

## शाइन रेसुङ्गा डेभलपमेण्ट बैंक लिमिटेडको सोहोँ वार्षिक साधारण सभा सम्बन्धी सूचना

श्री शेयरधनी महानुभावहरु,

शाइन रेसुङ्गा डेभलपमेण्ट बैंक लिमिटेडको मिति २०८१ मंसिर २३ गते बसेको सञ्चालक समितिको ३०२औँ बैठकको निर्णय बमोजिम सोहोँ वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा देहायका विषयहरु उपर छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरुको जानकारी एवं उपस्थितीका लागि यो सूचना प्रकाशित गरिएको छ।

**सभा हुने मिति, समय र स्थान :**

मिति : २०८१ साल पौष १९ गते, शुक्रवार (तदनुसार जनवरी ३, २०२५)।

समय : बिहान ११ : ०० बजे।

स्थान : ड्रिमल्याण्ड गोल्ड रिसोर्ट एण्ड होटल प्रा.लि., मणिग्राम, रुपन्देही।

**छलफलका विषयहरु :**

**क. साधारण प्रस्तावहरु :**

१. आ.व. २०८०/०८१ को सञ्चालक समितिको वार्षिक प्रतिवेदन उपर छलफल गरी पारित गर्ने।
२. लेखापरीक्षकको प्रतिवेदन सहित २०८१ साल आषाढ मसान्तको वित्तीय अवस्थाको विवरण, सोही मितिमा समाप्त आ.व. २०८०/०८१ को नाफा वा नोक्सान विवरण, नगद प्रवाह लगायतका वित्तीय विवरणहरु छलफल गरी पारित गर्ने।
३. सञ्चालक समितिले प्रस्ताव गरे बमोजिम वितरणयोग्य सञ्चित मुनाफावाट चुक्ता पूँजीको ५ (पाँच) प्रतिशतले हुने रकम रु. २३,६६,८४,५४८/०० (अक्षरेपी तेईस करोड छैसठ्ठी लाख चौरासी हजार पाँच सय अठ्चालीस मात्र) बराबरको नगद लाभांश (लाभांशमा लाग्ने कर सहित) वितरण गर्न स्विकृत गर्ने।
४. आर्थिक वर्ष २०८१/०८२ को लेखापरिक्षण गर्न लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक निर्धारण गर्ने।
५. सञ्चालक समितिमा संस्थापक शेयरधनीहरुको तर्फवाट प्रतिनिधित्व गर्ने ३ जना र सर्वसाधारण शेयरधनीहरुको तर्फवाट प्रतिनिधित्व गर्ने ३ जना सञ्चालकहरुको निर्वाचन गर्ने।

**ख. विशेष प्रस्तावहरु :**

१. सञ्चालक समितिले प्रस्ताव गरे बमोजिम वितरणयोग्य सञ्चित मुनाफावाट चुक्ता पूँजीको ३ (तीन) प्रतिशतले हुन आउने रकम रु. १४,२०,१०,७२९/०० (अक्षरेपी चौध करोड बीस लाख दश हजार सात सय उनान्तीस मात्र) बोनश शेयर वितरण गर्न स्विकृत गर्ने र सोही बमोजिम जारी तथा चुक्ता पूँजी बृद्धि गरी प्रबन्धपत्रको सम्बन्धित दफा संशोधन गर्ने।
२. शाइन रेसुङ्गा डेभलपमेण्ट बैंक लिमिटेड र अन्य बैंक तथा वित्तीय संस्था एक आपसमा गाभ्ने/गाभिने (Merger) तथा प्राप्ती/समाहित (Acquisition) हुने प्रयोजनका लागि उपयुक्त बैंक तथा वित्तीय संस्थाको पहिचान गर्ने, सहमती पत्र (Memorandum of Understanding) मा हस्ताक्षर गर्ने सोको आधारमा सैद्धान्तिक स्विकृतिका लागि नेपाल राष्ट्र बैंकमा निवेदन दिने, सम्पत्ति तथा दायित्वको मूल्याङ्कन (Due Diligence Audit) गर्न परामर्शदाता, मूल्याङ्कनकर्ता, लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने तथा उक्त कार्यसंग सम्बन्धित अन्य आवश्यक कार्यहरु गर्नका लागि सञ्चालक समितिलाई अख्तियारी दिने।
३. प्रबन्धपत्र तथा नियमावली संशोधन गर्ने सम्बन्धमा नियमनकारी निकायवाट फेरबदल गर्न निर्देशन भएमा आवश्यकता अनुसार सोमा थपघट, परिमार्जन, संशोधन तथा सच्याउनका लागि सञ्चालक समिति वा समितिले तोकेको व्यक्तिलाई अख्तियारी प्रदान गर्ने।

**ग. विविध**

सञ्चालक समितिको आज्ञाले  
कम्पनी सचिव

### वार्षिक साधारण सभा सम्बन्धी जानकारी

१. सोह्रौं वार्षिक साधारण सभा प्रयोजनका लागी मिति २०८१/९/३ गते बैंकको शेयरधनी दर्ता किताव बन्द रहनेछ । मिति २०८१/९/२ गतेसम्म नेपाल स्टक एक्सचेञ्ज लिमिटेडमा कारोबार भई प्रचलित कानून बमोजिम बैंकको शेयर रजिष्ट्रार एनआइएमवि एस क्यापिटल लिमिटेडमा प्राप्त विवरणको आधारमा कायम शेयरधनीहरूलेमात्र वार्षिक साधारण सभामा भाग लिन, मतदान गर्न र बोनस शेयर तथा नगद लाभांश प्राप्त गर्न सक्ने छन् ।
२. सभामा उपस्थित हुने सम्पूर्ण शेयरधनी महानुभावहरूले आफ्नो परिचय खुल्ने प्रमाणपत्र वा सोको प्रतिलिपी अनिवार्य रूपमा साथमा लिई आउनु हुन अनुरोध छ ।
३. शेयरधनी महानुभावहरूको उपस्थिति पुस्तिकामा दस्तखत गर्न शेयरधनी उपस्थिति पुस्तिका विहान ९:३० बजेदेखि सभा सम्पन्न नहुँदासम्म खुल्ला रहनेछ ।
४. वार्षिक साधारण सभामा सहभागी हुनका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले प्रचलित कम्पनी कानूनले तोकेको ढाँचाको प्रतिनिधि पत्र (प्रोक्सी फारम) सभा शुरु हुनुभन्दा न्यूनतम ४८ घण्टा अगावै कार्यालय समय भित्र बैंकको केन्द्रीय कार्यालय, बुटवलमा दर्ता गराई सक्नु पर्नेछ । शेयरधनी महानुभावहरूले एकभन्दा बढी व्यक्तिलाई आफ्नो शेयर विभाजन गरी वा अन्य कुनै किसिमबाट छुट्टयाई प्रोक्सी दिन पाउनु हुने छैन, दिएमा प्रोक्सी बदर हुनेछ । इमेल, स्क्यान, फोटो वा अन्य विद्युतीय माध्यमबाट पठाएको प्रतिनिधिपत्र (प्रोक्सी) लाई पनि मान्यता दिइनेछ ।
५. प्रोक्सी नियुक्त गरी सक्नु भएका शेयरधनी महानुभावहरू आफै सभामा उपस्थित भई हाजिर पुस्तिकामा दस्तखत गर्नु भएमा दिईसकेको प्रोक्सी स्वतः बदर हुनेछ ।
६. नाबालक वा फरक किसिमले सक्षम शेयरधनीहरूको तर्फबाट बैंकको शेयर लगत कितावमा संरक्षकको रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन वा प्रतिनिधि (प्रोक्सी) नियुक्त गर्न र मतदान गर्न सक्नु हुनेछ ।
७. एकभन्दा बढी व्यक्तिहरूको संयुक्त नाममा शेयर दर्ता रहेको अवस्थामा सर्वसम्मतबाट प्रतिनिधि चयन गरिएको एक जनाले मात्र वा लगत कितावमा पहिलो नाम उल्लेख भएको व्यक्तिले सभामा भाग लिन सक्ने छन् ।
८. छलफलका विषयहरू मध्ये विविध शीर्षक अन्तर्गत कुनै प्रस्ताव भएमा, छलफल गर्न इच्छुक शेयरधनी महानुभावहरूले साधारणसभा हुनुभन्दा ७ (सात) दिन अगावै छलफलको विषयको जानकारी कम्पनी सचिव मार्फत् सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनुपर्नेछ ।
९. संचालकको निर्वाचन सम्बन्धमा निर्वाचन अधिकृतले निर्वाचन कार्यक्रम सहितको सुचना बैंकको केन्द्रिय कार्यालयमा प्रकाशित गर्ने र सोही बमोजिम संचालकको निर्वाचन गरिने व्यहोरा अनुरोध छ ।

### पुनश्च :

कम्पनीको आर्थिक विवरण, शेयरधनी महानुभावहरूले उपलब्ध गराएको ठेगानामा पठाइएको छ । साथै कम्पनी ऐन २०६३ अनुसारको वार्षिक आर्थिक विवरण, सञ्चालक समितिको प्रतिवेदन र लेखापरीक्षकको प्रतिवेदन, शेयरधनी महानुभावहरूले कम्पनीको केन्द्रीय कार्यालय, बुटवल ११, रुपन्देहीमा तथा यस विकास बैंकको शेयर रजिष्ट्रार एनआइएमवि एस क्यापिटल लिमिटेड लाजिम्पाट, काठमाडौंमा आई निरीक्षण गर्न र प्राप्त गर्न सक्ने व्यहोरा समेत जानकारीका लागि सूचित गरिन्छ । आर्थिक विवरण लगायत वार्षिक साधारणसभामा पेश हुने सम्पूर्ण प्रस्तावहरू बैंकको वेवसाइट [www.srdb.com.np](http://www.srdb.com.np) मा हेर्न सक्नुहुनेछ । साधारण सभा सम्बन्धी कुनै जानकारी आवश्यक भएमा यस विकास बैंकको केन्द्रीय कार्यालय, बुटवल ११, रुपन्देहीमा सर्म्पक राख्नुहुन वा विकास बैंकको आधिकारिक इमेल [info@srdb.com.np](mailto:info@srdb.com.np) मार्फत लिनुहुन अनुरोध गरिन्छ ।

**Independent Auditor's Report**

**To the Shareholders of Shine Resunga Development Bank Ltd.**

**Report on the Audit of the Financial Statements**

**Opinion**

We have audited the financial statements of the Shine Resunga Development Bank Ltd. (the "Bank") which comprise the statement of financial position as at Ashadh 31, 2081 (July 15, 2024), and the statement of profit or loss, statement of other comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements presents fairly, in all material respects, the financial position of the Bank as at Ashadh 31, 2081 (July 15, 2024), and of its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

**Basis for opinion**

We conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the *Auditors Responsibilities for the Audit of the Financial Statements* section of our Report. We are independent of the Bank in accordance with the *ICAN's Handbook of Code of Ethics for Professional Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN's Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements of the current period. These matters were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S.N	Key Audit Matters	Auditor's Response
1.	<p><b>Interest Recognition</b></p> <p>The interest income of the bank has to be recognized on accrual basis and following the Interest Income Recognition Guidelines 2019 issued by NRB. Though accrual basis of income recognition is prescribed in general, the guidelines require suspension of interest recognition on accrual basis for loans and advances with overdue of more than 12 months whereas for loans and advances with overdue interest/installment for 3 to 12 months, interest recognition on accrual basis is limited on the basis of result of collateral testing as specified. Given the lack of system capability to suspend recognition of income on the basis of overdue status of loan and fair value of collateral as well as review of fair valuation of collateral on regular basis, manual intervention will be required in interest recognition process and hence create risk of improper application of the guidelines and determination of the Fair Value of the collateral. This may, in turn, have an effect on recognition of interest income of the bank.</p>	<p>Our audit approach regarding verification of process of interest recognition included:</p> <ol style="list-style-type: none"> <li>Obtaining clear understanding of the process of accrual of interest income on loans and advances in the Core Banking Software of the bank.</li> <li>For fair valuation of collateral, we relied on the latest available engineer's valuation of the collateral and have test checked the hair cut in fair value of collateral as per NRB Income Recognition guidelines 2019.</li> <li>Test check of the interest income booking with manual computation.</li> </ol>



2.	<p><b>Investment Valuation, Identification, and Impairment</b></p> <p>Investment of the bank comprises of investment in government bonds, T-bills, development bonds and investment in quoted and unquoted equity instruments. The valuation of the aforesaid securities has been done in compliance with NFRS 9 and NRB Directive no. 8. The investment in the government and NRB bonds and T-bills should be recognized on reporting date on Amortized cost basis whereas other investments in equity instruments, other than those held for trading, should be valued at Fair Value through Other Comprehensive Income.</p> <p>Given the varieties of treatments recommended for valuation of investment based on nature of cash flow, the business model adopted, complexity of calculations and the significance of amount involved in such investments, same has been considered as Key Audit Matter in our audit.</p>	<p>Our audit approach regarding verification of process of investment valuation, identification and impairment included:</p> <ol style="list-style-type: none"> <li>Review of the investment of the bank and its valuation having reference to NFRS issued by the Accounting Standard Board of Nepal and NRB Directive 4 read with 8.</li> <li>We assessed the nature of expected cash flow of the investments as well as the business model adopted by the management based on available evidence/circumstances and ensured that classification of investment is commensurate with nature of cash flow and management intention of holding the investment.</li> <li>For the investment valuation that are done at amortized cost, we checked the EIR and amortization schedule on test basis.</li> <li>For the investment valued through OCI for quoted investment, we ensured that fair valuation has been done based on the closing transaction rate in NEPSE as on 15.07.2024 and for the unquoted investment the fair value has been taken as the NPR 100.</li> </ol>
3.	<p><b>Impairment of Loans and Advances</b></p> <p>As per NRB Directive 4, bank shall measure impairment loss on loans and advances at the higher of:</p> <ul style="list-style-type: none"> <li>▪ Amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provisioning; and</li> <li>▪ Amount determined as per para 5.5. of NFRS 9, read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, adopting Incurred Loss Model</li> </ul> <p>As per the norms prescribed by NRB, provision at prescribed rate should be created on loans and advances based on overdue status of loans and advances as well as utilization status of the facility, status of security, borrower's whereabouts etc.</p> <p>As per NFRS 9 read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, impairment of loans and advances should be made on individual impairment basis for loans and advances that are individually significant and collective impairment basis for homogeneous groups of loans that are not considered individually significant.</p> <p>On individual impairment, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows. Under collective impairment, loss is determined after considering the Historical Loss Experience in portfolios of similar credit risk and Management's experienced judgment as to whether current economic and credit conditions are such that the actual level of inherent losses at the reporting</p>	<p>Our audit approach regarding verification of impairment of loans and advances included:</p> <ol style="list-style-type: none"> <li>Review of the overdue status of loans and advances by obtaining data from the system and matched the same with the NRB 2.2 report.</li> <li>Sample credit files were reviewed, among other things, from the perspective of utilization of loans and advances for intended purpose by way of scrutiny of financial statements, account movement, account turnover etc.</li> <li>Expected future cash flows from the individually significant loans and advances with indications of impairment are assessed on the basis of realizable value of collateral securities based on management estimate.</li> <li>Grouping of homogeneous groups of loans was assessed on the basis of nature and purpose of loans and data of historical loss experience in portfolios are assessed on the basis of past due data from the system as well as data of loan loss provisions of the defined group in the past.</li> </ol>



	<p>date is like to be greater or less than that suggested by historical experience.</p> <p>Given the fact that impairment of loans and advances under incurred loss model require assessment of future cash flows as well as historical loss experiences of portfolios. Further, impairment of loans and advances under NRB norms for loan loss provisioning will require assessment of overdue status of loans and advances and proper utilization of loan for intended purpose. Hence, assessment of availability and accuracy of required data for impairment of loans and advances under incurred loss model as well as NRB provisioning norms is regarded as key audit matters.</p>	
4.	<p><b>Information Technology General Controls</b> IT controls with respect to recording of transactions, generating various reports in compliance with NRB guidelines and other compliances to regulators is an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems.</p> <p>We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management, shareholders and regulators.</p>	<p>Our audit approach regarding Information technology of the bank is based upon the Information Technology Guidelines 2012 issued by NRB and it included:</p> <ol style="list-style-type: none"> <li>a. Understanding the coding system adopted by the bank for various categories of customers.</li> <li>b. Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the bank.</li> <li>c. Checking of the user requirements for any changes in the regulations/ policy of the bank.</li> <li>d. Reviewed the reports generated by the system on sample basis. We verified the interest income and expense booking regarding loan and deposit on test basis with the CBS or the bank.</li> <li>e. We relied on the IT System Audit conducted by the bank.</li> <li>f. We verified the provisioning of the loan and advances based on ageing on the test check basis as on 15.07 2024</li> </ol>

**Information Other than Financial Statements and Auditor's Report Thereon**

Management is responsible for the other information. The other information comprises the information included in the Management Report, Report of the Director's Report and Chairman's Statement but does not include the financial statements and our auditor's report thereon. Such information is expected to be made available to us after the date of this auditor's report.

Our opinion on the financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



## ***Responsibility of Management and Those Charged with Governance for the Financial Statements***

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Nepal Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Bank's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Bank or to cease operations, or has no realistic alternative but to do so.

Those charged with Governance are responsible for overseeing the Bank's financial reporting process.

## ***Auditor's Responsibilities for the Audit of the Financial Statements***

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purposes of expressing an opinion on the effectiveness of the Bank's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management,
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Bank's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Bank to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Bank to express an opinion on the financial statements. We are responsible for the direction, supervision, and performance of the bank audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

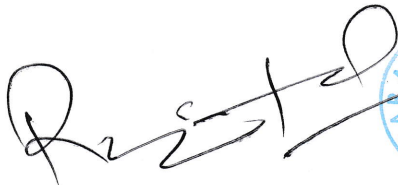



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**Report on the requirements of Banks and Financial Institutions Act, 2073 and Company Act, 2063**

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit; the returns received from the branch offices of the bank, though the statements are independently not audited, were adequate for the purpose of the audit; the financial statements including the statement of financial position, statement of profit or loss, statement of comprehensive income, statement of changes in equity, statement of cash flows including a summary of significant accounting policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of the Company Act, 2063, and they are in agreement with the books of accounts of the Bank; and the accounts and records of the Bank are properly maintained in accordance with the prevailing laws.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the loans have been written off as specified; the business of the Bank was conducted satisfactorily, and the Bank's transactions were found to be within the scope of its authority. We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Bank has acted contrary to the provisions of law or caused loss or damage to the Bank or committed any misappropriation of the funds of the Bank.

Ramesh Kumar Dhital  
Partner

Place: Kathmandu, Nepal  
Date: Kartik 23, 2081

UDIN No.: 241111CA005774XEbY

**Statement of Financial Position**  
**As on Ashad 31, 2081 (15th July, 2024)**

Particulars	Notes	As on Ashad 31 , 2081	As on Ashad 31, 2080
<b>Assets</b>			
Cash and cash equivalent	4.1	2,224,033,789	5,172,436,575
Due from Nepal Rastra Bank	4.2	2,738,488,699	2,303,268,281
Placement with Bank and Financial Institutions	4.3	-	-
Derivative financial instruments	4.4	-	-
Other trading assets	4.5	-	-
Loan and Advances to B/FIs	4.6	1,759,277,363	1,923,645,571
Loans and advances to customers	4.7	52,002,767,569	43,744,457,630
Investment in securities	4.8	13,604,205,803	9,087,158,177
Current Tax Assets	4.9	56,477,550	77,212,111
Investment in subsidiaries	4.10	-	-
Investment in Associates	4.11	-	-
Investment property	4.12	130,017,343	90,325,068
Property and equipment	4.13	611,067,762	620,384,822
Goodwill and Intangible Assets	4.14	139,469,886	130,136,360
Deferred tax assets	4.15	-	-
Other assets	4.16	390,612,717	269,790,523
<b>Total Assets</b>		<b>73,656,418,480</b>	<b>63,418,815,120</b>
<b>Liabilities</b>			
Due to Bank and Financial Institutions	4.17	369,025,734	733,094,743
Due to Nepal Rastra Bank	4.18	-	300,000,000
Derivative Financial instruments	4.19	-	-
Deposit from customers	4.20	65,956,224,347	55,682,887,100
Borrowings	4.21	4,610,241	18,750,000
Current Tax Liabilities	4.9	-	-
Provisions	4.22	-	-
Deferred tax liabilities	4.15	41,311,498	42,733,591
Other liabilities	4.23	393,341,896	465,239,550
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
<b>Total liabilities</b>		<b>66,764,513,715</b>	<b>57,242,704,984</b>
<b>Equity</b>			
Share Capital	4.26	4,733,690,951	4,283,883,213
Share Premium		-	-
Retained Earning		417,351,437	477,279,573
Reserves	4.27	1,740,862,378	1,414,947,349
<b>Total equity attributable to equity holders</b>		<b>6,891,904,765</b>	<b>6,176,110,136</b>
<b>Non-controlling interests</b>		<b>-</b>	<b>-</b>
<b>Total equity</b>		<b>6,891,904,765</b>	<b>6,176,110,136</b>
<b>Total liabilities and equity</b>		<b>73,656,418,480</b>	<b>63,418,815,120</b>
Contingent liabilities and commitment	4.28	651,134,407	1,719,538,331
Net assets value per share		145.59	144.17



**Statement of Profit or Loss**  
**For the period commencing on Shrawan 1, 2080 and ending on Ashad 31, 2081**

	Notes	FY 2080-81	FY 2079-80
Interest Income	4.29	7,169,357,077	6,977,985,534
Interest Expense	4.30	4,819,108,187	4,860,705,875
<b>Net interest income</b>		<b>2,350,248,890</b>	<b>2,117,279,659</b>
Fees and Commission Income	4.31	333,616,055	286,567,282
Fees and Commission Expense	4.32	33,910,208	31,107,016
<b>Net fee and Commission income</b>		<b>299,705,847</b>	<b>255,460,266</b>
<b>Net interest fee and commission income</b>		<b>2,649,954,737</b>	<b>2,372,739,925</b>
Net Trading Income	4.33	-	-
Other Operating Income	4.34	7,884,284	15,599,554
<b>Total operating income</b>		<b>2,657,839,021</b>	<b>2,388,339,479</b>
Impairment charge/(reversal) for loans and other losses	4.35	491,038,685	303,990,870
<b>Net Operating income</b>		<b>2,166,800,336</b>	<b>2,084,348,609</b>
<b>Operating expenses</b>			
Personnel Expense	4.36	720,597,488	585,124,340
Other Operating Expenses	4.37	301,128,215	281,118,650
Depreciation and amortisation	4.38	81,224,621	79,627,578
<b>Operating Profit</b>		<b>1,063,850,012</b>	<b>1,138,478,041</b>
Non operating income	4.39	500,000	-
Non operating expense	4.40	8,362,480	2,446,699
<b>Profit before income tax</b>		<b>1,055,987,532</b>	<b>1,136,031,342</b>
Income tax expense	4.41	370,666,083	378,003,099
Current tax		386,940,801	348,260,268
Deferred tax Expenses/(Income)		(16,274,718)	29,742,831
<b>Profit for the period</b>		<b>685,321,449</b>	<b>758,028,243</b>
<b>Profit attributable to:</b>			
Equity holders of the bank		685,321,449	758,028,243
Non-controlling interest		-	-
<b>Profit for the period</b>		<b>685,321,449</b>	<b>758,028,243</b>
<b>Earnings per share:</b>			
Basic earnings per share		14.48	17.69
Diluted earnings per Share		14.48	17.69

**Statement of Other Comprehensive Income**

	Notes	FY 2080-81	FY 2079-80
<b>Profit for the period</b>		<b>685,321,449</b>	<b>758,028,243</b>
Other comprehensive income, net of income tax			
<b>a) Items that will not be reclassified to profit or loss</b>			
• Gains/(losses) from investment in equity instruments measured at fair value		51,640,253	33,100,265
• Gains/(losses) on disposal of equity shares recycled to equity		20,691,909	679,931
• Gains/(losses) on revaluation			
• Actuarial gain/(losses) on defined benefit plans		(2,131,503)	15,684,771
• Income tax relating to above items		(21,060,198)	(14,839,490)
<b>Net other comprehensive income that will not be reclassified to profit or loss</b>		<b>49,140,461</b>	<b>34,625,477</b>
<b>b) Items that are or may be reclassified to profit or loss</b>			
• Gains/(losses) on cash flow hedge			
• Exchange gains/(losses)(arising from translating financial assets of foreign operation)			
• Income tax relating to above items			
• Reclassify to profit or loss			
<b>Net other comprehensive income that are or may be reclassified to profit or loss</b>		-	-
<b>c) Share of other comprehensive income of associate accounted as per equity method</b>			
<b>Other comprehensive income for the period, net of Income Tax</b>		<b>49,140,461</b>	<b>34,625,477</b>
<b>Total comprehensive income for the period</b>		<b>734,461,910</b>	<b>792,653,720</b>
<b>Total comprehensive income attributable to:</b>		-	-
Equity holders of the Bank		734,461,910	792,653,720
Non-controlling interest		-	-
<b>Total Comprehensive income for the period</b>		<b>734,461,910</b>	<b>792,653,720</b>

**Statement of Cash Flows**

<b>Particulars</b>	<b>FY 2080-81</b>	<b>FY 2079-80</b>
<b>Cash flows from operating activities</b>		
Interest Received	6,964,437,369	6,844,897,821
Fee and other income received	334,116,055	286,567,282
Dividend Received	10,422,376	12,135,246
Receipts from other operating activities	(3,368,946)	2,156,058
Interest paid	(4,868,683,091)	(4,854,235,856)
Commission and fee paid	(33,910,208)	(31,107,016)
Cash payments to employee	(591,609,412)	(555,498,795)
Other expense paid	(335,605,879)	(203,952,001)
<b>Operating cash flows before change in operating assets and liabilities</b>	<b>1,475,798,264</b>	<b>1,500,962,739</b>
<b>(Increase)/Decrease in operating assets</b>	<b>(8,921,101,256)</b>	<b>(9,187,509,250)</b>
Due from Nepal Rastra Bank	(435,220,418)	(980,286,247)
Placement with bank and financial institutions	-	-
Other Trading assets	-	-
Loan and advances to bank and financial institutions	164,368,209	1,396,743,743
Loan and advances to customer	(8,550,161,414)	(9,447,730,163)
Other Assets	(100,087,632)	(156,236,583)
<b>Increase/(Decrease) in operating liabilities</b>	<b>9,506,138,514</b>	<b>11,831,566,389</b>
Due to bank and financial institutions	(364,069,009)	559,849,975
Due to Nepal Rastra Bank	(300,000,000)	(1,107,995,389)
Deposits from customers	10,273,337,246	12,406,339,347
Borrowings	(14,139,759)	(6,250,000)
Other Liabilities	(88,989,964)	(20,377,544)
<b>Net Cash flow from operating activities before tax paid</b>	<b>2,060,835,523</b>	<b>4,145,019,879</b>
Income taxes paid	(372,088,176)	(333,420,777)
<b>Net Cash flow from operating activities</b>	<b>1,688,747,347</b>	<b>3,811,599,102</b>
<b>Cash flows from investing activities</b>		
Purchase of investment securities	(4,517,047,626)	(2,578,004,222)
Receipts from sale of investment securities	-	-
Purchase of plant and equipment	(60,136,142)	(113,559,187)
Receipt from sale of property and equipment	542,954	1,335,783
Purchase of intangible assets	(21,104,944)	(10,388,558)
Receipt from sale of intangible assets	-	-
Purchase of investment properties	(39,692,275)	(90,325,068)
Receipt from the sale of investment properties	-	-
Interest received	-	-
Dividend received	-	-
<b>Net cash used in investing activities</b>	<b>(4,637,438,033)</b>	<b>(2,790,941,252)</b>
<b>Cash flows from financing activities</b>		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	-
Dividend paid	-	-
Interest paid	-	-
Other receipt/payment	-	-
<b>Net cash from financing activities</b>	<b>-</b>	<b>-</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<b>(2,948,690,686)</b>	<b>1,020,657,850</b>
Cash and Cash Equivalents at Shrawan 01 (Beginning of the Year)	5,172,436,575	4,151,806,258
Cash and Cash Equivalents transferred from Merger	-	-
Effect of exchange rate fluctuations on cash and cash equivalents held	287,900	(27,533)
<b>Closing Cash and Cash Equivalents</b>	<b>2,224,033,789</b>	<b>5,172,436,575</b>

**Statement of Distributable Profit or Loss**

Particulars	FY 2080-81	FY 2079-80
<b>Net profit or (loss) as per statement of profit or loss</b>	<b>685,321,449</b>	<b>758,028,243</b>
<b>Appropriations:</b>		
a. General reserve	(137,064,290)	(151,605,649)
b. Foreign exchange fluctuation fund	(71,975)	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(6,853,214)	(7,580,282)
e. Employees' training fund	(13,529,503)	(11,807,689)
f. Other	-	-
Investment Adjustment Reserve	-	-
Share issue expense charged to equity	(1,200,763)	(1,135,584)
Net Gain on Disposal of Shares	16,553,527	(475,951)
Transfer from Reserve during the year (CSR & Traing Fund)	13,102,235	12,450,284
<b>Profit or (loss) before regulatory adjustment</b>	<b>556,257,466</b>	<b>597,873,372</b>
<b>Regulatory adjustment :</b>		
a. Interest receivable (-)/previous accrued interest received (+)	(117,697,642)	(76,389,790)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	(25,006,133)	(56,904,793)
e. Deferred tax assets recognised (-)/ reversal (+)	-	1,848,730
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Acturial loss recognised (-)/reversal (+)	-	7,359,259
i. Negative Fair Value Reserve charged to RE	-	-
j. Other (+/-) Investment Adjustment Reserve	-	-
<b>Net profit for the period end of Ashad 2081 available for distribution</b>	<b>413,553,691</b>	<b>473,786,777</b>
<b>Opening Retained Earnings</b>	<b>477,279,573</b>	<b>477,724,453</b>
Adjustment in Opening RE due to NFRS 16		-
<b>Distribution</b>		
Bonus Shares Issued	(449,807,737)	(447,764,594)
Cash Dividend Paid	(23,674,091)	(26,467,063)
<b>Distributable profit or (loss)</b>	<b>417,351,437</b>	<b>477,279,573</b>

**Capital Adequacy Table**

**Rs. Thousands**

<b>1.1 RISK WEIGHTED EXPOSURES</b>		<b>F/Y 2080/081</b>	<b>F/Y 2079/080</b>
a	Risk Weighted Exposure for Credit Risk	49,990,236	44,140,549
b	Risk Weighted Exposure for Operational Risk	3,186,339	2,432,356
c	Risk Weighted Exposure for Market Risk	498	150
<b>Total Risk Weighted Exposures (Before adjustments of Pillar II)</b>		<b>53,177,073</b>	<b>46,573,054</b>
<i>Adjustments under Pillar II</i>			
<b>SRP 6.4a (5)</b>	<i>Adjustment as per SRP 6.4a (5)</i>	-	
<b>SRP 6.4a (6)</b>	<i>Adjustment as per SRP 6.4a (6)</i>	-	
<b>SRP 6.4a (7)</b>	<i>Adjustment as per SRP 6.4a (7)</i>	489,360	380,722
<b>SRP 6.4a (9)</b>	<i>Adjustment as per SRP 6.4a (9)</i>	1,063,541	931,461
<b>SRP 6.4a (10)</b>	<i>Adjustment as per SRP 6.4a (10)</i>	-	
<b>Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)</b>		<b>54,729,974</b>	<b>47,885,237</b>
<b>1.2 CAPITAL</b>			
<b>(A) Tier 1 Capital [Core Capital (CET 1 + AT 1)]</b>		<b>6,229,376</b>	<b>5,707,628</b>
<b>Common Equity Tier 1 (CET 1)</b>		<b>6,229,376</b>	<b>5,707,628</b>
a	Paid up Equity Share Capital	4,733,691	4,283,883
b	Equity Share Premium		-
c	Proposed Bonus Equity Shares	-	-
d	Statutory General Reserves	1,132,325	991,122
e	Retained Earnings	417,351	477,280
f	Unaudited current year cumulative profit/(loss)		
g	Capital Redemption Reserve		
h	Capital Adjustment Reserve	-	-
i	Debenture Redemption Reserve	-	-
j	Dividend Equalization Reserves	-	-
K	Bargain Purchase Gain	-	-
l	Other Free Reserve		
m	Less: Goodwill	-	-
n	Less: Intangible Assets	-	-
o	Less: Fictitious Assets	20,974	11,640
p	Less: Investment in equity in licensed Financial Institutions		-
q	Less: Investment in equity of institutions with financial interests		
r	Less: Investment in equity of institutions in excess of limits		
s	Less: Investments arising out of underwriting commitments		
t	Less: Reciprocal crossholdings		
u	Less: Purchase of land & building in excess of limit and unutilized	33,017	33,017
v	Less: Cash Flow Hedge		
w	Less: Defined Benefits Pension Assets		
x	Less: Unrecognized Defined Benefit Pension Liabilities		
y	Less: Negative Balances of reserve accounts		
z	Less: Other Deductions		
<i>Adjustments under Pillar II</i>			
<b>SRP 6.4a(1)</b>	Less: Shortfall in Provision(6.4 a 1)	-	-
<b>SRP 6.4a(2)</b>	Less: Loans and Facilities extended to related parties and restricted lending	-	-

<b>Additional Tier 1 (AT 1)</b>		-	-
<b>a</b>	Perpetual Non Cumulative Preference Share Capital		
<b>b</b>	Perpetual Debt Instruments		
<b>c</b>	Stock Premium		
<b>(B) Supplementary Capital (Tier 2)</b>		<b>687,071</b>	<b>655,686</b>
a	Cumulative and/or Redeemable Preference Share		
b	Subordinated Term Debt		
c	Hybrid Capital Instruments		
d	General loan loss provision	684,125	652,811
e	Exchange Equalization Reserve	447	375
f	Investment Adjustment Reserve	2,500	2,500
g	Asset Revaluation Reserve	-	
h	Other Reserves		
<b>Total Capital Fund (Tier I and Tier II)</b>		<b>6,916,448</b>	<b>6,363,314</b>
<b>1.3 CAPITAL ADEQUACY RATIOS</b>		<b>F/Y 2080/081</b>	<b>F/Y 2079/080</b>
Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		11.38%	11.92%
Tier 1 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)		11.38%	11.92%
Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures(After Bank's adjustments of Pillar II)		12.64%	13.29%

**Major Indicator**  
Previous Five Years Indicator

Detail		Index	Financial Year				
			2076-77	2077-78	2078-79	2079-80	2080-81
1	Adequacy of Capital Fund on RWE						
	Core Capital	Rs	4,063,273,830	4,524,282,201	5,104,612,605	5,707,627,681	6,229,376,428
	Total Capital Fund	Rs	4,380,944,170	4,918,133,085	5,607,603,605	6,363,313,311	6,916,447,914
	Risk Weighted Exposure	Rs	28,073,927,990	31,490,594,217	39,043,356,000	47,885,237,072	54,729,974,145
	Capital Fund to RWE	%	15.61%	15.62%	14.36%	13.29%	12.64%
2	Earning Per Share (E.P.S)	Rs	15.39	14.77	17.16	17.69	14.48
3	Market Value Per share (M.P.S)	Rs	222	256	294.9	384.00	405.00
4	Book Networth Per Share	Rs	140.95	142.39	143.12	144.17	145.59
5	Net Profit Per Staff	Rs	756,644	823,075	892,307	1,016,124	928,620
6	Per Employee Staff Cost	Rs	597,798	703,385	684,003	784,349	976,419
7	Number of Promoter Equity Shares	Nos	17,664,464	17,383,166	19,283,146	21,847,804	24,141,824
8	Number of Public Equity Shares	Nos	12,498,934	16,701,473	18,526,944	20,991,028	23,195,086
9	Number of Staffs	Nos	564	612	727	746	738
10	Number of Branches	Nos	69	80	84	88	88
11	Number of Extension Counters	Nos	1	1	1	1	1
12	Number of ATM Machines	Nos	5	7	7	16	18
13	Price Earning Ratio	Times	14.42	17.33	17.19	21.70	27.97
14	Dividend (Bonus Share) on Share Capital	%	13.00%	10.93%	13.30%	10.50%	3.00%
15	Cash Dividend on Share Capital	%	0.00%	0.57%	0.70%	0.55%	5.00%
16	Net Profit/Gross Income	%	12.67%	14.67%	13.19%	10.41%	9.12%
17	Net Profit/ Loan & Advance	%	1.72%	1.58%	1.72%	1.66%	1.27%
18	Return on Total Assets	%	1.21%	1.19%	1.28%	1.20%	0.93%
19	Return on Equity	%	10.04%	10.38%	12.0%	12.27%	9.94%
20	Interest Income/Total Loan & Advance	%	12.98%	10.08%	12.38%	15.28%	13.34%
21	Exchange Gain/ Total Income	%	-	-	-	-	-
22	Interest Expenses/ Total Deposit and Borrowings	%	7.01%	5.69%	8.30%	8.57%	7.27%
23	Total operating Expenses/Total Assets	%	1.59%	1.62%	1.60%	1.49%	1.50%
24	Staff Expenses/ Total Operating Expenses	%	60.25%	63.04%	61.49%	61.86%	65.33%
25	Staff Bonus/ Total Staff Expenses	%	22.16%	20.12%	19.63%	21.57%	16.27%
26	Total Credit/ Total Deposit	%	81.19%	89.01%	87.54%	81.47%	82.05%
27	Non-Performing Loan/Total Loans	%	1.10%	1.27%	1.14%	1.81%	3.43%
28	Base Rate	%	8.90%	7.91%	11.06%	11.36%	8.32%
29	Weighted Average Interest Rate Spread	%	4.98%	4.99%	4.41%	4.60%	4.36%
30	Weighted Average Interest Rate on Deposit	%	6.90%	4.93%	8.99%	9.36%	6.56%
31	Weighted Average Interest Rate on Credit	%	11.89%	9.92%	13.40%	13.96%	10.92%
32	Institutional Deposit/Total Deposit	%	9.10%	7.99%	9.50%	13.81%	16.70%

**Statement of Changes in Equity**

Particulars	Attributable to Equity-Holders of the Bank										Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equilization Reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earning	Other Reserve	Total		
<b>Balance at Asar 31, 2080</b>	<b>3,781,009,014</b>	<b>55,109,605</b>	<b>839,516,318</b>	<b>374,835</b>	<b>191,230,853</b>	<b>20,198,641</b>	<b>477,724,453</b>	<b>46,371,296</b>	<b>5,411,535,015</b>	<b>-</b>	<b>5,411,535,015</b>	
Adjustment in Opening RE due to NFRS 16							-		-		-	
<b>Comprehensive Income for the year</b>												
Profit for the year							758,028,243		758,028,243		758,028,243	
<b>Other Comprehensive Income, Net of Tax</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>23,646,137</b>	<b>-</b>	<b>10,979,340</b>	<b>34,625,477</b>		<b>34,625,477</b>	
Gains/(losses) from investment in equity instruments measured at fair value						23,646,137	-		23,646,137		23,646,137	
Gains/(losses) on revaluation									-		-	
Acturial gain/(losses) on defined benefit plans							-	10,979,340	10,979,340		10,979,340	
Gains/(losses) on cash flow hedge									-		-	
Exchange gains/(losses)(arising from translating financial assets of foreign operation)							-	-	-		-	
<b>Total Comprehensive Income for the year</b>	<b>-</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>23,646,137</b>	<b>758,028,243</b>	<b>10,979,340</b>	<b>792,653,720</b>		<b>792,653,720</b>	
Transfer to General Reserves during the year			151,605,648				(151,605,648)		-		-	
Adjustment of Investment Adjustment Reserve no longer required							-		-		-	
Creation of Training Fund							(11,807,689)	11,807,689	-		-	
Utilization of Training Fund							6,815,939	(6,815,939)	-		-	
Creation of CSR Fund							(7,580,282)	7,580,282	-		-	
Utilization of CSR Fund							5,634,345	(5,634,345)	-		-	
Transfer for Accrued Interest Receivable							76,389,790	-	-		-	
Creation of Dererrd Tax Reserve							(1,848,730)	-	-		-	
Creation of Regulatory Reserve for Reduction in Investment							-	-	-		-	
Creation of Regulatory Reserve for NBA							56,904,793	(56,904,793)	-		-	
Creation of Regulatory Reserve for Acturial Loss							(7,359,259)	7,359,259	-		-	
<b>Transactions with Owners, directly recognized in Equity</b>												
Amount transferred from premium to share capital	-								-		-	
Share Issued									-		-	
Share Based Payments									-		-	





Amount transferred from premium to share capital	-											
Share Issued												
Share Based Payments												
Dividend to Equity-Holders												
Bonus Shares Issued	449,807,737	-				(449,807,737)						
Cash Dividend Paid	-					(23,674,091)		(23,674,091)			(23,674,091)	
Share issue expenses directly charged to equity-Tax Impcat						(1,715,375)		(1,715,375)			(1,715,375)	
Tax effect of share issue expenses						514,613		514,613			514,613	
Gain on Disposal of Share Classified into OCI			4,138,382		(14,484,336)	16,553,527		6,207,573			6,207,573	
Current Tax on Gain on Disposal of Share Classified into OCI												
Other Transfer to Investment Equilization Fund												
<b>Total Contributions by and Distributions</b>												
<b>Balance at Ashad 31, 2081</b>	<b>4,733,690,950</b>	<b>-</b>	<b>1,132,324,638</b>	<b>446,809</b>	<b>458,021,223</b>	<b>79,992,955</b>	<b>-</b>	<b>417,351,437</b>	<b>70,076,753</b>	<b>6,891,904,765</b>	<b>-</b>	<b>6,891,904,765</b>