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Nepse GM and CEO Shanker Man Singh shaking hand with Delivery Centre head, Western Region, CMC Ltd CD Despandey after signing the agreement, in Kathmandu on Sunday.

Nepse, CMC ink accord for CDS

Himalayan News Service

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Nepal Stock Exchange (Nepse) and CMC Ltd have signed an agreement today for software development and implementation of Central Depository System (CDS) and Clearing & Settlement System for Nepse.

Nepse General Manager (GM) and Chief Executive Officer (CEO) Shanker Man Singh and Delivery Centre head, Western Region, CMC Ltd C D Despandey signed the agreement on behalf of their respective institutions.

Under the technical assistance for the development of required software, India will extend Rs 80 million assistance.

"The selected vendor CMC will develop, implement and handover the systems to Nepse by the end of January," Singh said, adding that it would help Nepse establish CDS soon.

Meanwhile, Surbir Paudyal,

chairman of Securities Board of Nepal (Sebon) highlighted the importance of risk management in business environment during a two-day workshop 'Risk management and Board of Directors,' jointly organised by International Finance Corporation (IFC) — a private wing of the World Bank, Nepse and National Banking Training Institute (NBIT). He also emphasised the importance of risk management under Basel II.

"The effective and efficient implementation of Nepal Rastra Bank (NRB) guidelines on risk management is key to financial health of bank and financial institutions," he said. The basic objective of the workshop was to enlighten the board members on the significance of risk management in today's uncertain business environment.

The facilitators introduced various risk management models and techniques to identify and mitigate the various risks

such as operational, credit, political, market, and liquidity risk. More than 60 participants from various regulatory bodies, financial institutions, state-owned and family-owned enterprises, insurance, hydropower and manufacturing companies took part in the workshop.

Dr Maxine Garvey, IFC representative, Prof Oliviero Roggi, chair of the International Risk Management Conference and author of 'Risk and Value', Prof Torben Anderson, Copenhagen Business School and author of 'Strategic Risk Management' spoke on risk management.

Sujit Mundal, CEO of Standard Chartered Bank Nepal highlighted on risk management and the role of board of directors in commercial banks. Shanker Man Singh, GM and CEO of Nepse also highlighted the importance of risk management in the changed context of Nepal and the financial institutions.