

(नेपाल राष्ट्र बैंकबाट 'क' वर्गको इजाजत प्राप्त संस्था) रजिस्टर्ड (केन्द्रीय कार्यालय)ः काठमाडौँ जिल्ला, का.म.न.पा. वडा नं. २२, धर्मपथ पोस्ट बक्स नं. ३६, फोन नं. ०१- ५९७१२२२/५३४७९९९

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# नेपाल बैंक लिमिटेडको ६५औं वार्षिक साधारण सभा सम्बन्धी सूचना

(प्रथम पटक प्रकाशित मिति : २०८१ फागन १० गते)

यस बैंकको सञ्चालक समितिको मिति २०५१/१९/०५ गते विहीबार बसेको २५औँ बैठकबाट देहायका विषयहरूमा छलफल तथा निर्णय गर्नका लागि निम्न मिति. स्थान र समयमा बैंकको ६५औं वार्षिक साधारण सभा बस्ने निर्णय भएको हँदा कम्पनी ऐन. २०६३ को दफा ६७ बमोजिम सम्पर्ण शेयरधनी महानुभावहरूको जानकारी तथा उपस्थितिका लागि अनुरोध गर्दै यो सूचना प्रकाशित

## १. साधारण सभा हने मिति, स्थान र समय :

२०८१ चैत्र ६ गते बुधबार

नेपाल ए.पी.एफ क्लब, हलचोक, काठमाडौं

समय बिहान १०:३० बजे

## २. छलफलका विषयहरू

## क. सामान्य प्रस्तावहरू

- आर्थिक वर्ष २०५०/५१ को सञ्चालक समितिको वार्षिक प्रतिवेदन छलफल गरी पारित
- २. लेखापरीक्षकको प्रतिवेदन सहितको २०५१ आषाढ मसान्तको वासलात, सोही मितिमा समाप्त आर्थिक वर्ष २०५०/५१ को नाफा/नोक्सान हिसाब तथा नगद प्रवाह विवरण र सोही अवधिको वित्तीय विवरणसँग सम्बन्धित अनुसूचीहरू छलफल गरी पारित गर्ने । ३. कम्पनी ऐन, २०६३ को दफा १११ र बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३
- पारिश्रमिक निर्धारण गर्ने । ४. बैंकको नियमावलीमा भएको व्यवस्था बमोजिम सर्वसाधारण शेयरधनीको तर्फबाट

को दफा ६३ अनुसार आर्थिक वर्ष २०५१/५२ का लागि लेखापरीक्षक नियुक्त गर्ने र

प्रतिनिधित्व गर्ने ३ (तीन) जना सञ्चालकको निर्वाचन गर्ने । सञ्चालक समितिको आजाले

> केशव प्रसाद भण्डारी कम्पनी सचिव

# साधारण सभा सम्बन्धी अन्य जानकारी

- वार्षिक साधारण सभा प्रयोजनको निमित्त मिति २०५१/१९/२२ गते शेयरधनी दर्ता पस्तिका (Book Close) बन्द रहनेछ । नेपाल स्टक एक्सचेञ्ज लिमिटेडमा मिति २०५१/११/२१ गतेसम्म कारोबार भई नियमानुसार शेयर नामसारी भएका शेयरधनीहरू मात्र साधारण सभामा सहभागी हन योग्य हनेछन्।
- सभामा भाग लिन इच्छुक शेयरधनी महानुभावहरूले शेयर प्रमाणपत्र वा हितग्राही (DMAT) खाता खोलिएको प्रमाण/हितग्राही खाता नं./शेयर कित्ता सङ्ख्या तथा फोटो सहितको कुनै परिचय पत्र अनिवार्य रूपमा साथमा लिई सहभागी हुनुपर्नेछ ।
- सभामा भाग लिने प्रत्येक शेयरधनी महानभावले सभाको दिन सभा हने स्थानमा उपस्थित भई सभा स्थलमा रहेको हाजिरी पुस्तिकामा दस्तखत गर्नुपर्नेछ । हाजिरी पुस्तिका उक्त दिन बिहान
- सभामा भाग लिन र मतदान गर्नका लागि आफ्नो प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले आफ्नो सम्पूर्ण शेयरको एउटै प्रतिनिधि हुने गरी प्रचलित कम्पनी कानुनले तोकेको ढाँचामा प्रतिनिधिपत्र (प्रोक्सी) फारम भरी सभा सुरू हुनुभन्दा कम्तीमा ७२ घण्टा अगावै बिहान १०:३० बजेभित्र बैंकको शेयर रजिस्ट्रारको कार्यालय श्री हिमालयन क्यापिटल लिमिटेड, आईटी प्लाजा, कमलादी, काठमाडौँमा दर्ता गरिसकनुपर्नेछ । प्रोक्सी नियुक्त गर्दा बैंकका शेयरधनीहरूलाई मात्र प्रोक्सी नियुक्त गर्न सिकनेछ। एकभन्दा बढी व्यक्तिलाई शेयर विभाजन गरी वा अन्य कुनै किसिमबाट छट्टयाएर दिइएको प्रोक्सी बदर हुनेछ।
- सभामा भाग लिन र मतदान गर्नका लागि प्रतिनिधि (प्रोक्सी) नियक्त गरिसकेपछि प्रतिनिधि फेरबदल गर्न चाहेमा यस अघि दिएको प्रतिनिधि (प्रोक्सी) बदर गरी यो प्रतिनिधि (प्रोक्सी) लाई मान्यता दिइयोस भन्ने छुट्टै पत्र सहित प्रोक्सी फाराम सभा सुरु हुनुभन्दा कम्तीमा ४८ घण्टा अगावै बिहान १०:३० बजेभित्र बैंकको शेयर रजिस्ट्रार श्री हिमालयन क्यापिटल लिमिटेडमा प्राप्त हुने गरी दर्ता गराएको अवस्थामा अघिल्लो प्रतिनिधिलाई स्वतः बदर भएको मानी पछिल्लो प्रतिनिधिलाई मान्यता दिइनेछ । प्रतिनिधि नियुक्त गरिसकेको शेयरधनी स्वयं सभामा सहभागी भएमा निजले दिएको प्रतिनिधि स्वतः बदर हुनेछ ।
- संयुक्त रूपमा शेयर ग्रहण गर्ने शेयरधनीहरूको हकमा शेयर लगत किताबमा पहिले नाम उल्लेख भएको व्यक्ति वा सर्वसम्मत नियुक्त प्रतिनिधिले मात्र सभामा भाग लिन पाउनेछन्।
- नाबालक तथा मानसिक सन्तुलन ठीक नरहेको शेयरधनीको तर्फबाट शेयर लगत दर्ता किताबमा संरक्षकका रूपमा नाम दर्ता भएको व्यक्तिले सभामा भाग लिन तथा प्रतिनिधि नियक्त गर्न सक्नेछन्।
- सङ्गठित संस्थाका शेयरधनी भएमा त्यस्तो सङ्गठित संस्थाको तर्फबाट बैंकको साधारण सभामा उपस्थित हनका लागि मनोनित व्यक्तिले शेयरधनी संस्थाको आधिकारिक पत्रका साथ प्रोक्सी फारममा संस्थाको छाप र आधिकारिक व्यक्तिको दस्तखत भएको कागजात पेश गर्नुपर्नेछ ।
- बुँदा ४ र ५ को उल्लिखित दिन कुनै सार्वजनिक बिदा पर्न गएमा पनि सो बुँदामा उल्लिखित प्रयोजनका लागि कार्यालय कक्ष खुला रहनेछ।
- १०. शेयरधनी महानभावहरूको जानकारीका लागि बैंकको सङक्षिप्त आर्थिक विवरण यसै सचना साथ प्रकाशित गरिएको छ । साथै, वार्षिक साधारण सभामा प्रस्तृत छलफलका विषयहरू रहेको लेखापरीक्षणको प्रतिवेदन सहितको वार्षिक प्रतिवेदन बैंकको वेबसाइटमा पनि प्रकाशित गरिनेछ।
- साधारण सभा सम्बन्धमा थप जानकारी आवश्यक परेमा कार्यालय समयभित्र बैंकको प्रधान

## नेपाल बैक लिमिटेडको आ.व. १०८०/८१ को सङ्क्षिप्त आर्थिक विवरण

कम्पनी ऐन. २०६३ (पहिलो संशोधन २०७४) को दफा ८४(४) प्रयोजनको निमित्त प्रकाशित विवरण (सङ्क्षिप्त आर्थिक विवरण बैंकको वार्षिक आर्थिक विवरण र सञ्चालकको प्रतिवेदनको सङ्क्षिप्त विवरणका रूपमा रहेको छ।)

# शेयरधनी महानभावहरू

नेपाल बैंक लिमिटेडको ६५औँ वार्षिक साधारण सभाको प्रयोजनार्थ आ.व. २०५०/५१ को बैंकको वासलात, नाफा/नोक्सान हिसाब, अन्य विस्तृत आम्दानीको नगद प्रवाह विवरण लगायत बैंकको समग्र कारोबारको सिंहावलोकन निम्नानुसार रहेको व्यहोरा यस सङ्क्षिप्त वार्षिक आर्थिक विवरण मार्फत जानकारी गराउँदछौँ ।

# क) विगत वर्षको बैंकको कारोबारको सिंहावलोकन

आ.व. २०७९/८० को अन्त्यमा रु.३ लाख ९० हजार कायम रहेको वितरणयोग्य सञ्चित मुनाफा यस वर्ष विभिन्न नियामकीय समायोजन गरिएसँगै रु.९६ करोड ४१ लाख ऋणात्मक रहेको छ । आर्थिक गतिविधिमा शिथिलता आई कर्जा मागमा कमी आएको कारण कर्जा प्रवाह प्रभावित भएको छ । तथापि आ.व. २०५०/५१ मा ९.५५ प्रतिशतको बढोत्तरी भई बैंकको समग्र कर्जा रु.२ खर्ब १ अर्ब ६५ करोड १२ लाख रुपियाँ प्रोको छ । समीक्षा अवधिमा बैंकको कुल निक्षेप गत आर्थिक वर्षको तुलनामा १५.३७ प्रतिशतले वृद्धि भई रु.२ खर्ब ५३ अर्ब ५६ करोड ३ लाख रुपियाँ पुगेको छ । आ.व. २०५०/५१ को अन्त्यमा बैंकको लगानी रु.४५ अर्ब ४६ करोड ७१ लाख कायम रहेको छ। यस वर्ष ३ महिने अवधिको ट्रेजरी बिल्सलाई नगद तथा नगद सरह पुनःवर्गीकरण गरिएका कारण गत वर्षको तलनामा लगानी शीर्षकको रकममा केही कमी देखिएको हो । आ.व. २०५०/५१ मा १३.७४ प्रतिशत रहेको बैंकको पुँजी कोषको अनुपात समीक्षा वर्षमा १.२९ बिन्दुले घटेर १२.४५ प्रतिशत पुगेको छ भने निष्क्रिय कर्जा १.४५ बिन्दुले वृद्धि भई समीक्षा वर्षमा ४.३३ प्रतिशत पुगेको छ।

		(रकम रु.लाखम						
वासलात	आ.व. २०८०/८१	आ.व. २०७९/८०	परिवर्तन					
शेयर पुँजी	१४६,९४०.२३	१४६,९४०.२३	_					
सञ्चित मुनाफा	(९,६५०.७५)	₹.९०	_					
जगेडा तथा कोषहरू	२१९,०६७.४३	२१८,२८२.५९	0.35%					
कर्जा	२०,१६,८१२.३३	१८,४०,५६२.२९	९.५५%					
निक्षेप	२८,३४,६०३.२७	२४,५७,८९४.४१	१५.३७%					
लगानी	४८४,६७१.२१	५९६,८३१.३६	(१८.७९%)					

कमी आएको छ । समीक्षा अवधिमा ब्याज आम्दानी ०.३३ प्रतिशतले कमी भएको साथै ब्याज खर्चमा ४.३८ प्रतिशतले वृद्धि भएको कारण खुद ब्याज आम्दानी घटेको हो । आ.व. २०७९/८० मा रु.१० अर्ब ६२ करोड ५८ लाख रहेको बैंकको कुल सञ्चालन आम्दानीमा समीक्षा वर्षमा २.८१ प्रतिशतले कमी भई रु.१० अर्ब ३२ करोड ७२ लाख रहेको छ । आ.व. २०५०/५१ मा बैंकले सञ्चालन मुनाफा रु.६८ करोड ३५ लाख आर्जन गरेको छ । अघिल्लो आर्थिक वर्षको तुलनामा सञ्चालन मुनाफामा कमी हुनुको मुख्य कारण कर्जा नोक्सानीमा भएको वृद्धि हो।

आ.व. २०७९/८० को तुलनामा समीक्षा वर्षमा बैंकको खुद ब्याज आम्दानीमा ८.२१ प्रतिशतले

बैंकले आ.व. २०७९/५० मा रु.३ अर्ब ४३ करोड ७५ लाख आयकर पछिको खुद मुनाफा गरेकोमा समीक्षा वर्षमा आयकर पछिको खुद मुनाफा रु.२ करोड ५४ लाख रहेको छ।

नाफा नोक्सान हिसाब	आ.व. २०८०/८१	आ.व. २०७९/८०	परिवर्तन
खुद ब्याज आम्दानी	<i>দ६,३४७.६</i> ८	९४,०६९.५३	(৯.২৭%)
कुल सञ्चालन आम्दानी	१,०३,२७२.१५	१,०६,२५५.९२	(२.५१%)
सञ्चालन मुनाफा	६,८३४.५३	83,383.88	(58.5%)
कर्मचारी बोनस व्यवस्था	४०३.०९	२,३२१.४२	( 5. 5 8%)
आयकर अघिको खुद मुनाफा	७,६५८.६३	४४,११६.०६	(८२.६४%)
आयकर व्यवस्था	४,०३१.५७	૧૧,७७४.४५	(६५.७६%)
आयकर पछिको खुद मुनाफा	<b>२</b> ८४.२०	३४,३७४.७९	(९९.१७%)

#### ख) लेखापरीक्षकको मन्तव्य

बैंकको आ.व. २०५०/५१ को वासलात, नाफा-नोक्सानको हिसाब तथा सोही अवधिको एकीकत नगद प्रवाह विवरण लगायतका वित्तीय विवरणहरूमा लेखापरीक्षकबाट नेपाल राष्ट्र बैंकद्वारा जारी निर्देशन तथा सर्वमान्य लेखाका सिद्धान्त अनुसार यथार्थपरक रहेको राय सहितको प्रतिवेदन निम्नानुसार



M.B. Pande & Co.

B. & S. Associates Chartered Accountants

(रकम रु.लाखमा)

## INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Nepal Bank Limited.

### Report on the Audit of the Financial Statements

We have audited the financial statements of Nepal Bank Limited. (the Bank), which comprises the statement of financial position as at Ashad 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

In our opinion and to the best of our information and according to explanations provided to us, the accompanying financial statements present fairly, in all material respects, the financial position of the Bank as at Ashad 31, 2081 and its financial performance and its cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRS)

## 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 Code of Ethics for Professiona 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 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

We draw attention to the following matters as reflected in the notes to the financial statements. Our opinion is not

Note 4.16 "Other Assets" of the financial statements include long pending net receivable amount of NPR 1.122.62

million (comprising Debit of NPR 1,175.73 million and Credit of NPR 53.11 million) for which no balance

- confirmations have been obtained. Further, other assets include net unreconciled amount of NPR 647.25 million. Other assets include balances of account receivables. DD paid without Schedule, RBB transaction, prepayments and advances TU Penson A/C suspense accounts and other assets Note 4.23 "Other Liabilities" of the financial statements include a net payable amount of NPR 1,479.01 million (comprising Debit of NPR 12,150.57 million and Credit of NPR 13,629.58 million) which have been long pending
- for settlement and for which no balance confirmations have been obtained. Further, other liabilities also include net unreconciled amount of NPR 80.07 million. Other liabilities include balances of bills payable, unclaimed liabilities, unidentified deposits, interbranch account, government transactions, unpaid dividend, interest suspense account cash in transit and other liabilities As outlined in Note 4.23.7 "Actuarial Assumptions" of the notes to the financial statements, there has been a revision
- in the discount rate from 9.5% p.a. for previous year to 9% p.a. for current year in actuarial assumptions used for valuation of pension/gratuity and retirement benefits.
- The bank has allocated for debenture redemption reserve amounting to NPR 388.89 million despite insufficient profit for the year and retained earnings available for such allocation

# Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the

S. No Key Audit Matters

Interest Recognition:

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

Auditor's Response

The bank recognizes interest income on an accrual basis, in accordance with the Interest Income Recognition Guidelines set by Nepal Rastra Bank. The recognition of interest income on non-performing loans requires judgment in determining the net realizable value of loans and advances. Since an automated system is not yet in place to suspend income recognition based on loan overdue status, the fair value of collateral, or to regularly review the collateral's fair value, manual intervention is necessary. This may result the risk of improper application of the guidelines and inaccurate determination of collateral's fair value.	а. b.	Coss of interest recognition included:  Obtaining a clear understanding of the process of accrual of interest income on loans and advances in the Core Banking Software of the bank.  Test check the interest income recording with manual computation on sampled borrowers.  Test-check the premium charged on sampled borrowers from the report provided and the basis taken by the management.  Review and verification of the transactions relating to manual debit or credit of interest in the system.	
	e.	Understanding as to how the Bank's management monitors their business, analyze its	

# Impairment of Loans and Advances to Customers:

In accordance with NRB Directive 4, the bank is required to measure impairment loss on loans and advances based on the higher of

- The amount calculated in line with the provisions set by Nepal Rastra Bank for loan loss
- The amount determined under paragraph 5.5 of NFRS 9, as modified by the carve-out issued by the Institute of Chartered Accountants of Nepal on July 18, 2022, adopting the Incurred Loss Model for "Financial Instruments-Impairment."

The impairment of loans and advances under NRB's loan loss provisioning norms involve evaluating the overdue status of loans and the proper use of loans for their intended purposes. On the other hand, the impairment under the incurred loss model requires assessing future cash flows as well as the historical loss experiences of loan portfolios

This process involves significant estimates and assumptions by management. As such, the accuracy and availability of data necessary for assessing impairment under both NRB provisioning guidelines and the incurred loss model are crucial. Due to the material impact of this matter on the financial statements, we have identified it as a key audit matter

Our audit approach regarding verification of impairment of loans and advances included:

credit portfolio and the interest income thereor

Our audit approach regarding verification of the

- Test the operating effectiveness of key controls established by the bank to identify loss events and to determine the extent of provisioning required against non-performing loans and
- Review the overdue status of loans and advances by obtaining data from the system and matching the same with the NRR 2.2 reports
- Review of sampled credit files, among other things, from the perspective of the utilization of loans and advances for the intended purpose by way of scrutiny of financial statements, account movement, account turnover etc. including the business visits of the selected borrowers
- Review of credit files of sampled borrowers for expected future cash flows with an indication of impairment is assessed based on the realizable value of collateral securities based
- Assess the grouping of a homogeneous group of loans based on the nature and purpose of loans including data of historical loss experience i portfolios based on past due data from the system as well as data of loan loss provisioning of the defined group in the past.

#### Information Technology System and Control over Financial Reporting

IT controls with respect to recording transactions, generating various reports in compliance with NRB guidelines and other compliances to regulators is an

important part of the process. Such reporting is heavily dependent on the effective working of Core Banking Software (CBS) and other allied systems. We have considered this a key audit matter as any control lapses, validation failures, incorrect input data, and errors in the extraction of data may result in incorrect financial reporting

- Our audit approach regarding the information technology of the bank is based upon the Information Technology Guidelines issued by NRB and included
- Understanding business processes, IT Systems used to generate and support those balances and associated IT application controls and IT dependencies in manual controls
- Understanding the coding system adopted by the bank for various categories of customers.
- Evaluating and testing the design and operating effectiveness of certain control activities over the integrity of the material IT systems that the
- d. 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.
- e. Checking the user /authority matrix for any changes in the regulations/ policy of the bank
- Review of the reports generated by the system on a sample basis and verified the interest income and expense booking regarding loans and deposits on a test basis with the CBS of the

## Investment valuation and impairment

The bank's investments include holdings in government bonds, T-bills, and both quoted and unquoted equity instruments. The valuation of these securities is carried out in accordance with NFRS and NRB Directive requirements.

> Investments in government and NRB bonds, as well as T-bills, should be recognized at an amortized cost on the reporting date. Meanwhile, other equity investments, excluding those held for trading, are to be valued at fair value through Other Comprehensive

Due to the different valuation treatments based on the nature of cash flows, the adopted business model, the complexity of the calculations, and the materiality of the amounts involved, we have identified this as a Key Audit Matter.

Our audit approach regarding verification of the process of investment valuation, identification and mpairment included:

- Review of the investment of the bank and its valuation having reference to NFRS and NRB Directive 4 read with 8.
  - Assessing the nature of the expected cash flow of the investments as well as the business model adopted by the management on the basis of available evidence/circumstances and ensure that the classification of investment is commensurate with the nature of cash flow and management's intention of holding the
- Test checking the effective interest rate and amortization schedule on a test basis for the investment valued at amortized cost.

d. Ensuring that fair valuation has been done at the

closing rate in NEPSE at the year-end for quoted investment and for the unquoted investment, net assets value based on the audited financial statements or latest available unaudited financial statements.

# 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 annual report but not included in the financial statements and our auditor's report thereon. The annual report is expected to be made available 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, we will 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

When we read the annual report, if we conclude that there is a material misstatement therein, we are required to request management and those charged with governance 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 NFRSs, 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

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. 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

As a part of audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism

- Identify and assess the risk of material misstatement of the financial statements whether due to fraud or error, design and perform audit procedure responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide an opinion. The risk of not detecting an material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omission, misrepresentation, or the
- 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 purpose of expressing an opinion on the effectiveness of internal
- Conclude an appropriateness of management use of going concern basis of accounting and, based in audit evidence obtained, whether a material uncertainty exists related to events or condition that may cast significant doubt on the Bank's ability to continue as 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 consolidated 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
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management
  - Evaluate the overall presentation, structure, and content of financial statement including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair
- Obtain 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

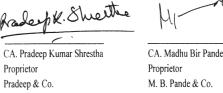
We communicate with those charges with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during

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

# Report on Other Legal and Regulatory Requirement

We further report that:

- · We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose for our audit.
- The financial statements including the statement of financial position, statement of profit or loss, statement of other 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 Bank and Financial Institution Act 2073, 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.
- The bank operates a centralized core accounting system, and while the statements received from the bank's branches not independently audited were adequate for the purpose of our audit
- To the best of our information and according to the explanations given to us and from our examination of the books of account, we observed that the loans have been written off as specified, the business of the bank was conducted satisfactorily, and Bank's transactions were found to be within the scope of its authority.
- We did not come across the cases of accounting related fraud and cases where the Board of Directors or any member thereof or any employee of the Bank have acted in contrary with the provisions of the law relating to accounts or caused loss or damage to the Bank or committed any misappropriation of the funds of the bank or violated any



Proprietor Pradeen & Co. Chartered Accountants UDIN: 250113CA00009tfACG Place: Kathmandu

Date: Poush 29, 2081



Partner B. & S. Associates Chartered Accountants UDIN:250113CA01135gvCjJ



Statement of F As at 31st Ashad			n	Profit befo	ting expense ore income tax			765,862,624	4,411,605,870	Deposit from custom Borrowings	ers		8,569,745,505 (262,300,000)	48,437,850,420 (7,041,875,000)
As at 51st Ashau		• •	Figures in NPR	!	ent Tax		1	403,156,761	1,177,445,202	Other liabilities  Net cash flow from o	perating activities be	fore tax paid 1	7,039,005,349 6,601,306,321	(51,468,877) <b>16,852,314,560</b>
ASSETS	Note		31st Ashad 2080	Profit for	erred Tax the period ibutable to:			334,285,827 28,420,037	(203,418,327) 3,437,578,995	Income taxes paid Net cash flow from CASH FLOW FRO		1-	,504,805,572) <b>4,096,500,749</b>	(413,170,838) <b>16,439,143,723</b>
Cash and cash equivalents Due from Nepal Rastra Bank			8,656,502,983 19,748,872,262	Equ	ity holders of the Bar -controlling interests	!		28,420,037	3,437,578,995	Purchase of investme Receipts from sale of	ent securities	1	0,538,408,729	(15,967,340,696)
Placement with Bank and Financial Institutions	4.3	4,115,390,000	582,511,250	Profit for				28,420,037	3,437,578,995	Purchase of property Receipt from the sale	and equipment	į	60,747,925	(120,466,095)
Derivative Financial Instruments Other Trading Assets	4.5	99,314,408	3,594,260 115,040,866	Basi	c EPS ted EPS			0.19 0.19	23.39 23.39	Acquisition of intang Receipt from the sale	ible assets		9,592,301	- 3,590,934
Loans and advances to B/FIs Loans and advances to customers	4.6 4.7	7,013,462,114 194,667,770,477	5,499,659,799 178,556,569,017		tatement of			ensive I	ncome	Purchase of investme Receipt from the sale	nt properties	erties	(7,628,896)	(89,564,009)
Investment securities Current tax assets	4.9	46,407,773,958	56,946,182,687 1,202,965,540			ended 31st A				Interest received Dividend received		!	3,557,273,379 7,165,442	3,220,434,077 15,074,014
Investment in subsidiaries Investment in associates	4.10 - 4.11 2	- 2,059,346,477	2,736,953,345				Note	Year ended st Ashad 2081	Year ended 31st Ashad 2080	Net cash used in inv	esting activities	1		(12,938,271,775)
Investment property Property and Equipment	4.13	13,302,874,848	198,109,605 13,363,622,773		prehensive Income,		X	28,420,037		CASH FLOWS FRO		İ	-	-
Goodwill and Intangible assets Deferred Tax Assets	4.15	-	31,844,285	a Items th	at will not be reclassific (Losses) from investme	ed to Profit or Los		(205 720 50 "	1.511.220.12.1	Receipt from issue of Repayment of debt se	ecurities	İ	-	- -
Other assets Total Assets		340,353,227,653	9,088,169,165 <b>296,735,597,837</b>	instrum Gains /	ents measured at fair va (Losses) on revaluat	lue ion		(205,720,584)	1,511,339,134	Receipts from issue of Repayment of suboro	of subordinated liabilinated liabilinated liability	lities	-	- -
	Note		Year ended 31st Ashad 2080		al Gains / (Losses) on de tax relating to above		s (	1,052,886,039 377,581,987		Receipts from issue of Dividends paid	of shares		- -	1,440,590,483
Liabilities  Due to Bank and Financial Institutions	4.17	476,582,133	1,275,441,704	be reclassi	Comprehensive Inc fied to Profit or Los	SS	ot	(881,024,636)	39,318,107	Interest paid Other receipt/paymen			(298,087,661) (915,400,426)	(298,040,566) (2,378,520,534)
Due to Nepal Ratsra Bank Derivative Financial Instrument	4.18 4.19	3,321,660,000	70,000,000 8,541,000	b Profit	hat are or may be r or Loss					Net cash from finan Net increase (decrea	se) in cash and cash	equivalents 2	,213,488,087) 7,048,571,541	(1,235,970,617) 2,264,901,330
Deposits from customers Borrowings	4.20	283,083,745,209	244,513,999,703 262,300,000	Exchan	Losses) on cash flow ge gains (Losses) arisin	ng from translatio	n		-  -  -  -	Cash and cash equiva			8,656,502,983	6,391,601,653
Current Tax Liabilities Provisions	4.9	142,235,769	247,896,915	Income	cial assets of foreign of tax relating to above				-	equivalents held  Cash and cash equiv	valents at the end o	f the period 3	5,705,074,522	8,656,502,983
Deferred Tax Liabilities Other liabilities	4.15	4,039,288,771 10,159,085,084	4,082,584,932 6,257,810,167	Net other	Comprehensive Inc					State	ement of Dist	ributable P		oss
Debt securities issued Subordinated Liabilities	4.24 4.25	3,494,939,268	3,494,351,608	Share o	classified to Profit of other comprehensive	ve income of					As per	NRB Regulation		Duovious Voor
Total liabilities  Equity  Shore Capital	4.26	304,717,536,234	260,212,926,029	Other Cor	te accounted as per e nprehensive income tax		et	(881,024,636)	39,318,107	Net Profit/(loss) as p	Particulars per Statement of Pr	ofit or Loss		Previous Year 7 3,437,578,995
Share Capital Share Premium Patained Farnings	4.26	14,694,022,928	-		prehensive income			(852,604,599)		a. General Reserve b. Foreign Exchange	Fluctuation fund		(5,684,007	/ / /
Retained Earnings Reserves Total equity attributable to equity	4.27	(965,074,675) 21,906,743,166	389,959.17 21,828,258,921	Equity	sprehensive income shareholder of the ba ntrolling interest			(852,604,599)	3,476,897,102	c. Capital redemption d. Corporate social re	ı reserve		12,964,90	
Total equity attributable to equity holders  Non-controlling interest		35,635,691,419	36,522,671,808		prehensive income			(852,604,599)	3,476,897,102	e. Employees training			(15,089,687	
Total Equity Total Liabilities and Equity		35,635,691,419 340,353,227,653	36,522,671,808 296,735,597,837			tement of				f. Other  - Debenture Redemption Reserve  - Employees Welfare Fund			(388,888,889	/ / /
Contingent Liabilities and commitment Net Assets Value Per share	4.28	99,990,237,460 242.52	85,559,209,036 248.55		- July jea	10011		Year ended	Figures in NPR Year ended	Profit/(loss) before a Regulatory Adjustn	egulatory adjustm	ent	(368,645,276	7
Statement of	Pro		270.33	CASH FL	OWS FROM OPEI	RATING		t Ashad 2081	31st Ashad 2080	a. Interest Receivable			344,451,38	8 (681,559,976)
for the year ended 31st	Ashad	l 2081 (15 July 20	24) Figures in NPR	ACTIVIT Interest red	IES		11	9,736,214,544	20,042,974,217		possible losses on inve	stment(-)/reversal(+)	(5.072.21(	(50.5(0.0(0)
	Note		Year ended 31st Ashad 2080	Fees and o Dividend r	ther income received eceived	Į.	j	1,341,034,240	1,019,377,814	Assets (-)/reversa	l(+)		(5,073,216	
Interest income Interest expense	4.29	25,075,564,947 16,440,796,684	25,158,116,908 15,751,164,273	Receipts fr Interest pa	om other operating a	ctivities	(16	659,953,253 5,072,393,940)	450,060,494 (15,378,295,555)	f. Goodwill recogniz g. Bargain purchase g	ed (-)/Impairment of gain recognized (-)/re			
Net interest income Fees and commission income	4.31	8,634,768,263 1,341,034,240	<b>9,406,952,635</b> 1,019,377,814	Commission Cash paym	on and fees paid ent to employees		(3	(233,296,513) ,554,769,997)	(188,311,060) (3,885,515,968)	h. Actuarial Loss rec i. Other (+/-)	ognized (-)/reversal		(737,020,227	7) (1,018,619,286)
Fees and commission expense Net fee and commission income	4.32	233,296,513 1,107,737,727	188,311,060 <b>831,066,754</b>	Other expe	nse paid cash flows before c	hanges in oper	ating	5,088,992,063) 3,212,250,476)	(3,846,622,542)	- Fair Value of Investment Securities  Net Profit/(loss) for the year end Ashad 2081 available for		2081 available for	(965,464,634	482,024,624
Net interest, fee and commission income Net trading income	4.33	<b>9,742,505,989</b> 113,457,813	10,238,019,389 78,642,010	assets and			(4	,212,250,476) (1,786,332,600)		distribution Opening Retained Earning as on Shrawan 1 2080		389,95	1	
Other operating income  Total operating income	4.34	471,251,694 10,327,215,497	309,231,092 10,625,892,491	(Increase)/Decrease in operating assets Due from Nepal Rastra Bank			,796,603,968)		Adjustment(+/-) Tax on issue of bonus shares from Share premium as per			- (977,248,159)		
Impairment charge/(reversal) for loans and other losses	4.35	4,755,258,138	1,113,348,200	Other tradi	C		(3	,532,878,750) ,310,632,323)	473,556,211	Transfer to General I	of Income tax act 2058.  eneral Reserve as per NRB letter No. BSD/			- (1,197,874,084)
Net operating income Operating expense		5,571,957,358	9,512,544,291	Loans and	advances to bank and advances to custome		(16	,513,802,316) 6,111,201,460)	(7,076,067,150)	offsite/ AGM/148/20% Others	79-80 dated on 2079.	/09/06		(1,171,017,004)
Personnel expenses Other Operating expenses	4.36 4.37	3,554,769,997 953,713,341	3,885,515,968 916,767,870		Decrease) in operati	_		2,601,084,331		Distribution:  Bonus shares issued				- (288,118,097)
Depreciation and Amortization Operating Profit	4.38	380,020,584 <b>683,453,437</b>	375,915,989 <b>4,334,344,464</b>	1	k and financial instit oal Rastra Bank	utions		(798,859,571) (70,000,000)	184,763,061 (5,818,868,046)	Cash Dividend paid Total Distributable			(965,074,675	<u> </u>
Non operating Income	82,409,188	77,261,406		Statemer	nt of Ch	angos	in Far	ity	Annualized Distribut	able Profit/Loss per	share	-6.57%	0.00	
			61		Exchange				on D			Non-	Figures in NPR	
Particulars Share		Share Capital	Share premium	General reserve	equalization reserve	Regulator Reserve	Rese			Other reserve	Total	controlling interest	Total equity	
Balance at 1st Shrawan 2079 Adjustment/ Restatement			14,405,904,831	-	6,067,232,483	86,786,914	3,881,974,	,064 2,097,0	63,718 7,743,591	,321 3,422,196,158	(2,241,136,141)	35,463,613,348	-	35,463,613,348
Adjusted/Restated balance at 1st Shrawan Comprehensive income for the year	2079		14,405,904,831	-	6,067,232,483	86,786,914	3,881,974,	,064 2,097,0	7,743,591	,321 3,422,196,158	(2,241,136,141)	35,463,613,348	-	35,463,613,348
Profit for the year Other comprehensive income, net of	tax									3,437,578,995	-	3,437,578,995		3,437,578,995
Gains/(losses) from investment in equity instruments measured at fair value.		air		İ			1,057,9	37,394	İ	-	1,057,937,394		1,057,937,394	
Gains/(losses) on revaluation Actuarial gains/(losses) on defined benefit plans							İ			(1,018,619,286)	(1,018,619,286)		(1,018,619,286)	
Gains/(losses) on cash flow hedges Exchange gains/(losses) (arising from	_		f					İ			-	- -		-
foreign operation)  Total Comprehensive income for the			-	-	   -	  -		- 1,057,9	37,394	- 3,437,578,995	(1,018,619,286)	3,476,897,102		3,476,897,102
Transfer to reserve during the year Transfer from reserve during the year					1,885,389,883	553,971	1,814,516,		-	(4,153,428,455)	452,968,005	4,153,428,455 (4,153,428,455)		4,153,428,455 (4,153,428,455)
Deferred tax impact of respective reser  Transactions directly recognized in equity	ve										-	-		-
share issued Share based payment									Ì		-    -	- -		-   -
Dividends to equity holders  Bonus shares issued			288,118,097							(288,118,097)	- -	- -		-    -
Cash dividend paid Other (FPO Tax)				<u> </u>		<u> </u>				(1,440,590,483) (977,248,159)	-	(1,440,590,483) (977,248,159)	!!!	(1,440,590,483) (977,248,159)
Total contributions by and distributions at 31st Ashad 2080	ions		288,118,097 14,694,022,928		1,885,389,883 7,952,622,366		1,814,516, 5,696,490,		001,112 7,743,591	- (6,859,385,193)		(2,417,838,642) 36,522,671,808	-	(2,417,838,642) 36,522,671,808
Balance at 1st Shrawan 2080			14,694,022,928	-	7,952,622,366	87,340,885	5,696,490,	,660 3,155,0	001,112 7,743,591	,321 389,959	(2,806,787,423)	36,522,671,808	-	36,522,671,808
Adjustment/ Restatement Adjusted/Restated balance at 1st Shrawan	2080		14,694,022,928	-	7,952,622,366	87,340,885	5,696,490,	,660 3,155,0	001,112 7,743,591	,321 389,959	(2,806,787,423)	36,522,671,808	-	36,522,671,808
Comprehensive income for the year Profit for the year										28,420,037	-	28,420,037		28,420,037
Other comprehensive income, net of Gains/(losses) from investment in equi		uments measured at f	air					(144,00	)4,409)		-	(144,004,409)		(144,004,409)
value. Gains/(losses) on revaluation	~							(117,0)	, /		-	-		-
Actuarial gains/(losses) on defined ber Gains/(losses) on cash flow hedges	_										(737,020,227)	(737,020,227)		(737,020,227)
Exchange gains/(losses) (arising from foreign operation)		ing financial assets o	f						) 4 400°		-	-		-
	year		-	-	5,684,007	83,436	596,819,	- <b>(144,00</b>	04,409)	- 28,420,037	391,297,870	( <b>852,604,599</b> ) 993,884,672		(852,604,599) 993,884,672
Transfer to reserve during the year			1			 		-	-	(993,884,672)	-   -	(993,884,672)		(993,884,672)
Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reservences.	ve			i		i '		i	i	ı	i '		!!	'
Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reser Transactions directly recognized in equity share issued	rve										-	- -		- -
Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reser Transactions directly recognized in equity share issued Share based payment Dividends to equity holders	ve										-    -  -	- - -		- - -
Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reser Transactions directly recognized in equity share issued Share based payment Dividends to equity holders Bonus shares issued Cash dividend paid	ve									-	- - - - -	- - - - -		- - - -
Transfer to reserve during the year Transfer from reserve during the year Deferred tax impact of respective reser Transactions directly recognized in equity share issued Share based payment Dividends to equity holders Bonus shares issued			14,694,022,928		5,684,007 7,958,306,373		596,819. 6,293,310.		96,703 7,743,591	- (993,884,672) ,321 (965,074,675)		(34,375,790) (34,375,790) 35,635,691,419	-	(34,375,790) (34,375,790) (35,635,691,419