

नेपाल बैंक लिमिटेडको ६१ औँ साधारण सभा सम्बन्धी सूचना

प्रथमपटक प्रकाशित मितिः २०७७।०९।०८

यस बैंकको सञ्चालक समितिको मिति २०७७/०९/०७ गते मंगलबार बसेको छब्बीसौँ बैठकको निर्णयानुसार देहायका विषयहरूमा छलफल तथा निर्णय गर्नका लागि निम्न मिति, स्थान र समयमा बैंकको ६१औँ वार्षिक साधारण सभा बस्ने भएको हुँदा सम्पूर्ण सेयरधनी महानुभावहरूको उपस्थितिका लागि अनुरोध गर्दै यो सूचना

१. साधारण सभा हुने मिति, स्थान र समय :

मिति : २०७७ पौष २९ गते बुधबार

स्थान : बैंकको प्रधान कार्यालय, धर्मपथ, काठमाडौँ

समय : बिहान ११:०० बजे

कोरोना भाइरस (Covid-19) महामारीको रोकथाम तथा नियन्त्रणका लागि नेपाल सरकारबाट जारी भएको स्वास्थ्य सम्बन्धी मापदण्डको पालना गर्नपर्ने भएकाले सोको परिपालनाका लागि भर्चुअल (ZOOM) माध्यमबाट सभामा सहभागी हुन र आफ्नो सुभाव राख्ने व्यवस्था मिलाइएको हुँदा ZOOM मार्फत सभामा सहभागी हुन सम्पूर्ण सेयरधनी महानुभावहरूलाई अनुरोध छ।

छलफलका विषयहरू:

- सामान्य प्रस्तावहरू :
- आ.व. २०७६/७७ को सञ्चालक समितिको वार्षिक प्रतिवेदन छलफल गरी पारित गर्ने।
- लेखापरीक्षकको प्रतिवेदन सहितको २०७७ आषाढ मसान्तको वासलात, सोही मितिमा समाप्त आ.व. २०७६/७७ को नाफा/नोक्सान हिसाब तथा नगद प्रवाह विवरण र सोही अवधिको वित्तीय विवरणसँग सम्बन्धित अनुसूचीहरू छलफल गरी पारित गर्ने।
- सञ्चालक समितिबाट प्रस्तावित हालको चुक्ता पुँजी रु.११,२८,२८,२०,२००/- को ४(चार) प्रतिशतका दरले हुन आउने रु.४५,१३,१२,८०८/- (अक्षरूपी पैँतालीस करोड तेह्र लाख बाह्र हजार आठ सय आठ) नगद लाभांश (लाभांश करसमेत) वितरण गर्न स्वीकृति प्रदान गर्ने।
- कम्पनी ऐन, २०६३ को दफा १११ अनुसार आ.व. २०७७/७८ का लागि लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक निर्धारण गर्ने ।
- बैंकको नियमावलीमा भएको व्यवस्था बमोजिम सर्वसाधारण सेयरधनीका तर्फबाट प्रतिनिधित्व गर्ने ३ (तीन) जना सञ्चालकको निर्वाचन गर्ने।

ख. विशेष प्रस्तावहरू :

- सञ्चालक समितिबाट प्रस्तावित हालको चक्ता पँजी रु.११.२८.२८.२०.२००/- को १२(बाह्र) प्रतिशतका दरले हुन आउने रु.१,३५,३९,३८,४२४/- (अक्षरूपी एक अर्ब पैंतीस करोड उनन्चालीस लाख अठ्तीस हजार चार सय चौबीस) रकम बराबरको बोनस सेयर वितरण गर्न स्वीकृति प्रदान गर्ने र बोनस सेयर वितरणबाट बैंकको साबिक जारी तथा चुक्ता पुँजीमा वृद्धि गरी रु.१२,६३,६७,५८,६२४/-(अक्षरूपी बाह्र अर्ब त्रिसट्टी करोड सतसट्टी लाख अन्ठाउन्न हजार छ सय चौबीस) कायम गर्ने र सोही बमोजिम प्रबन्धपत्र तथा नियमावलीको सम्बन्धित दफामा संशोधन गर्ने ।
- बैंकको प्रबन्धपत्र/नियमावलीको प्रस्तावित संशोधनमा नियमनकारी निकायहरूबाट कुनै फेरबदलको सुभाव प्राप्त भएमा सो बमोजिम आवश्यक फेरबदल गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने। सञ्चालक समितिको आज्ञाले

केशवप्रसाद भण्डारी कम्पनी सचिव

साधारण सभा सम्बन्धी सामान्य जानकारी

आ.व. २०७६/७७ को लाभांश पाउन योग्य हुनेछन्।

- १. वार्षिक साधारण सभा प्रयोजनका निमित्त मिति २०७७/०९/१६ गते सेयरधनी दर्ता पुस्तिका (Book Close) बन्द रहनेछ । नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०७७/०९/१५ गतेसम्म कारोबार भई नियमानुसार सेयर नामसारी भएका सेयरधनीहरूले मात्र साधारण सभामा भाग लिन, मतदान गर्न तथा
- भर्चुअल (ZOOM) बाट सहभागी हुन/सुभाव राख्न इच्छुक सेयरधनी महानुभावहरूले यस बैंकको वेबसाइटमा साधारण सभाको सूचनासँगै राखिएको पोर्टल/लिङ्कमा गई आफ्नो विवरण दर्ता गराउनुहुन वा agm@nbl.com.np मा इमेल गरी वा ०१-४२२२३७१ मा सम्पर्क गरी सभा हुनुभन्दा ४८ घण्टा अगावै आफ्नो विवरण टिपाउनुहुन अनुरोध छ । यसरी विवरण दर्ता/टिपाउनुहुने सेयरधनीहरूलाई Meeting $\mathrm{ID}f\mathrm{Passcode}$ उपलब्ध गराई सभामा सहभागी हुने व्यवस्था मिलाइएको छ ।
- सभामा भाग लिन इच्छुक सेयरधनी महानुभावहरूले सेयर प्रमाणपत्र वा हितग्राही (DMAT) खाता खोलिएको प्रमाण/हितग्राही खाता नं./सेयर कित्ता सङ्ख्या तथा फोटो सहितको कुनै परिचयपत्र अनिवार्य रूपमा साथमा लिई सहभागी हुनुपर्नेछ ।
- सभा सुरु हुनुभन्दा १ घण्टा अगाडिबाट भर्चुअल माध्यम (ZOOM) खुला गरिनेछ । उक्त १ घण्टाको समयभित्र सभामा सहभागी सेयरधनीहरूले दिइएको Meeting IDfPasscode को माध्यमबाट Zoom Login गरी आफ्नो नाम, डिम्याट खाता नं. र सेयर कित्ता सङ्ख्या सहित उपस्थितिको जानकारी सभालाई दिनुपर्नेछ । सेयरधनी महानुभावहरूले Chat Box बाट समेत आफ्नो नाम, डिम्याट खाता नं. र सेयर कित्ता सहितको जानकारी गराई उपस्थिति यकिन गराउन सक्नुहुनेछ । सञ्चालकको निर्वाचन मतदान प्रिक्रियाबाट हुने भएमा सेयरधनी महानुभावहरूले नेपाल सरकारले तोकेको स्वास्थ्य सुरक्षाका मापदण्डहरू पालना गरी स्वयम् उपस्थित भई मतदान प्रक्रियामा भाग लिन सक्नुहुनेछ ।
- सभामा भाग लिनका लागि आफ्नो प्रतिनिधि (प्रोक्सी) नियुक्त गर्ने चाहने सेयरधनीहरूले आफ्नो सम्पर्ण सेयरको एउटै प्रतिनिधि हुने गरी प्रचलित कम्पनी कानुनले तोकेको ढाँचामा प्रतिनिधिपत्र (प्रोक्सी) फाराम भरी सभा सुरु हुनुभन्दा कम्तीमा ७२ घण्टा अगावै अर्थात् मिति २०७७/०९/२६ गते बिहान ११ बजेभित्र बैंकको सेयर रजिस्ट्रारको कार्यालय श्री सिभिल क्यापिटल मार्केट लिमिटेड, सीटीसी मल, सुन्धारा काठमाडौँमा दर्ता गरिसक्नु पर्नेछ । प्रोक्सी नियुक्त गर्दा बैंकका सेयरधनीहरूलाई मात्र प्रोक्सी नियुक्त गर्न सिकनेछ । एकभन्दा बढी व्यक्तिलाई सेयर विभाजन गरी वा अन्य कुनै किसिमबाट छुट्याएर दिइएको
- सभामा भाग लिन र मतदान गर्नका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गरिसकेपछि प्रतिनिधि फेरबदल गर्न चाहेमा यस अघि दिएको प्रतिनिधि (प्रोक्सी) बदर गरी यो प्रतिनिधि (प्रोक्सी) लाई मान्यता दिइयोस भन्ने छुट्टै पत्रसहित प्रोक्सी फाराम सभा सुरु हुनुभन्दा कम्तीमा ४८ घण्टा अगावै अर्थात् मिति २०७७/०९/२७ गते बिहान ११ बजेभित्र बैंकको सेयर रजिस्टार श्री सिभिल क्यापिटल मार्केट लिमिटेडमा प्राप्त हने गरी दर्ता गराएको अवस्थामा अघिल्लो प्रतिनिधिलाई स्वतः बदर भएको मानी पछिल्लो प्रतिनिधिलाई मान्यता दिइनेछ । प्रतिनिधि नियुक्त गरिसकेको सेयरधनी स्वयम् सभामा सहभागी भएमा निजले दिएको प्रतिनिधि स्वतः बदर हुनेछ ।
- संयुक्त रूपमा सेयर ग्रहण गर्ने सेयरधनीहरूको हकमा सेयर लगत किताबमा पहिले नाम उल्लेख भएको व्यक्ति वा सर्वसम्मत नियुक्त प्रतिनिधिले मात्र सभामा भाग लिन र मतदान गर्न पाउनेछन्।
- नाबालक तथा मानसिक सन्तुलन ठीक नरहेको सेयरधनीका तर्फबाट सेयर लगत दर्ता किताबमा संरक्षकका रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन तथा प्रतिनिधि नियुक्त गर्न सक्नेछन्।
- ९. संगठित संस्थाका सेयरधनी भएमा त्यस्तो संगठित संस्थाका तर्फबाट बैंकको साधारण सभामा उपस्थित हुनका लागि मनोनीत व्यक्तिले सेयरधनी संस्थाको आधिकारिक पत्रका साथ प्रोक्सी फाराममा संस्थाको छाप र आधिकारिक व्यक्तिको दस्तखत भएको कागजात पेस गर्नपर्नेछ।
- १०. दफा ५ र ६ को उल्लेखित दिन कुनै सार्वजनिक बिदा पर्न गएमा पनि सो दफामा उल्लेखित प्रयोजनका लागि कार्यालय कक्ष खला रहनेछ ।
- ११. सर्वसाधारण सेयरधनीको तर्फबाट प्रतिनिधित्व गर्ने ३ (तीन) जना सञ्चालकको निर्वाचन सम्बन्धी कार्यक्रम बैंकको सञ्चालक निर्वाचन सम्बन्धी निर्देशिका बमोजिम निर्वाचन अधिकृतको कार्यालयले बैंकको प्रधान कार्यालयको सूचनापाटीमा र/वा बैंकको वेबसाइट www.nepalbank.com.np मा प्रकाशित गर्नेछ ।
- १२. सेयरधनी महानुभावहरूको जानकारीका लागि बैंकको संक्षिप्त आर्थिक विवरण यसै सूचना साथ प्रकाशित गरिएको छ। साथै वार्षिक साधारण सभामा प्रस्तुत छलफलका विषयहरू रहेको लेखापरीक्षणको प्रतिवेदन सहितको वार्षिक प्रतिवेदन बैंकको वेबसाइटमा पनि प्रकाशित गरिनेछ।
- १३. साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समयभित्र बैंकको केन्द्रीय कार्यालय. सञ्चालक समिति सचिवालयमा सम्पर्क राख्न समेत अनरोध गरिन्छ।

नेपाल बैंक लिमिटेडको आ.व. १०७६/७७ को संक्षिप्त आर्थिक विवरण कम्पनी ऐन २०६३ को दफा ८४ (४) प्रयोजनका निमित्त प्रकाशित विवरण

(संक्षिप्त आर्थिक विवरण बैंकको वार्षिक आर्थिक विवरण र सञ्चालकको प्रतिवेदनको संक्षिप्त विवरणको रूपमा रहेको छ।)

सेयरधनी महानुभावहरू,

नेपाल बैंक लिमिटेडको ६१ औँ वार्षिक साधारण सभाको प्रयोजनार्थ आ.व. २०७६/७७ को बैंकको वासलात. नाफा/नोक्सान हिसाब, अन्य विस्तृत आम्दानीको नगद प्रवाह विवरण लगायत बैंकको समग्र कारोबारको सिंहावलोकन निम्नानुसार रहेको व्यहोरा यस संक्षिप्त वार्षिक आर्थिक विवरण मार्फत जानकारी गराउँदछौँ। क) विगत वर्षको बैंकको कारोबारको सिंहावलोकन

आ.व. २०७६/७७ मा सेयर प्रिमियमबाट बोनस सेयर वितरण भएसँगै बैंकको चुक्ता पुँजी रु.१ अर्ब ४७ करोड १७ लाखले वृद्धि भई रु. ११ अर्ब २८ करोड २८ लाख रहेको छ भने सोही रकमले सेयर प्रिमियम ह्रास भई रु.१ अर्ब ७८ करोड ९९ लाख रहेको छ। गत आ.व. मा रु.२ अर्ब ८९ करोड ५७ लाख रहेको सञ्चित मुनाफाबाट रु.९८ करोड ११ लाख नगद लाभांश वितरण भएकोमा यस आ.व.को वितरण योग्य मुनाफा रु.१ अर्ब १८ करोड ८१ लाख जम्मा भई रु.३ अर्ब १० करोड २७ लाख कायम भएको छ । समीक्षा वर्षमा निक्षेप २०.९० प्रतिशतले, कर्जा ११.६० प्रतिशतले र लगानी ९८.४५ प्रतिशतले वृद्धि भएको छ । पुँजीकोषको अनुपात कुल जोखिम भारित सम्पत्तिको ०.२१ प्रतिशतले बढेर १७.०१ प्रतिशत पुगेको छ भने निष्क्रिय कर्जा ०.१७ प्रतिशतले घटेर २.४७ प्रतिशत रहेको छ।

(रकम रु. लाखमा)

विवरण	आ.व.	आ.व.	वृद्धि (कमी)			
विवरण	२०७५/७६	२०७६/७७	रकम	प्रतिशत		
सेयर पुँजी	९८,१११	१,१२,८२८	ঀ४,७ঀ७	१५.००%		
सेयर प्रिमियम	३२,६२८	१७,८९९	(१४,७२९)	-४५.१४%		
सञ्चित मुनाफा	२८,९५७	३१,०२७	२,०७०	૭.૧૫%		
जगेडा तथा कोषहरू	१,३३,११७	१,३८,५५५	५,४३९	४.०९%		
निक्षेप	११,८२,७५३	१४,२९,८९२	२,४७,१४०	२०.९०%		
लगानी	१,६४,२५७	३,२५,९६१	१,६१,७०४	९८.४५%		
कर्जा	९,५७,२४९	१०,६८,२४९	9,99,000	99.६०%		

गत आर्थिक वर्षको तुलनामा यस आर्थिक वर्षमा ब्याज आम्दानी जम्मा ११.०९ प्रतिशतले वृद्धि भएकोमा ब्याज खर्च भने ४१.१३ प्रतिशतले बढेका कारण खुद ब्याज आम्दानीमा ९.२२ प्रतिशतले ह्रास आएको छ । कुल सञ्चालन आम्दानी ७.३० प्रतिशतले ह्रास भएको छ । त्यसैगरी सञ्चालन मुनाफा गत आर्थिक वर्षमा रु.४ अर्ब ५१ करोड रहेकोमा यस आर्थिक वर्षमा रु.३ अर्ब २५ करोड रहेको छ । आयकर अधिको नाफा गत आ.व.को तुलनामा २२.४८ प्रतिशतले घटेको छ । गत आ.व.मा २ अर्ब ५९ करोड ६७ लाख खुद मुनाफा गरेकोमा यस बैंकले यस आ.व.मा २ अर्ब ३३ करोड २९ लाख खुद मुनाफा कमाएको छ।

				in (ii (ii Gi iii)	
	आ.व.	आ.व.	वृद्धि <i>f</i> (कमी)		
विवरण	२०७५/७६	२०७६/७७	रकम	प्रतिशत	
खुद ब्याज आम्दानी	६१,८९४	५६,१८८	(४,७०७)	-९.२२%	
कुल सञ्चालन आम्दानी	७७,३६७	૭૧,૭૧૬	(४,६४८)	-७.३०%	
सञ्चालन मुनाफा	४४,१००	३२,४७९	(१२,६२१)	-२७.९८%	
कर्मचारी बोनस व्यवस्था	२,३०६	१,७८८	(ধ্ৰণ)	-२२.४८%	
आयकर अघिको खुद मुनाफा	४६,११७	३५,७५२	(१०,३६५)	-२२.४८%	
आयकर व्यवस्था	१०,८०४	८,२० ५	(२,६००)	-२४.०६%	
आयकर पछिको खुद मुनाफा	२४,९६७	२३,३२९	(२,६३८)	-90.9६%	

ख) लेखापरीक्षकको मन्तव्य

बैंकको आ.व. २०७६/७७ को वासलात, नाफा-नोक्सानको हिसाब तथा सोही अवधिको एकीकृत नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरूमा लेखापरीक्षकबाट नेपाल राष्ट्र बैंकद्वारा जारी निर्देशन तथा सर्वमान्य लेखाका सिद्धान्त अनुसार यथार्थ परक रहेको राय सहितको प्रतिवेदन निम्नानुसार रहेको छ।

ग) आ. व. २०७६।७७ को संक्षिप्त आर्थिक विवरण

M Tiwari & Associates Chartered Accountants

KIRTIPUR MUNICIPALITY -1 TYANLA, P.O. Box 12136 KATHMANDU, NEPAL Tel: 4331060 Mob:9861583579

G.P.O. Box 12437,Opp. Kumari Bank

Putalisadak, Kathmandu, Phone:+9771 4544009, +97714416222,

JIB Joshi & Bhandary

(रकम रु. लाखमा)

+977-1-4423550 jb@jb.com.np

INDEPENDENT AUDITOR'S REPORT TO THE SHAREHOLDERS OF NEPAL BANK LIMITED

Report on the Audit of Financial Statements

Opinion

We have audited the financial statements of Nepal Bank Limited, which comprise the Statement of Financial Position as at Ashad 31, 2077 (corresponding to July 15, 2020), the Statement of Profit or Loss, Statement of Other Comprehensive Income, Statement of Changes in Equity, the Statement of Cash Flows for the year then ended and Notes to the Financial Statements, including a summary of Significant

In our opinion, the accompanying financial statements along with the notes attached and emphasis of matter mentioned below (except for the effect of these on financial statements) present fairly, in all material respects, the financial position of the Bank as at Ashad 31, 2077 (July 15, 2020) and its financial performance and its Cash flows Statement for the year then ended in accordance with the Nepal Financial Reporting Standards (NFRSs).

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 Auditor's 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 The Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAN's Handbook of The Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient

Emphasis of Matter

- 1. As included in note 4.16 of financial statements on Ashadh 31, 2077, total net unreconciled inter branch balance is NPR, 1.789,14 million (Debit). No assurance on the fair presentation of the balance of NPR 1,789.14 million disclosed in the financial statements can be obtained and the effect on the financial statements cannot be ascertained unless these accounts are reconciled and adjusted
- 2. The bank has not obtained confirmation in respect of Receivables of government transactions of NPR. 7,298.73 million and TU Pension reimbursable of NPR. 18.12 million at the year end. Hence, we could not confirm the existence and right over amount without the reconciliation and
- 3. As mentioned in Other of Other Assets of the bank under Note 4.16, the bank holds a total of NPR 4.05 million of suspense accounts which are unreconciled and unidentified amounts. In the absence of information regarding these items during the period of audit, we could not confirm the existence and obligation over amount disclosed.
- 4. Remittance payable is net of NPR 883.44 million which has been included in Other Assets under Note 4.16 and Other Liabilities under Note 4.23. In the absence of details of this amount, we could not confirm the existence and obligation over amount disclosed. 5. Bank has performed physical verification of assets for the FY 2076/77 during the month of Asadh
- 2077. However, in the absence of coding of fixed assets, such physical counting of assets available in each department cannot provide reasonable assurance
- 6. As per NAS 39: Financial Instruments Recognition and Measurement, Probability of Default shall be calculated on the basis of overdue dates of outstanding loans. However, on review of calculation done by the management, it was noted that the bank has practice of calculating the probability of default on the basis of Loan Loss provision categorization prescribed by Nepal Rastra Bank (NRB) instead of actual loan overdue period. Although, the main basis of loan loss provision as per NRB directive is overdue period, the calculation will not be accurate because the bank has not changed the LLP categorization of loans from Pass category to substandard or Doubtful although the customer has overdue for more than prescribed number of days as per NRB directive complying with Circular no 1 dated Shrawan 12, 2077 which incorporates the relaxation issued by NRB to curb COVID 19 impact. Also the watch list category has not been deteriorated to lower category. As a result, impairment calculation doesn't show actual deterioration of loan and actual loan impairment due to non-recovery of loan during COVID-19 Pandemic and assurance on such impairment calculation could not be taken
- 7. The bank has not deteriorated the Loan Loss provision category of Watch-list to lower category loans based on overdue basis that existed in the month of Poush 2076 in line with Nepal Rastra Bank circular 01/2077/04/12. Bank did not quantify and recognize such Loan category and respective loan loss provision in the financial statement. Had the bank followed the above mentioned circular, the Bank's Non Performing Loan and Loan loss Provision would be in higher
- 8. As per Notice no 21 issued by NRB on dated 2077/01/16, in order to mitigate the impact from COVID-19, banks and financial institutions must provide 2% rebate on the interest rate for the quarter ending of Ashad, 2077. However, it has been noted that the bank has provided 2% Interest rate rebate to customers on the basis of manual calculation done by respective branches. This interest rate rebate has been provided to borrowers who have serviced the interest and installment. Out of NPR 475,874,000.78 rebate to be provided to the borrower NPR 204,557,369.14 is still pending to be provided
- 9. As per clause 6 of notice published by Nepal Rastra Bank dated 16th Chaitra, 2076, if a borrower pays the interest and installment of term loans for the month of Chaitra 2076 within the same month, he/she will receive a rebate of 10% on the interest amount of the installment. However, it was noted that in few cases the bank has not paid such interest subsidy of 10%
- 10. Retained Earnings includes special reserve of NPR.1197.87 million restricted, by Nepal Rastra Bank, for distribution as dividend to shareholders as well as bonus to bank employees.

Key audit matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of our audit of the consolidated and separate financial statements as a whole, and in forming our audit opinion thereon, and we do not provide a separate opinion on these matters. Our assessed key audit matters and how we addressed them are outlined below:

How our audit addressed the key audit matter. **COVID 19 Impact**

Going concern assessment of borrower whose As per our communication with those charged

business is severely affected by COVID-19 pandemic is considered as key audit matter

with governance, the Credit Administration conducts regular follow-ups (though no any tools used to access going concern) with the affected borrowers. However, they have not come across any such matters that cease the going concern of such borrowers

Interest Recognition

accrual basis following Interest Income Recognition | of accrual of interest income on loans and Guidelines, 2019 issued by NRB. As per the advances as per the banking software. Also we regulatory requirement of interest recognition on tested the input of interest income calculation accrual basis we do not consider the loans and and the results with manual computation. For advances having:

- a. Overdue of more than 6 months
- collateral testing as specified by guidelines. Since the system of the bank does not make automatic calculation of such clause there is manual intervention on the interest recognition process which is based on overdue status of loan and fair value of collateral as well as review of fair value of collateral on regular basis. This may create risk of improper application of guidelines which may result in incorrect booking of interest income of the bank Hence it is considered as Key Audit Matter.

The bank has recognized the interest income on We gathered our understanding of the process the purpose of Fair Valuation of collateral, we relied on the Engineer's latest valuation report b. Overdue of 3 to 6 months, based on provided and have also reviewed the haircut in the fair value of the collateral as per NRB

Income Recognition Guidelines, 2019

Particulars How our audit addressed the key audit matter.

have:

The classification and measurement in unquoted | For the purpose of review of investment we securities require judgment and estimates. In the absence of a quoted price in an active market, the fair value unquoted securities is determined using complex valuation techniques which may take into consideration elevated level of management iudgment

- · Reviewed whether the investment valuations have been done as per the clause of NFRS.
- For the investment valued through OCI for quoted investment, we ensured that fair valuation has been done at the closing transaction rate in Nepal Stock Exchange as on 15.07.2020 and for the quoted investment the fair value has been taken as on net worth basis.

Impairment of Loans and advances

complex calculations.

and advances portfolio associated with credit risk is matter described. significant and complex.

For the individual impairment analysis, loans assets are assessed based on their performance, recovery history and market value of collateral provided. For the collective impairment analysis, similar group of loans and their data is considered that deals with voluminous databases, probability of default

Also as per NRB Directive 4, bank shall measure impairment loss on loans and advances at higher of; • Amount derived as per norms prescribed by

calculations and assumptions which results in

NRB for loan loss provisions and, Hence this complexity of calculation as well as the adverse impact of COVID 19 on impairment of loans and advances resulted in our basis of considering it as Key Audit Matters

The process for estimating the provision for loans Our procedures, in relation to the key audit included, among others

- Tested the credit appraisal, loan disbursement procedures, monitoring and provisioning process:
- Identification of loss events, including early
- warning and default warning indicators;
- Reviewed quarterly classification of loans; Reviewed the adequacy of the companies
- general and specific provisions: Assessed the methodologies on which the provision amounts based, recalculated the
- provisions and tested the completeness and accuracy of the underlying information; Finally assessed the appropriateness and
- presentation of disclosures against relevant accounting standards and NRB Guidelines. Analysis of data as generated by the database of the CBS of the bank which

showed us the payment and recovery

pattern of the borrower as well as indication Credit files were analyzed in sample basis considering the above factors as well as our scrutiny based on our perspective to identify if significant condition for impairment was

Information Technology General Controls

Our audit procedures have a focus on IT systems and | We tested the operating effectiveness of the controls due to the pervasive nature and complexity Bank's IT access controls over the information

Particulars

of the IT environment, the large volume of transactions processed in numerous locations daily and the reliance on automated and IT dependent manual controls. Our areas of audit focus included data management, user access management, correctness of input, control lapses, validation failures and changes to the IT environment. Among others, these are key to ensuring operating effectiveness of IT dependent application based controls. If the IT control over financial data is improper risk of wrong reporting to the management, regulator as well as other stakeholders. Hence this is considered as Key Audit

How our audit addressed the key audit matter. systems that are critical to financial reporting. We inspected requests of changes to systems for appropriate approval and authorization. We checked whether the IT policies and guidelines were properly followed by the Bank and have also relied on the past report issued by the IS Auditor of the Bank. We verified the major banking transaction like interest income recognition, loan loss provision calculation, impairment calculation etc. to determine effective IT controls over financial data on manual basis. In addition, we understood where relevant, changes were made to the IT controls

during the audit period that had a significant

impact on financial reporting.

Legal and Regulatory Matters

We focused on this area because the Bank operates in a legal and regulatory environment that is exposed to significant litigation and similar risks arising from disputes and regulatory proceedings. Such matters are subject to many uncertainties and the outcome may be difficult to predict. These uncertainties inherently affect the amount and timing of potential outflows with respect to the provisions which have been established and other contingent liabilities. Overall, the legal provision represents the Bank's best estimate for existing legal matters that have a probable and estimable impact on the Bank's financial position

We obtained an understanding, evaluated the design and tested the operational effectiveness of the Bank's key controls over the legal provision and contingency processes. We enquired into those charged with governance to obtain their views on the status of all significant litigation and regulatory matters. We enquired of the Bank's internal legal counsel for all significant litigation and regulatory matters and inspected internal notes and reports. We assessed the methodologies on which the provision amounts are based, recalculated the provisions, and tested the completeness and accuracy of the underlying information. We also assessed the Bank's provisions and contingent liabilities disclosure

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

The company's management is responsible for the preparation of the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon. The annual report is expected to be made available for our review after the date of this auditor's report

Our opinion on the financial statements does not cover the other information and we do 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 during the course of our audit or otherwise appears to be materially misstated. When we read the annua report, if we conclude that there is material misstatement, therein, we are require to request management and those charged with government to correct the material misstatement

Responsibilities 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 NFRS, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatements, 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 Responsibility for the Audit of the Financial Statements

are free from material misstatements, 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 NSA's will always detect a material misstatement when it exists. Misstatements 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. Further responsibilities of the auditor have been mentioned in Appendix-1.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole

Report on Other Legal and Regulatory Requirements

- We have obtained information and explanations asked for which, to best of our knowledge and belief, were necessary for the purpose of our audit.
- The accounts and records of the bank has been maintained as required by the law. • Financial statements are in agreement with the books of accounts maintained by law.
- · The capital fund, risk bearing fund and the provision for possible impairment of assets of the Bank are adequate as per the Directive issued by Nepal Rastra Bank except for as mentioned in Point 7, 8 and 9 under Emphasis of Matter paragraph above.
- In our opinion, statements of financial position, statement of profit or loss, other comprehensive income, changes in equity and cash flows, have been prepared in accordance with the requirements of the Companies Act, 2063, Bank and Financial Institution Act 2073 and are in agreement with the books of account maintained by the Bank including relevant records relating to preparation of the aforesaid financial statements have been kept so far as it appears from our examination of those books and records of the Bank.
- To the best of our information and according to explanation given to us and so far appeared from our examination of the books of account of the Bank, we have not come across cases where Board of Directors or any employees of the Bank have acted contrary to the provisions of law relating to the accounts, or committed any misappropriation or caused loss or damage to the Bank and violated any directives of Nepal Rastra Bank or acted in a manner to jeopardize the interest and security of the Bank, its depositors and investors.
- We have not come across any fraudulence in the accounts, so far as it appeared from our
- examination of the books of accounts. The operation of the bank was within its jurisdiction.



Proprietor M. Tiwari & Associates Chartered Accountants UDIN No: 201216CA00064eu3eO



PYC & Associates Chartered Accountants 201216CA00866LxwYV



CA. Gvanendra Subedi Partner Joshi & Bhandary Chartered Accountants 201216CA00482kwJdz

Date: 2077.09.01 Place: Kathmandu

बाँकी पृष्ठ र मा

पृष्ठ ७ को बाँकी

As a part of audit in accordance with NSAs, we exercised professional judgment and maintain professional skepticism throughout the audit of Nepal Bank Ltd for FY 2076-77. We also:

- Identified and assessed the risk of material misstatement of the financial statements whether
 due to fraud or error, designed and performed audit procedures responsive to those risks, and
 obtained audit evidence that is sufficient and appropriate to provide an opinion. The risk of not
 detecting a material misstatement resulting from fraud is higher than one resulting from error,
 as fraud may involve collusion, forgery, intentional omission, misrepresentations, or the
 override of internal control.
- Obtained 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 purpose of expressing an
 opinion of the effectiveness of internal control.
- Concluded an appropriateness of the management use of the going concern basis of accounting and, based in 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 concluded that a material uncertainty exists, we were required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures were inadequate, to modify our opinion. Our conclusions were 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.
- Evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Evaluated 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.
 Obtained sufficient appropriate audit evidence regarding the financial information of the entities or business activities to express an opinion on the financial statements. We remain
- solely responsible for our audit opinion.

 We communicated with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant
- We also provided those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and communicated with them all relationships and other matters that may reasonably be though to bear on our independence,

and where applicable, related standards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of 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, in 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.







Statement of Financial Position

As at 31st Ashad 2077 (15 July 2020)

Figures in NPR

Share

premium

Share Capital

8,042,662,200

General

reserve

82,491,502 3,904,177,042

Exchange

equalisation reserve

86,786,914

Note	As at	As at
Note	31st Ashad 2077	31st Ashad 2076
4.1	4,971,642,414	10,418,969,105
4.2	6,125,276,757	10,178,321,131
4.3	6,117,450,000	5,427,675,000
4.4	6,590,488,467	5,594,624,000
4.5	-	-
4.6	3,521,188,673	3,303,280,250
4.7	103,303,752,458	92,421,637,259
4.8	32,596,093,012	16,425,733,171
4.9	1,580,923,496	991,499,066
4.10	-	-
4.11	-	-
4.12	103,105,851	113,306,614
4.13	12,008,022,976	11,828,221,794
4.14	39,450,687	25,993,659
4.15	-	-
4.16	14,205,422,036	14,786,384,911
	191,162,816,827	171,515,645,958
Note	As at	As at
11010	31st Ashad 2077	31st Ashad 2076
4.17	1,458,866,152	1,074,497,374
4.18	23,920,613	41,843,286
4.19	6,473,080,003	5,504,430,000
4.20	141,530,380,569	117,200,788,938
4.21	1,000,000,000	950,000,000
	4.2 4.3 4.4 4.5 4.6 4.7 4.8 4.9 4.10 4.11 4.12 4.13 4.14 4.15 4.16 Note 4.17 4.18 4.19 4.20	4.1 4,971,642,414 4.2 6,125,276,757 4.3 6,117,450,000 4.4 6,590,488,467 4.5 - 4.6 3,521,188,673 4.7 103,303,752,458 4.8 32,596,093,012 4.9 1,580,923,496 4.10 - 4.11 - 4.12 103,105,851 4.13 12,008,022,976 4.14 39,450,687 4.15 - 4.16 14,205,422,036 191,162,816,827 Note 31st Ashad 2077 4.17 1,458,866,152 4.18 23,920,613 4.19 6,473,080,003 4.20 141,530,380,569

Particulars

Balance at 1st Shrawan 2075

Current Tax Liabilities	4.9	-	-
Provisions	4.22	56,838,989	131,438,580
Deferred Tax Liabilities	4.15	3,825,757,799	3,650,970,495
Other liabilities	4.23	6,762,981,165	13,680,340,769
Debt securities issued	4.24	-	-
Subordinated Liabilities	4.25	-	-
Total liabilities		161,131,825,289	142,234,309,443
Equity			
Share Capital	4.26	11,282,820,200	9,811,148,000
Share Premium		1,789,915,042	3,262,810,756
Retained Earnings		3,102,720,519	2,895,693,022
Reserves	4.27	13,855,535,776	13,311,684,737
Total equity attributable to equity holders		30,030,991,537	29,281,336,515
Non-controlling interest			
Total Equity		30,030,991,537	29,281,336,515
Total Liabilities and Equity		191,162,816,827	171,515,645,958
Contingent Liabilities and commitment	4.28	30,645,297,520	22,562,843,886
Net Assets Value Per share		266.17	298.45

Statement of Profit or Loss

for the year ended 31st Ashad 2077 (15 July 2020)

Figures in NPR

		Voor ondod
Note	Year ended	Year ended 31st Ashad 2076
4.20		10,375,693,239
4.30		4,186,150,559
4.2.1		6,189,542,679
	′ ′	1,039,339,829
4.32		45,362,654
		993,977,175
		7,183,519,854
	′ ′ ′	342,412,716
4.34		210,783,220
	7,171,880,776	7,736,715,790
4.35	879,633,846	477,102,823
	6,292,246,929	7,259,612,967
4.36	2,224,846,358	2,077,398,273
4.37	668,677,567	549,791,982
4.38	150,802,269	122,374,746
	3,247,920,735	4,510,047,966
4.39	327,252,050	101,607,886
4.40	-	-
	3,575,172,784	4,611,655,852
4.41		
	820,472,225	1,080,433,282
	421,812,018	934,486,525
	2,332,888,541	2,596,736,045
	2,332,888,541	2,596,736,045
	-	-
	2,332,888,541	2,596,736,045
		· · · ·
	20.68	26.99
	20.68	26.99
	1.31 1.32 1.33 1.34 1.35 1.36 1.37 1.38 1.39 1.40	31st Ashad 2077 3.29

Statement of Other Comprehensive Income

for the year ended 31st Ashad 2077 (15 July 2020)

			F	igures in NPK
		Note	Year ended	Year ended
			31st Ashad 77	31st Ashad 76
Pr	ofit for the year		2,332,888,541	2,596,736,045
Ot	her Comprehensive Income, net of income tax			
a	Items that will not be reclassified to Profit or Loss			
	Gains / (Losses) from investment in equity instruments measured		305,618,333	(372,785,035)
	at fair value			
	Gains / (Losses) on revaluation			
	Actuarial Gains / (Losses) on defined benefit plans		(1,129,034,043)	1,327,112,752)
	Income tax relating to above items		247,024,713	509,969,336
Ne	t other Comprehensive Income that will not be reclassified to		(576,390,997)	
Pr	ofit or Loss			(1,189,928,451)
b	Items that are or may be reclassified to Profit or Loss			
	Gains (Losses) on cash flow hedge		-	-

Exchange gains (Losses) arising from translationg financial	-	-
assets of foreign operation		
Income tax relating to above items	-	-
Reclassify to Profit or Loss	-	-
Net other Comprehensive Income that are or may be reclassified	-	-
to Profit or Loss		
c Share of other comprehensive income of associate accounted as	-	-
per equited method		
Other Comprehensive income for the year, net of income tax	(576,390,997)	1,189,928,451)
Total Comprehensive income for the year	1,756,497,544	1,406,807,594
Total Comprehensive income attributable to:		
Equity shareholder of the bank	1,756,497,544	1,406,807,594
Non controlling interest	-	-
Total Comprehensive income for the period	1,756,497,544	1,406,807,594

Statement of Cash Flows

for the year ended 31st Ashad 2077 (15 July 2020)

for the year ended 31st Ashad 207	77 (15 July 2020)	Figures in NPR
Particulars	Year ended	Year ended
- *************************************	31st Ashad 2077	31st Ashad 2076
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	11,088,645,412	10,365,819,900
Fees and other income received	790,344,870	1,037,910,820
Dividend received	770,544,070	1,037,710,020
Receipts from other operating activities	1,025,418,501	340,609,545
Interest paid	(5,908,023,000)	(4,186,150,559)
Commission and fees paid	(43,956,719)	(46,112,150)
Cash payment to employees	(2,224,846,358)	(1,833,532,056)
Other expense paid	(1,548,311,414)	(564,101,983)
Operating cash flows before changes in operating	3,179,271,292	5,114,443,517
assets and liabilities	3,177,271,272	5,111,115,517
(Increase)/Decrease in operating assets		
Due from Nepal Rastra Bank	4,053,044,374	(3,894,665,929)
Placement with Bank and Financial Institutions	(689,775,000)	(2,462,181,746)
Other trading assets	-	-
Loans and advances to bank and financial institutions	(217,908,424)	(569,504,407)
Loans and advances to customers	(10,443,918,569)	(17,336,534,481)
Other assets	(414,901,592)	(5,003,585,820)
Increase/(Decrease) in operating liabilities		
Due to bank and financial institutions	384,368,777	783,844,945
Due to Nepal Rastra Bank	(17,922,673)	7,318,340
Deposit from customers	24,329,591,631	17,660,063,175
Borrowings	50,000,000	840,500,000
Other liabilities	(7,152,343,237)	6,952,669,252
Net cash flow from operating activities before tax	13,059,506,578	2,092,366,844
	13,037,300,370	2,072,300,044
paid		
	(1,409,896,655) 11,649,609,923	(1,540,000,000)
paid Income taxes paid	(1,409,896,655)	(1,540,000,000)
paid Income taxes paid Net cash flow from operating activities	(1,409,896,655)	(1,540,000,000)
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES	(1,409,896,655) 11,649,609,923	(1,540,000,000) 552,366,844
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities	(1,409,896,655) 11,649,609,923	(1,540,000,000) 552,366,844
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities	(1,409,896,655) 11,649,609,923 (15,864,741,509)	(1,540,000,000) 552,366,844 (550,744,475)
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552)
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189	(1,540,000,000) 552,366,844 (550,744,475) - (323,673,552) 5,041,939
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189	(1,540,000,000) 552,366,844 (550,744,475) - (323,673,552) 5,041,939
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523)	(1,540,000,000) 552,366,844 (550,744,475) - (323,673,552) 5,041,939 (17,577,135)
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523) 10,200,763	(1,540,000,000) 552,366,844 (550,744,475) - (323,673,552) 5,041,939 (17,577,135)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806	(1,540,000,000) 552,366,844 (550,744,475) - (323,673,552) 5,041,939 (17,577,135)
paid Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Receipts from issue of subordinated liabilities	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Receipts from issue of subordinated liabilities Repayment of subordinated liability	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Receipts from issue of subordinated liabilities Repayment of subordinated liability Receipts from issue of shares	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598 (16,090,094,092)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Reciepts from issue of subordinated liabilities Repayment of subordinated liability Receipts from issue of shares Dividends paid	(1,409,896,655) 11,649,609,923 (15,864,741,509) - (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Reciepts from issue of subordinated liabilities Repayment of subordinated liability Receipts from issue of shares Dividends paid Interest paid	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598 (16,090,094,092)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of investment properties Receipt from the sale of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Reciepts from issue of subordinated liabilities Repayment of subordinated liability Receipts from issue of shares Dividends paid Interest paid Other recepit/payment	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598 (16,090,094,092) (981,114,800) (25,727,722)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721)
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of intangible assets Purchase of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Repayment of subordinated liability Receipts from issue of shares Dividends paid Interest paid Other recepit/payment Net cash from financing activities	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598 (16,090,094,092) (981,114,800) (25,727,722) (1,006,842,522)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721) 4,948,805,054
Income taxes paid Net cash flow from operating activities CASH FLOW FROM INVESTING ACTIVITIES Purchase of investment securities Receipts from sale of investment securities Purchase of property and equipment Receipt from the sale of property and equipment Acquisition of intangible assets Receipt from the sale of investment properties Receipt from the sale of investment properties Receipt from the sale of investment properties Interest received Dividend received Net cash used in investing activities CASH FLOWS FROM FINANCING ACTIVITIES Receipt from issue of debt securities Repayment of debt securities Reciepts from issue of subordinated liabilities Repayment of subordinated liability Receipts from issue of shares Dividends paid Interest paid Other recepit/payment	(1,409,896,655) 11,649,609,923 (15,864,741,509) (328,947,417) 11,190,189 (26,265,523) 10,200,763 75,377,806 33,091,598 (16,090,094,092) (981,114,800) (25,727,722)	(1,540,000,000) 552,366,844 (550,744,475) (323,673,552) 5,041,939 (17,577,135) (33,346,600) (863,084,721)

Effect of exchange rate fluctuations on cash and cash

Cash and cash equivalents at the end of the period

Other reserve

(1,388,773,509)

Total

22,921,648,867

equivalents held

Retained earning

(437,190,857)

Attributable to equity holders of the Bank

Regulatory

Reserve

2,589,021,283

Fair Value

Reserve

2,298,882,970

Revaluation

Reserve

7,743,591,321

Figures in NPR
Total equity

22,921,648,867

4,971,642,414 10,418,969,105

Non-controlling

interest

Adjusted/Restated balance at 1st Shrawan 2075												
	i l											
Comprehensive income for the year	i l								-	-		-
Profit for the year								2,596,736,045	-	2,596,736,045		2,596,736,045
Other comprehensive income, net of tax						(260,949,524)			(928,978,926)	(1,189,928,451)		(1,189,928,451)
Gains/(losses) from investment in equity instruments measured	i l								-	-		-
at fair value.	i l											
Gains/(losses) on revaluation	i l								-	-		-
Actuarial gains/(losses) on defined benefit plans	i l								-	-		-
Gains/(losses) on cash flow hedges	i l								-	-		-
Exchange gains/(losses) (arising from translating financial Assets of foreign operation)									-	-		-
Total Comprehensive income for the year	ı -l	_	_	-	-	(260,949,524)	-	2,596,736,045	(928,978,926)	1,406,807,594	-	1,406,807,594
Transfer to reserve during the year			519,347,209					732,072,834	43,729,822	1,295,149,865		1,295,149,865
Transfer from reserve during the year			, ,		(1,295,149,865)			4,075,000	-	(1,291,074,865)		(1,291,074,865)
Deferred tax impact of respective reserve	i l				(, , . , , ,			,,	_	_		-
Transactions with owners, directly recognised in equity	i l								_	_		_
Share issued	1 768 485 800	3,180,319,254							_	4,948,805,054		4,948,805,054
Share based payment	1,700,103,000	3,100,317,231							_	1,710,003,031		1,5 10,005,05 1
Dividends to equity holders	i l									_		
Bonus shares issued	i l											
Cash dividend paid	i l								-]		-
Other	i l								-	-		-
Total contributions by and distributions	1 769 495 900	3,180,319,254	519,347,209		(1,295,149,865)			736,147,834	43,729,822	4,952,880,054		4,952,880,054
Balance at 31st Asadh 2076	9,811,148,000				1,293,871,418	2,037,933,446	7,743,591,321	2,895,693,022		29,281,336,515	-	29,281,336,515
Datance at 51st Asaun 20/0	9,011,140,000	3,202,610,730	4,423,324,231	00,700,314	1,293,071,410	2,037,933,440	7,743,331,321	2,093,093,022	(2,2/4,022,013)	29,201,330,313	-1	29,201,330,313
Balance at 1st Shrawan 2076	9,811,148,000	3,262,810,756	4 423 524 251	86,786,914	1,293,871,418	2,037,933,446	7,743,591,321	2,895,693,022	(2,274,022,613)	29,281,336,515	_[29,281,336,515
Comprehensive income for the year	2,011,140,000	3,202,010,730	4,423,324,231	00,700,714	1,2/3,0/1,410	2,037,733,440	7,743,371,321	2,073,073,022	(2,274,022,013)	27,201,330,313		27,201,330,313
Profit for the year								2,332,888,541	_	2,332,888,541		2,332,888,541
Other comprehensive income, net of tax								2,552,000,511	_	2,552,000,511		2,552,000,511
Gains/(losses) from investment in equity instruments measured	i l									_		212 022 022
at fair value.	i l	1				213 932 8331				213 932 833		
Gains/(losses) on revaluation						213,932,833			-	213,932,833		213,932,833
I MATHS/UDSSEST OF LEVATUATION	ļ					213,932,833			-	213,932,833		213,932,833
						213,932,833			(790 323 830)	-		-
Actuarial gains/(losses) on defined benefit plans						213,932,833			(790,323,830)	213,932,833		(790,323,830)
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges						213,932,833			(790,323,830)	-		-
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial						213,932,833			(790,323,830) - -	-		-
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation)	-	-	_	-		213,932,833 213,932,833	_	2,332,888,541	(790,323,830) - - (790,323,830)	-	_	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year	_			-	<u>-</u>		<u>-</u>	2,332,888,541	-	(790,323,830)	-	-
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year	-		466.577.708	-	689,403.037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year	-		466,577,708	-	689,403,037		-	2,332,888,541 - (1,144,746,244)	-	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve	-		466,577,708	-	689,403,037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity	-		466,577,708	-	689,403,037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued	-		466,577,708	-	689,403,037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment	-		466,577,708	-	689,403,037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment Dividends to equity holders	1 471 672 200	(1 471 672 200)	466,577,708	-	689,403,037		-	-	(790,323,830)	(790,323,830)	-	(790,323,830) - -
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment Dividends to equity holders Bonus shares issued	1,471,672,200	(1,471,672,200)	466,577,708	-	689,403,037		-	(1,144,746,244)	(790,323,830) - (11,234,502) - - - -	(790,323,830) - - 1,756,497,544	-	- (790,323,830) - - 1,756,497,544
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment Dividends to equity holders Bonus shares issued Cash dividend paid	1,471,672,200		466,577,708	-	689,403,037		-	-	(790,323,830) - (11,234,502) - - - -	- (790,323,830) - - 1,756,497,544 - - - - (981,114,800)	-	- (790,323,830) - - 1,756,497,544 - - - - - (981,114,800)
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment Dividends to equity holders Bonus shares issued Cash dividend paid Other		(1,223,514)					-	(1,144,746,244) (981,114,800)	(790,323,830) - (11,234,502) - - - - - - (24,504,208)	(790,323,830) - - 1,756,497,544 - - - (981,114,800) (25,727,722)	-	- (790,323,830) - - 1,756,497,544 - - - - (981,114,800) (25,727,722)
Actuarial gains/(losses) on defined benefit plans Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from translating financial Assets of foreign operation) Total Comprehensive income for the year Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reserve Transactions with owners, directly recognised in equity Share issued Share based payment Dividends to equity holders Bonus shares issued Cash dividend paid Other Total contributions by and distributions	1,471,672,200		466,577,708	-	689,403,037		7 7/43 501 221	(1,144,746,244)	(790,323,830) (11,234,502) - (11,234,502) - - - (24,504,208) (35,738,710)	- (790,323,830) - - 1,756,497,544 - - - - (981,114,800)	-	- (790,323,830) - - 1,756,497,544 - - - - - (981,114,800)