	1.1
<i>Domestic Loan/GDP</i>	%	1.7	1.8	1.0	1.5	1.8	2.5	2.5	1.9	2.6
<i>Grants and Loans Received/GDP</i>	%	3.1	3.2	3.5	4.0	3.4	3.6	3.6	3.7	4.5
<i>Total Outstanding Debt</i>	billion Rs.	293.8	308.1	318.9	307.2	328.7	320.4	366.0	399.8	386.8
*Outstanding Domestic Loan	billion Rs.	73.6	84.7	86.1	87.6	94.7	103.8	116.0	122.8	140.7
*Outstanding Foreign Loan	billion Rs.	220.1	223.4	232.8	219.6	234.0	216.6	250.0	277.0	246.0
<i>Outstanding Debt per capita</i>	Rs.	12395	12731	12911	12142	12708.4	12117.0	12331.3	13505.0	13686.7
<i>Total Outstanding Debt/GDP</i>	%	63.9	62.6	59.4	52.1	50.3	44.0	44.9	40.3	32.7
*Outstanding Domestic Debt/GDP	%	16.0	17.2	16.0	14.9	14.5	14.3	14.2	12.4	11.9
*Outstanding Foreign Debt/GDP	%	47.9	45.4	43.4	37.3	35.8	29.8	30.6	27.9	20.8
<i>Outstanding Foreign Debt/Revenue</i>	%	436.4	397.4	373.5	313.2	323.7	247.0	232.3	193.1	137.6

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
<i>Outstanding Foreign debt/Export</i>	%	468.9	447.5	431.8	374.1	388.4	364.8	421.8	409.2	402.5
<i>Debt Service (Principal and Interest Payments)/Recurrent Expenditure</i>	%	25	31.1	31.2	32.0	30.5	29.7	24.9	21.1	17.8
<i>Outstanding Foreign Debt/Foreign Exchange Reserve</i>	%	207.9	206.4	178.8	169.1	141.8	131.2	117.6	98.9	97.1
Money and Banking										
<i>Domestic Credit</i>	% change	10.4	10.4	9.9	13.8	7.8	16.7	20.4	25.7	17.3
*Private Sector	% change	5.2	13.2	14.3	14.2	14.4	12.3	24.3	28.3	18.3
*Net Government Credit	% change	22.4	5.9	1.8	11.3	10.4	10.4	11.2	20.4	13.7
<i>Share of the Private sector in the Banking Sector credit</i>	%	65.7	67.4	70.1	70.3	75.5	75.8	77.7	78.8	79.4
<i>Narrow Money Supply (M1)</i>	% change	9.3	8.6	12.2	6.6	14.2	12.2	21.6	27.3	12.3
*Currency	% change	15.2	2.2	11.1	8.8	13.3	7.4	19.9	25.5	18.1
*Current Deposits	% change	-3.5	25	14.4	2.2	16	22.8	25	30.5	2.1
<i>Broad Money Supply (M2)</i>	% change	4.4	9.8	12.8	8.3	15.6	14	25.2	27.7	12.4
*Time Deposits	% change	2.1	10.4	13.1	9.2	16.4	14.9	27	27.9	12.5
<i>Total Deposit (Commercial Banks)</i>	% change	1.4	10.3	14.7	7.7	15.8	15.3	26.0	30.4	9.6
<i>Total Deposits/GDP</i>	%	40.0	41.2	43.3	42.5	44.3	46.0	51.7	55.5	51.0
<i>Total Domestic Credit/GDP</i>	%	44.2	45.5	45.9	47.5	49.3	49.5	53.6	55.8	54.9
*Private Sector Credit/GDP	%	29	30.7	32.1	33.4	37.2	37.6	41.7	44.0	43.6
*Net Government Credit/GDP	%	13	11.9	10.7	10.8	10.9	11.2	11.2	10.6	7.2
<i>Narrow Money Supply/GDP</i>	%	16.8	17	17.5	17	17.3	17.4	18.9	19.8	18.7
*Currency/GDP	%	12.1	11.6	11.8	11.7	11.9	11.5	12.3	12.7	12.6

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10*
*Current Deposit/GDP	%	4.7	5.5	5.7	5.3	5.4	6.0	6.6	7.1	6.1
Broad Money Supply/GDP	%	48.8	50	51.7	51	53.0	54.3	60.7	63.8	60.2
*Time Deposit/GDP	%	32	32.9	34.2	34	35.7	36.9	41.8	44.0	41.5
External Sector										
Export (Goods)	% change	-15.6	6.4	8	8.9	2.6	0.9	12.0	14.2	-9.7
Import (Goods)	% change	-7.2	15.8	9.6	9.7	16.3	10.3	23.9	28.2	28.9
Export/Import Ratio	% change	43.7	40.2	39.6	39.3	34.7	30.5	26.7	23.8	16.7
Trade Deficit	% change	0.7	23.1	10.7	10.2	25.1	19.2	20.2	33.3	41.0
Income from Tourism	% change	-26.1	35.7	54.5	-43.3	8.7	6	84.2	49.9	-0.3
Expenditure on Tourism	% change	3.8	7.7	62.4	-3.3	23.4	32	32.2	50.5	8.0
Remittance Income	billion Rs.	47.22	47.54	54.20	58.59	65.54	97.69	142.68	209.70	224.29
Remittance Income	% change	0.7	14	8.1	11.9	49	2.5	42.5	47.0	7.0
Current Accounts Balance	billion Rs.	18.16	11.62	14.60	11.55	14.23	-0.90	23.68	41.44	-27.60
Export/GDP	%	10.2	10.1	10	10	9.2	8.2	7.3	6.8	5.2
Import/GDP	%	23.4	25.3	25.4	25.4	26.6	26.8	27.2	28.7	31.0
Trade Deficit	%	-13.2	-15.1	-15.3	-15.4	-17.4	-18.6	-19.9	-21.9	-25.8
Income from Tourism/GDP	%	1.9	2.4	3.4	1.8	1.5	1.4	2.3	2.8	2.4
Expenditure on Tourism/GDP	%	1.2	1.3	1.9	1.6	1.8	2.2	2.6	3.2	2.9
Remittance Income/GDP	%	10.3	11	10.9	11.1	14.9	13.8	17.5	21.2	19.0
Current Accounts Balance/GDP	%	4	2.4	2.7	2	2.2	-0.1	2.9	4.2	-2.3
Balance of Payments	Billion Rs.	-3.34	4.36	16.01	5.74	25.60	5.90	29.68	41.28	-19.57
Foreign Exchange Reserves	Billion Rs.	105.90	108.23	130.21	129.90	165.03	165.13	212.62	279.99	253.36
Foreign Exchange Reserves	% change	0.7	2.2	20.3	-0.2	27	0.1	28.8	31.7	-9.5
Capacity of Reserves to	Equivalent	11.6	10.4	11.5	10.4	11.4	10.2	11.5	11.8	8.4

Description	Unit	Fiscal Year								
		2001/02	2002/03	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10 *
<i>Import</i>	Months									
*Goods										
*Goods and Services	Equivalent Months	9.8	9	9.7	8.8	9.6	8.4	9.3	9.7	7.3
<i>Exchange Rate**</i>	USD = Rs.	76.88	77.79	73.79	72.06	72.32	70.49	65.02	76.88	74.19

* Annual Preliminary Estimates (Based on 8 month data)

Base Year 1995/96 = 100

@ Base Year 2001/02 = 100

& Base Year 2004/05 = 100

% Change = Annual change in percentage

**Annual Average of buying and selling rates, 11 months average of the current fiscal year.

Note: Ratio of GDP is calculated at the current producers' Prices. Some figures are updated accordingly as they are updated by the sources themselves.

Table 1: Summary of Financial Efficiency of Government Owned Public Enterprises

S.N.	PE's Name	Operating Profit (Rs. in million)			Net Capital Investment (Rs. in million)			Operating Profit to Net capital (%)			Number of Employees		
		Actual for 2008/09	Revised estimate for 2009/10	Projected for 2010/11	Actual for 2008/09	Revised estimate for 2009/10	Projected for 2010/11	Actual for 2008/09	Revised estimate for 2009/10	Projected for 2010/11	Actual for 2008/09	Revised estimate for 2009/10	Projected for 2010/11
	Industrial Sector												
1	Dairy Development Corporation	(23.6)	(6.1)	(5.6)	325.3	311.8	315.8	-7.25%	-1.96%	-1.77%	1,126	1,203	1,203
2	Herbs Production and Processing Co. Ltd.	(22.3)	(13.3)	(7.3)	(48.2)	(60.9)	(67.9)	46.27%	21.84%	10.75%	209	209	209
3	Hetauda Cement Industries Ltd.	(64.5)	105.1	400.3	163.9	(97.1)	253.2	-39.35%	-108.24%	158.10%	638	627	609
4	Janakpur Cigarette Factory Ltd.	(159.9)	(510.9)	27.3	77.1	46.0	52.6	207.39%	1110.65%	51.90%	1,082	985	947
5	Nepal Drugs Ltd.	(164.5)			(82.3)			199.88%			290	290	290
6	Udayapur Cement Industries Ltd.	(248.5)	(117.8)	(28.4)	3,838.1	3,711.4	3,481.4	-6.47%	-3.17%	-0.82%	564	559	549
7	Nepal Orind Magnesite Pvt. Ltd.	(101.0)	(92.6)	(98.5)	(1,885.5)	(1,971.0)	(2,062.0)	5.36%	4.70%	4.78%	68	68	68
	Total	<i>(784.3)</i>	<i>(635.6)</i>	<i>287.8</i>	<i>2,388.4</i>	<i>1,940.2</i>	<i>1,973.1</i>				<i>3,977</i>	<i>3,941</i>	<i>3,875</i>
	Trading Sector												
8	Agriculture Inputs Company Ltd.	(150.1)	11.4	100.0	534.2	1,180.0	1,270.0	-28.10%	0.97%	7.87%	241	235	232
9	National Seeds Company Ltd.	(6.3)	(4.0)	(2.5)	127.2	145.3	157.4	-4.95%	-2.75%	-1.59%	74	74	74
10	National Trading Corporation Ltd.	(58.0)			10.8			537.04%			416	416	416
11	Nepal Food Corporation	(35.2)	(10.2)	(3.8)	990.5	990.5	990.5	-3.55%	-1.03%	-0.38%	470	577	577
12	Nepal Oil Corporation Ltd.	3,236.6	144.1	4,140.1	3,559.7	3,383.1	3,729.1	90.92%	4.26%	111.02%	584	585	590
13	The Timber Corporation of Nepal Ltd.	46.1	146.3	175.7	247.4	267.7	311.0	18.63%	54.65%	56.50%	363	363	363
	Total	<i>3,033.1</i>	<i>287.6</i>	<i>4,409.5</i>	<i>5,469.8</i>	<i>5,966.6</i>	<i>6,458.0</i>				<i>2,148</i>	<i>2,250</i>	<i>2,252</i>

	Service Sector												
14	Industrial District Management Ltd.	(8.1)	(10.9)	(5.3)	168.2	177.3	182.1	-4.82%	-6.15%	-2.91%	216	196	265
15	National Construction Company Nepal Ltd.	(3.9)	0.5		120.4	105.0	-	-3.24%	0.48%		107	101	101
16	Nepal Transit and Warehouse Ltd.	5.5	0.1	(5.6)	110.7	120.8	126.7	4.97%	0.08%	-4.42%	115	115	115
17	Nepal Eng. Consultancy Service Cen. Ltd.	(3.8)	(3.7)	(5.3)	16.2	16.1	16.0	-23.46%	-22.98%	-33.13%	12	12	12
18	Napal Airlines Corporation	46.8	166.7		379.3	361.3	-	12.34%	46.14%		1,369	1,395	1,395
19	National Productivity & Eco. Dev. Centre Ltd.	(13.9)	(12.2)	(15.5)	28.6	22.0	13.8	-48.60%	-55.45%	-112.32%	28	26	26
20	Civil Aviation Authority of Nepal	1,935.4	1,893.5		10,910.1			17.74%			907	924	924
	Total	<i>1,958.0</i>	<i>2,034.0</i>	<i>(31.7)</i>	<i>11,733.5</i>	<i>802.5</i>	<i>338.6</i>				<i>2,754</i>	<i>2,769</i>	<i>2,838</i>

	Social Sector												
21	Cultural Corporation	(4.5)	(3.8)	(0.8)	205.3	191.4	211.4	-2.19%	-1.99%	-0.38%	73	85	85
22	Gorkhapatra Corporation	10.9	24.2	22.7	93.9	135.3	123.9	11.61%	17.89%	18.32%	667	692	692
23	Janak Education Material Center Ltd.	(219.4)	0.7	0.6	245.6	398.9	404.0	-89.33%	0.18%	0.15%	777	780	685
24	Nepal Television	(80.3)	(70.1)	(60.5)	988.9	958.0	972.5	-8.12%	-7.32%	-6.22%	427	439	405
25	Rural Housing Company Ltd.	0.8	24.5	26.5	56.8	49.1	52.1	1.41%	49.90%	50.86%	84	84	84
	Total	(292.5)	(24.5)	(11.5)	1,590.5	1,732.7	1,763.9				2,028	2,080	1,951
	Public Utility Sector												
26	Nepal Water Supply Corporation	24.3	(2.2)	34.9	963.5	1,025.6	1,282.0	2.52%	-0.21%	2.72%	972	1,446	910
27	Nepal Electricity Authority	(7,124.9)	(5,167.4)	549.3	74,295.3	81,906.5	93,639.7	-9.59%	-6.31%	0.59%	9,280	9,276	9,933
28	Nepal Telecom (Nepal Doorsanchar Company Ltd.)	12,133.0	14,299.9	15,865.6	46,280.6	54,281.5	63,338.1	26.22%	26.34%	25.05%	5,854	5,850	8,104
	Total	5,032.4	9,130.3	16,449.8	121,539.4	137,213.6	158,259.8				16,106	16,572	18,947
	Financial Sector												
29	Agricultural Development Bank Ltd.	(1,403.6)	216.0	355.9	10,777.5	11,737.5	11,737.5	-13.02%	1.84%	3.03%	3,236	3,192	3,528
30	National Insurance Corporation (Life)	786.0	707.9	649.5	10,043.2	10,620.8	11,000.3	7.83%	6.67%	5.90%	95	108	135
	National Insurance Corporation (Non Life)	185.4	160.6	163.6	1,315.4	1,420.8	1,448.7	14.09%	11.30%	11.29%	122	126	183
31	Nepal Industrial Development Corporation Ltd.	204.0	496.2	1,355.4	164.9	549.9	665.8	123.71%	90.23%	203.57%	85	93	112
32	Rastriya Banijya Bank Ltd.	927.0	1,139.6	1,554.2	57,276.7	56,352.9	63,706.1	1.62%	2.02%	2.44%	2,878	2,854	2,865
33	Deposit and Credit Guarantee Corporation Ltd.	127.9	32.5	25.8	219.9	234.9	251.5	58.16%	13.84%	10.26%	18	31	31
34	Nepal Housing Development Finance Co. Ltd.	31.7	55.0	60.4	200.5	234.6	275.3	15.81%	23.44%	21.94%	19	18	18
35	Nepal Stock Exchange Ltd.	125.1	137.6	151.3	4.2	4.7	5.1	2978.57%	2927.66%	2966.67%	35	35	35
36	Citizen Investment Trust	73.1	94.1	114.2	(71.9)	(131.4)	(262.2)	-101.67%	-71.61%	-43.55%	102	110	120
	Total	1,056.6	3,039.5	4,430.3	79,930.4	81,024.7	88,828.1				6,590	6,567	7,027
	Grand Total	10,003.3	13,831.3	25,534.2	222,652.0	228,680.3	257,621.5	-	-	-	33,603	34,179	36,890