



19th
ANNUAL
REPORT

2076/77

**INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PRABHU BANK LIMITED**

Opinion

We have audited the accompanying consolidated financial statements of Prabhu Bank Ltd and its subsidiary (the Group), which comprise consolidated statement of financial position as at Ashad 31, 2077 (July 15, 2020) and consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended and a summary of significant accounting policies and notes to the consolidated financial statements.

In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the group as at Ashad 31, 2077, its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with 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 Consolidated Financial Statements section of our report. We are independent of the Group and we have fulfilled our other ethical responsibilities in accordance with the ICAN's Handbook of the Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

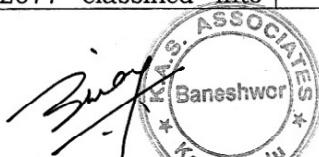
Key Audit Matters

Key audit matters are matters based on our judgment, are of most significance in the audit of the financial statements of the current period, which were addressed in the context of the audit of the financial statements as a whole, and in forming our opinion thereon. We do not provide separate opinion on these matters.

The results of our audit procedures, including the procedures performed to address the matters below, provides the basis for our audit opinion on the accompanying financial statements.

Following are the Key audit matters:

S.No.	Key Audit Matters	How the matters were addressed in our audit
1.	Investment Securities Valuation Ref. Note no. 4.8 and accounting policies to the financial statements.	
	The Bank has total investment securities of Rs. 20.32 billion as at 31 st Ashadh 2077 classified into	We applied following procedures in respect of Investment verification:



	<p>different categories as "Available-for-sale" and "Held to maturity", which in aggregate represent 12.1 % of the total assets of the Bank.</p> <p>Classification of investment into different categories as "Available-for-sale", "Held for trading" and "Held to maturity" warrant management judgement and it impacts on valuation of investment securities and impairment allowance.</p> <p>Due to the percentage of volume over total assets and the requirement of management judgment for measurement of impairment allowance, considered this as key audit matter.</p>	<ul style="list-style-type: none"> ➤ Review of accounting policies adopted by the Bank based on Nepal Financial Reporting Standards and the Directives issued by NRB and compliance of the same. ➤ Evaluation of management's assessment to categorize investments into classified into different categories as "Available-for-sale", "Held for trading" and "Held to maturity" ➤ Verification of valuation of investment on sampling basis in reference to its cost and quoted market price as the case may be. ➤ Verification of impairment allowance provided for different investments in commensurate with NFRSs and NRB Directives.
2.	Covid 19 Impact Ref. Note no. 3.13 and accounting policies to the financial statements.	
	<p>Long period of lock down due to Covid 19 has impacted operational revenue as well as profitability of the Bank. Further, the circulars issued by NRB for granting interest discount, rebate on interest rate as well as relaxation on repayment of loan to Covid impacted borrowers has also significantly impacted financial performance of the Bank, accordingly we considered this as key audit matter.</p>	<p>We applied following procedures in respect of Covid 19 impact verification:</p> <ul style="list-style-type: none"> ➤ Verification of interest discount provided to the borrowers who has paid interest before specified date on sampling basis. ➤ Verification of rebate of interest in the IT system on sampling basis. ➤ Verification of additional loan loss provision required as per NRB circulars for those borrowers who were categorized as pass loan on Poush end 2076 and categorized differently at the end of financial year due to overdue of interest and installment of loan.
3.	Loan Loss Provision Ref. Note no. 4.7 and accounting policies to the financial statements.	
	<p>The Bank's advances to the customers represent 59.3 % of its total assets at the end of period under review and are stated at Rs. 99.40 billion which is net of</p>	<p>We applied following procedures in respect of loan loss provision verification:</p> <ul style="list-style-type: none"> ➤ Review of borrower's files, which includes evaluation of borrowers' repayment behavior,



	<p>provision of Rs. 3.51 billion. The provision against advances was identified as a key audit matter as it involves a considerable degree of management judgment and compliance with Directives and Circulars issued by Nepal Rastra Bank.</p>	<p>assessment of financial strength based on the available financial statements, adequacy of security / collateral, obtainment of required legal documents, CIC reports, and compliance with prudential regulations.</p> <ul style="list-style-type: none"> ➤ Business sites visit of the borrowers on sampling basis. ➤ Review of IT system to provide loan loss provision based on overdue payments. ➤ On sampling basis, verification of accuracy of provision against non-performing loan calculated by the IT system and manual calculation on sampling basis. ➤ Evaluation of appropriateness of subjective judgement made by the management for performing loans' borrowers. ➤ Review of Board's evaluation and decisions on loans.
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Other Matters

We did not audit the financial statements and other financial information of subsidiary. These financial statements and other financial information have been audited by other auditors whose financial report has been furnished to us by the management and our opinion on the financial statements in so far as it relates to the accounts and disclosures included in respect of the subsidiary are based solely on the report of the other auditors.

Responsibilities of the Management and Those Charged with Governance for the Consolidated Financial Statements

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

In preparing the consolidated financial statements, management is responsible for assessing the Group'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 company or to cease operations or has no realistic alternative but



to do so, those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 certain 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 part of an audit in accordance with NSAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

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 deficiencies in internal control that we identify during our audit.



Report on Other Legal and Regulatory Requirements

On the basis of our examination, we further report that:

- 1) We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit.
- 2) The financial statements which include Statement of Financial Position as at Ashad 31, 2077, the Statement of Profit or Loss, Statement of Cash Flows, Statement of Changes in Equity for the year then ended, a summary of significant accounting policies and other explanatory information are prepared as per the procedure and format prescribed by Nepal Rastra Bank and in agreement with the books of accounts maintained by the Company and proper books of account as required by the law have been kept.
- 3) The capital fund, risk bearing fund and the provision for possible impairment of assets of the Bank are adequate as per the Directives issued by Nepal Rastra Bank.
- 4) The returns received from the branch offices of the Company, though the statements are independently not audited, were adequate for the purpose of the audit.
- 5) We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Company has acted contrary to the provisions of law or caused loss or damage to the Company or committed any misappropriation of the funds of Company.
- 6) To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the loans have been written off as specified; the business of the Company was conducted satisfactorily, and the Company's transactions were found to be within the scope of its authority.

CA. Binay Prakash Shrestha
Proprietor

Date: 2077.08.21
Baneshwor, Kathmandu

UDIN No. : 201206CA00116tBZYe



Prabhu Bank Limited
Statement of Financial Position
For the year ended 31 Ashad 2077

Particulars	Note	Group		Bank	
		Asar end, 2077	Asar end, 2076	Asar end, 2077	Asar end, 2076
Assets					
Cash and Cash Equivalents	4.1	8,810,077,619	13,871,399,336	8,446,068,125	13,792,337,018
Due from Nepal Rastra Bank	4.2	20,028,379,155	8,031,269,133	20,028,379,155	8,031,269,133
Placement with Bank and Financial Institutions	4.3	-	-	-	-
Derivative Financial Instruments	4.4	5,353,759,640	4,476,352,355	5,353,759,640	4,476,352,355
Other Trading Assets	4.5	536,795,114	84,148,259	-	-
Loans and Advances to BFIs	4.6	3,897,659,053	3,931,926,634	3,897,659,053	3,931,926,634
Loans and Advances to Customers	4.7	99,397,724,497	85,821,175,779	99,397,724,497	85,821,175,779
Investment Securities	4.8	20,490,168,285	14,525,012,675	20,318,132,889	14,448,530,074
Current Tax Assets	4.9	163,739,404	4,940,683	156,814,124	-
Investment in Subsidiaries	4.10	-	-	524,229,080	116,960,880
Investment in Associates	4.11	-	-	-	-
Investment Property	4.12	512,405,873	438,785,936	512,405,873	438,785,936
Property and Equipment	4.13	2,364,553,665	2,284,971,001	2,358,887,338	2,280,261,690
Goodwill and Intangible Assets	4.14	205,507,729	40,688,416	180,222,014	39,768,799
Deferred Tax Assets	4.15	303,515,816	271,184,220	302,957,244	261,996,224
Other Assets	4.16	6,086,922,901	4,273,217,340	6,040,058,824	4,246,972,021
Total Assets		168,151,208,750	138,055,071,766	167,517,297,856	137,886,336,543
Liabilities					
Due to Bank and Financial Institutions	4.17	7,875,429,889	8,004,942,439	7,785,248,887	8,004,942,439
Due to Nepal Rastra Bank	4.18	4,794,405,958	797,271,683	4,794,405,958	797,271,683
Derivative Financial Instruments	4.19	5,311,757,836	4,393,479,202	5,311,757,836	4,393,479,202
Deposits from Customers	4.20	128,697,816,206	105,428,484,127	128,740,771,349	105,488,505,793
Borrowings	4.21	495,179,567	-	495,179,567	-
Current Tax Liabilities	4.9	10,096,771	352,998,342	-	352,998,342
Provisions	4.22	23,324,555	23,324,555	23,324,555	23,324,555
Deferred Tax Liabilities	4.15	-	-	-	-
Other Liabilities	4.23	4,136,052,198	4,636,039,542	3,980,515,523	4,505,147,252
Debt Securities Issued	4.24	998,323,929	-	998,323,929	-
Subordinated Liabilities	4.25	-	-	-	-
Total Liabilities		152,342,386,908	123,636,539,890	152,129,527,602	123,565,669,266
Equity					
Share Capital	4.26	10,315,506,635	8,892,674,706	10,315,506,635	8,892,674,706
Share Premium		-	-	-	-
Retained Earnings		1,226,342,023	1,513,514,695	1,216,498,788	1,520,914,579
Reserves	4.27	3,855,764,831	3,907,077,989	3,855,764,831	3,907,077,989
Total Equity Attributable to Equity Holders		15,397,613,489	14,313,267,391	15,387,770,254	14,320,667,275
Non Controlling Interest		411,208,353	105,264,486		
Total Equity		15,808,821,842	14,418,531,877	15,387,770,254	14,320,667,275
Total Liabilities and Equity		168,151,208,750	138,055,071,766	167,517,297,856	137,886,336,543
Contingent Liabilities and Commitments	4.28				
Net Assets Value per share		153.25	162.14	149.17	161.04

As per our report of even date

Lekh Bahadur Pun Chief Finance Officer	Ashok Sherchan Chief Executive Officer	Pushpa Bahadur Pradhan Director	Ambika Sharma Lamichhane Director	CA Binaya Prakash Shrestha K.A.S. Associates Chartered Accountants
Ramesh Singh Khadka Director	Anju Adhikari Director	Shankar Kalikota Director	Rishi Ram Gautam Director	Devi Prakash Bhattachan Chairman

Date: 6 December 2020
Kathmandu, Nepal

Prabhu Bank Limited
Statement of Profit or Loss
For the year ended 31 Ashad 2077

Particulars	Note	Group		Bank	
		Current Year	Previous Year	Current Year	Previous Year
Interest Income	4.29	11,813,022,455	10,772,749,968	11,797,450,755	10,765,064,446
Interest Expense	4.30	7,276,020,813	6,364,599,397	7,276,493,778	6,366,966,309
Net Interest Income		4,537,001,642	4,408,150,571	4,520,956,977	4,398,098,137
Fee and Commission Income	4.31	935,939,699	904,700,287	926,174,682	904,700,287
Fee and Commission Expense	4.32	106,360,825	120,456,665	104,583,252	121,956,665
Net Fee and Commission Income		829,578,874	784,243,622	821,591,429	782,743,622
Net Interest, Fee and Commission Income		5,366,580,516	5,192,394,193	5,342,548,406	5,180,841,759
Net Trading Income	4.33	407,101,025	373,310,502	393,476,422	366,924,420
Other Operating Income	4.34	94,497,312	72,615,593	94,749,347	54,753,679
Total Operating Income		5,868,178,853	5,638,320,288	5,830,774,175	5,602,519,858
Impairment Charge/ (Reversal) for Loans and Other Lossess	4.35	536,658,377	370,138,025	536,658,377	370,138,025
Net Operating Income		5,331,520,476	5,268,182,262	5,294,115,798	5,232,381,833
Operating Expense					
Personnel Expenses	4.36	2,169,448,188	1,760,046,394	2,156,704,392	1,747,760,950
Other Operating Expenses	4.37	1,062,546,214	993,757,311	1,058,195,778	986,974,778
Depreciation & Amortisation	4.38	275,955,157	229,048,712	273,892,286	226,914,515
Operating Profit		1,823,570,917	2,285,419,846	1,805,323,341	2,270,731,590
Non Operating Income	4.39	4,447,500	11,813,730	4,447,500	11,813,730
Non Operating Expense	4.40	48,017,408	170,417,262	48,017,408	170,417,262
Profit Before Income Tax		1,780,001,009	2,126,816,314	1,761,753,433	2,112,128,057
Income Tax Expense	4.41				
Current Tax		(596,822,069)	(984,056,744)	(594,871,008)	(981,946,463)
Deferred Tax		39,409,106	651,631,130	27,321,464	653,410,944
Profit for the Period		1,222,588,046	1,794,390,700	1,194,203,890	1,783,592,538
Profit Attributable to:					
Equity-holders of the Bank		1,211,547,869	1,789,099,601	1,194,203,890	1,783,592,538
Non-Controlling Interest		11,040,177	5,291,099		
Profit for the Period		1,222,588,046	1,794,390,700	1,194,203,890	1,783,592,538
Earnings per Share					
Basic Earnings per Share		11.85	17.40	11.58	17.29
Diluted Earnings per Share		11.85	17.40	11.58	17.29

As per our report of even date

Lekh Bahadur Pun Chief Finance Officer	Ashok Sherchan Chief Executive Officer	Pushpa Bahadur Pradhan Director	Ambika Sharma Lamichhane Director	CA Binaya Prakash Shrestha K.A.S. Associates Chartered Accountants
Ramesh Singh Khadka Director	Anju Adhikari Director	Shankar Kalikota Director	Rishi Ram Gautam Director	Devi Prakash Bhattachan Chairman

Date: 6 December 2020
Kathmandu, Nepal

Prabhu Bank Limited
Statement of Other Comprehensive Income
For the year ended 31 Ashad 2077

Particulars	Note	Group		Bank	
		Current Year	Previous Year	Current Year	Previous Year
Profit for the year		1,222,588,046	1,794,390,700	1,194,203,890	1,783,592,538
Other 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 at fair value		110,933,146	(1,379,710)	110,933,146	(1,379,710)
Gains/(losses) on revaluation					
Actuarial gains/(losses) on defined benefit plans		(156,798,990)	15,512,890	(156,398,330)	15,512,890
Income tax relating to above items		13,759,753	(4,239,954)	13,639,555	(4,239,954)
Net other comprehensive income that will not be reclassified to profit or loss					
b) Items that are or may be reclassified to profit or loss					
Gains/(losses) on cash flow hedge					
Exchange gains/(losses)(arising from translating financial assets of foreign operation)					
Income tax relating to above items					
Reclassify to profit or loss					
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 equity method					
Other Comprehensive Income for the year, Net of Income Tax		(32,106,091)	9,893,226	(31,825,629)	9,893,227
Total Comprehensive Income for the Period		1,190,481,955	1,804,283,926	1,162,378,261	1,793,485,764
Total Comprehensive Income attributable to:					
Equity-Holders of the Bank		1,179,441,778	1,798,992,827	1,162,378,261	1,793,485,764
Non-Controlling Interest		11,040,177	5,291,099		
Total Comprehensive Income for the Period		1,190,481,955	1,804,283,926	1,162,378,261	1,793,485,764

As per our report of even date

Lekh Bahadur Pun Chief Finance Officer	Ashok Sherchan Chief Executive Officer	Pushpa Bahadur Pradhan Director	Ambika Sharma Lamichhane Director	CA Binaya Prakash Shrestha K.A.S. Associates Chartered Accountants
Ramesh Singh Khadka Director	Anju Adhikari Director	Shankar Kalikota Director	Rishi Ram Gautam Director	Devi Prakash Bhattachan Chairman
				Date: 6 December 2020 Kathmandu, Nepal

Prabhu Bank Limited
Statement of Changes in Equity
For the year ended 31 Ashad 2077

Particulars	Attributable to Equity-Holders of the Bank						Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Revaluation Reserve	Other Reserve	Total
Balance at Shrawan 01, 2075	8,233,948,524	151,947,990	1,388,179,492	-	1,967,469,401	240,304,244	-	500,262,105 (14,772,254) 12,557,339,501
Comprehensive Income for the year								
Profit for the year								1,789,099,601 (1,789,099,601)
Other Comprehensive Income, Net of Tax								9,893,226 (9,893,226)
Gains/(losses) from investment in equity instruments measured at fair value	-							
Gains/(losses) on revaluation								
Actuarial gains/(losses) on defined benefit plans								
Gains/(losses) on cash flow hedge								
Exchange gains/(losses) arising from translating financial assets of foreign operation								
Total Comprehensive Income for the year	356,718,508		(318,667,608)		(965,797)		(334,303,088)	297,217,985
Transfer to Reserves during the year								
Transfer from Reserves during the year								
Transactions with Owners, directly recognised in Equity								
Share Issued	10,300							10,300
Share Based Payments								
Dividend to Equity-Holders								
Bonus Shares Issued	658,715,882 (151,947,990)							
Cash Dividend Paid								
Other								
Total Contributions by and Distributions Balance at Asar 31, 2076	8,892,674,706	- 1,744,898,000	- 1,648,801,793	239,338,447	- 1,513,514,695	274,039,751 14,313,267,391	105,264,486 14,418,531,879	
Balance at Shrawan 01, 2076	8,892,674,706	- 1,744,898,000	- 1,648,801,793	239,338,447	- 1,513,514,695	274,039,751 14,313,267,391	105,264,486 14,418,531,879	
Adjustment/Restatement as at Shrawan 01, 2076								
Adjustment/Restatement of Balance as at Shrawan 01, 2076								
Comprehensive Income for the year								
Profit for the year								
Other Comprehensive Income, Net of Tax								
Gains/(losses) from investment in equity instruments measured at fair value								
Gains/(losses) on revaluation								
Actuarial gains/(losses) on defined benefit plans								
Gains/(losses) on cash flow hedge								
Exchange gains/(losses) arising from translating financial assets of foreign operation								
Total Comprehensive Income for the year	238,840,778	3,534,356 (136,450,286)	-	-			(906,047) (105,018,841)	
Transfer to Reserves during the year								
Transfers from Reserves during the year								
Transactions with Owners, directly recognised in Equity								
Share Issued	3,976							3,976
Share Based Payments								
Dividend to Equity-Holders								
Bonus Shares Issued	1,422,827,953	-	-	-	-		(1,422,827,953)	
Cash Dividend Paid	-	-	-	-	-		(75,008,732)	
Other								
Total Contributions by and Distributions Balance at Asar 31, 2077	10,315,506,635	- 1,983,738,778	3,534,356 1,512,351,507	316,991,649	-	1,226,342,023	39,148,502 15,397,613,488	411,208,353 15,808,821,842

Particulars	Attributable to Equity-Holders of the Bank						Non-Controlling Interest	Total Equity
	Share Capital	Share Premium	General Reserve	Exchange Equalisation	Regulatory Reserve	Fair Value Reserve		
Balance at Shrawan 01, 2075	8,233,948,524	151,947,990	1,388,179,492	-	1,967,469,401	240,304,244	-	603,169,052 (14,772,254) 12,570,246,448
Comprehensive Income for the year								9,893,226
Profit for the year								9,893,226
Other Comprehensive Income, Net of Tax								
Gains/(losses) from investment in equity instruments measured at fair value								
Gains/(losses) on revaluation								
Actuarial gains/(losses) on defined benefit plans								
Gains/(losses) on cash flow hedge								
Exchange gains/(losses)(arising from translating financial assets of foreign operation)								
Total Comprehensive Income for the year								1,793,485,764
Transfer to Reserves during the year	-	356,718,508	-	(56,671,384)	(965,797)	-	(334,303,088)	35,221,761 (0)
Transfer from Reserves during the year								
Transactions with Owners, directly recognised in Equity								
Share Issued	10,300							10,300
Share Based Payments								
Dividend to Equity-Holders								
Bonus Shares Issued	658,715,882 (151,947,990)						(506,767,892)	-
Cash Dividend Paid							(34,669,257)	(34,669,257)
Other							(8,405,980)	(8,405,980)
Total Contributions by and distributions	658,726,182 (151,947,990)						(541,437,149)	(8,405,980)
Balance at Asar 31, 2076	8,892,674,06						- 1,520,914,579	(43,054,937)
							12,043,527	14,320,667,275
Balance at Shrawan 01, 2076	8,892,674,706	-	1,744,898,000	-	1,910,798,016	239,338,447	-	1,520,914,579 12,043,527 14,320,667,275
Adjustment/Restatement								
Adjustment/Restated Balance as at Shrawan 01, 2076	8,892,674,706	-	1,744,898,000	-	1,910,798,016	239,338,447	-	1,520,914,579 12,043,527 14,320,667,275
Comprehensive Income for the year								
Profit for the year								
Other Comprehensive Income, Net of Tax								
Gains/(losses) from investment in equity instruments measured at fair value								
Gains/(losses) on revaluation								
Actuarial gains/(losses) on defined benefit plans								
Gains/(losses) on cash flow hedge								
Exchange gains/(losses)(arising from translating financial assets of foreign operation)								
Total Comprehensive Income for the year								-
Transfer to Reserves during the year		238,840,778	3,534,396	(136,450,286)			(906,047) (10,018,841)	-
Transactions with Owners, directly recognized in Equity								
Share Issued	3,976							3,976
Share Based Payments								
Dividend to Equity-Holders								
Bonus Shares Issued	1,422,827,953							
Cash Dividend Paid							(74,885,682)	(74,885,682)
Other							(20,393,577)	(20,393,577)
Total Contributions by and Distributions	10,315,506,635							
Balance at Ashadh 31, 2077	1,982,738,778		3,534,396	1,774,347,730	316,991,649		- 1,216,498,788	(222,847,722) 15,387,770,254

Prabhu Bank Limited
Statement of Cash Flows
For the year ended 31 Ashad 2077

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest Received	9,137,964,711	10,405,138,657	9,123,875,801	10,395,086,223
Fee and Other Income Received	937,439,699	1,125,333,855	926,174,682	1,112,262,111
Dividend Received	-	-		-
Receipts from Other Operating Activities	469,040,602	221,007,349	452,904,524	205,286,995
Interest Paid	(7,257,018,244)	(6,377,882,616)	(7,256,902,088)	(6,377,882,616)
Commissions and Fees Paid	(104,583,252)	(121,956,665)	(104,583,252)	(121,956,665)
Cash Payment to Employees	(1,540,601,454)	(1,343,909,447)	(1,527,456,998)	(1,331,624,003)
Other Expenses Paid	(1,068,239,674)	(996,711,413)	(1,058,195,778)	(986,974,778)
Operating Cash Flows before Changes in Operating Assets and Liabilities	574,002,389	2,911,019,721	555,816,890	2,894,197,267
(Increase) Decrease in Operating Assets				
Due from Nepal Rastra Bank	(11,997,110,023)	(1,859,228,112)	(11,997,110,023)	(1,859,228,112)
Placement with Banks and Financial Institutions	-	2,215,410,511	-	2,215,410,511
Other Trading Assets	(77,920,149)	(4,363,350)	-	-
Loans and Advances to BFIs	34,267,581	(757,699,983)	34,267,581	(757,699,983)
Loans and Advances to Customers	(12,534,064,865)	(13,476,148,373)	(12,534,064,865)	(13,476,148,373)
Other Assets	(2,686,207,439)	(1,458,517,973)	(2,670,494,090)	(1,451,667,113)
	(27,261,034,894)	(15,340,547,279)	(27,167,401,397)	(15,329,333,069)
Increase (Decrease) in Operating Liabilities				
Due to Banks and Financials Institutions	(219,693,553)	3,593,181,754	(219,693,553)	3,593,181,754
Due to Nepal Rastra Bank	3,997,134,275	95,063,146	3,997,134,275	95,063,146
Deposit from Customers	23,270,669,935	12,592,346,765	23,252,265,556	12,640,601,537
Borrowings	495,179,567	-	495,179,567	-
Other Liabilities	(232,246,774)	3,035,825,870	(253,690,597)	3,675,930,538
Net Cash Flow from Operating Activities before Tax Paid	27,311,043,450	19,316,417,535	27,271,195,248	20,004,776,975
Income Tax Paid	(1,104,683,473)	(592,485,154)	(1,104,683,473)	(590,374,874)
Net Cash Flow from Operating Activities	(480,672,529)	6,294,404,822	(445,072,732)	6,979,266,299
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investment Securities	(5,846,669,784)	(6,417,997,165)	(6,167,945,584)	(6,412,639,565)
Receipts from Sale of Investment Securities	2,007,715	-	2,007,715	-
Purchase of Property and Equipment	(358,788,888)	(419,730,783)	(358,185,180)	(418,603,535)
Receipts from Sale of Property and Equipment	5,667,245	28,359,443	5,667,245	28,359,443
Purchase of Intangible Assets	(140,453,215)	(31,333,948)	(140,453,215)	(31,333,948)
Purchase of Investment Properties	-	-	-	-
Receipts from Sale of Investment Properties	54,650,075	20,917,336	54,650,075	20,917,336
Interest Received	760,245,391	482,209,584	760,245,391	482,209,584
Dividend Received	25,631,163	23,063,727	25,631,163	23,063,727
Net Cash Used in Investing Activities	(5,497,710,298)	(6,314,511,807)	(5,818,382,389)	(6,308,026,958)
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from Issue of Debt Securities	998,323,929	-	998,323,929	-
Repayments of Debt Securities	-	-	-	-
Receipts from Issue of Subordinated Liabilities	-	-	-	-
Repayments of Subordinated Liabilities	-	-	-	-
Receipt from Issue of Shares	3,976	10,300	3,976	10,300
Dividends Paid	(75,126,956)	(34,669,257)	(74,885,682)	(34,669,257)
Interest Paid	-	-	-	-
Other Receipts/Payments	(20,277,421)	1,487,246	(20,393,577)	1,487,246
Net Cash from Financing Activities	902,923,527	(33,171,711)	903,048,646	(33,171,711)
Net Increase (Decrease) in Cash and Cash Equivalents	(5,075,459,299)	(53,278,696)	(5,360,406,475)	638,067,629
Cash and Cash Equivalents at Shrawan 01, 2076	13,871,399,336	13,925,499,160	13,792,337,018	13,155,090,517
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held	14,137,582	(821,128)	14,137,582	(821,128)
Cash and Cash Equivalents at Ashadh 31, 2077	8,810,077,619	13,871,399,336	8,446,068,125	13,792,337,018

Notes to the Consolidated Financial Statements For the year ended 31st Ashadh, 2077

1. Reporting Entity

Prabhu Bank Ltd. ("the Bank") formerly known as KIST Bank Ltd. is a limited liability company incorporated and operating in Nepal. The address of its registered office is G.P.O. Box 8975, Babarmahal, Kathmandu, Nepal. The Bank carries out commercial banking business in Nepal as class "A" financial institution under the Bank and Financial Institution Act, 2063. The Bank is listed in Nepal Stock Exchange Limited.

Subsidiary:

Prabhu Capital Limited (the Subsidiary) is the subsidiary company of the Bank. It was incorporated on October 27, 2008 (Kartik 11, 2065) as public company. The Bank made an equity investment in Prabhu Capital on May 31, 2017 (Jestha 17, 2074). The principal activities of the Subsidiary are to provide Merchant Banking Services. The Bank as on date holds 51% controlling interest in the Subsidiary.

Besides, 100% subsidiary of the Bank has been registered for the brokerage services in the name of "Prabhu Stock Market Limited", on June 12, 2019 (Jestha 29, 2076).

The Bank and the Subsidiary are collectively referred to as "the Group".

The Bank has held equity shares in Prabhu Life Insurance Co. Ltd (14.20% of total paid up capital) and Prabhu Insurance Co. Ltd. (6.06% of total paid up Capital) as on reporting date. Bank has also sent representative director (non-executive) to the mentioned companies. These investment has been accounted for as per NFRS-9, since shareholding does not exceed 20% of total paid up capital; and hence, criteria for classification as "Investment in Associates" are not met.

2. Basis of Preparation

2.1 Statement of Compliance

The Financial Statements of the entity which comprises components mentioned above have been prepared in compliance with Nepal Financial Reporting Standards and Nepal Accounting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of the Companies Act ,2006.

For all periods up to and including the year ended 17th July 2016, the Entity prepared the financial statements in accordance with the Nepal Accounting Standards which were effective prior to 17th July, 2016. These financial statements for the year ended 15th July 2020 are the set of statements the Entity has prepared in accordance with NFRSs.

2.2 Reporting Period and Approval of Financial Statements

The Bank follows the Nepalese financial year based on the Nepalese calendar. The corresponding dates for the English calendar are as follows:

Relevant Financial Statement	Nepalese Calendar Date/ Period	English Calendar Date/ Period
Comparative SFP* Date	31 Ashadh 2076	16 July 2019
Comparative reporting period	1 Shrawan 2075 - 31 Ashadh 2076	17 July 2018 - 16 July 2019
NFRS SFP* Date	31 Ashadh 2077	15 July 2020
NFRS reporting period	1 Shrawan 2076 - 31 Ashadh 2077	17 July 2019 - 15 July 2020

*SFP = Statement of Financial Position

These financial statements have been adopted by the Board of Directors on its meeting held on 6th December, 2020 and have been recommended for approval by shareholders in the Annual General Meeting.

2.3 Functional and Presentation Currency

The Financial Statements of Entity are presented in Nepalese Rupees (Rs.), which is the currency of the primary economic environment in which the Entity operates. There was no change in Entity's presentation and functional currency during the year under review.

2.4 Use of Estimates, Assumptions and Judgments

The Bank, in order to comply with the financial reporting standards has made accounting judgements as having potentially material impact on the financial statement. Those judgements and their impact on the financial statement have been described herein. The management believes that the estimates used in the preparation of the financial statement are prudent and reasonable. Actual results may differ from the estimates. Any revision to the accounting estimate is recognized prospectively in the current and future period.

2.5 Changes in Accounting Policies

The Bank applies its accounting policies consistently from year to year except where deviations have been explicitly mandated by the applicable accounting standards.

2.6 New Standards in Issue but Not Yet Effective

There are no standards which have been issued but not yet effective up to the date of issuance of the financial statements.

2.7 New Standards and Interpretation not adapted

NFRS 1 First- time adoption of Nepal Accounting Standards allows first time adopters certain exemptions from the retrospective application of certain NFRS. The Bank thus has taken the following exemptions on Business Combinations.

- Not applied for subsidiaries, which are considered business for NFRS, or
- In interest in associates and joint ventures that occurred before 17th July 2016.

Use of this exemption means that the NAS carrying amounts of assets and liabilities, which are required to be recognized under NFRS, is their deemed cost at the date of the acquisition. After the date of the acquisition, measurement is in accordance with NFRS. Assets and liabilities that do not qualify for recognition under NFRS are excluded from the opening NFRS statement of financial position.

2.8 Discounting

When the realization of assets and settlement of obligation is for more than one year, the Bank considers the discounting of such assets and liabilities where the impact is material.

Discounting has been applied in case of measurement of prepaid expenses of staff loan. Employee benefits has been determined by considering discount rate as the average yield on government bonds issued during the period having maturity of five years or more. For the calculation of prepaid employee expenditure on subsidized loans discount rate as the average yield on government bonds issued during the period having maturity of five years or more plus premium of one percent has been used.

3. Significant Accounting Policies

The principal accounting policies applied by the Bank in the preparation of these financial statements are presented below. These policies have been consistently applied to all the years presented unless stated otherwise.

3.1 Basis of Measurement

The Financial Statements of Entity have been prepared on the historical cost basis, except for the following material items in the Statement of Financial Position:

- Financial assets, held for trading are recorded in the statement of financial position at fair value and the changes in the value have been routed through profit or loss statement.
- Available for sale investments (quoted) are measured at fair value.
- Liabilities for defined benefit obligations and staff loans provided at subsidized interest rates as per Employee Bylaws of the Bank are recognized at the present value of the defined benefit obligation less the fair value of the plan assets.

3.2 Basis of Consolidation

a. Business Combinations

For the purpose of business combination, acquisition method has been adopted as prescribed by the NFRS 3 "Business Combination". The cost of an acquisition has been measured as the difference between the fair value of the assets obtained and the fair value of purchase consideration paid. The excess of the purchase consideration paid over the fair value of the asset has been recognized as goodwill. The excess of the fair value of the asset obtained and the purchase consideration paid has been recognized as gain on business purchase and credit to profit and loss immediately. The bank has held investment on Prabhu Capital Limited from 31st May, 2017 as subsidiary.

b. Non-Controlling Interest (NCI)

Non-controlling interests are measured at fair value of the proportionate share of the asset of the subsidiary at the date of acquisition. After the date of acquisition the share of the income has been appropriately adjusted to the NCI.

c. Subsidiaries

The bank recognizes an entity in which it has a controlling power as its subsidiary, Control is defined as the ability to affect the returns over the investee, has rights to variable returns from its involvement in the entity. The bank consolidates such entity in the preparation of the financial statement from the date when it starts exercising power over the entity and ceases the consolidation from the date the power over the investee ceases.

d. Loss of Control

When the Bank loses control over a Subsidiary, it derecognizes the assets and liabilities of the former subsidiary from the consolidated statement of financial position. The Bank recognizes any investment retained in the former subsidiary at its fair value when control is lost and subsequently accounts for it and for any amounts owed by or to the former subsidiary in accordance with relevant NFRSs. That fair value shall be regarded as the fair value on initial recognition of a financial asset in accordance with relevant NFRS or, when appropriate, the cost on initial recognition of an investment in an associate or joint venture. The Bank recognizes the gain or loss associated with the loss of control attributable to the former controlling interest.

e. Special Purpose Entity (SPE)

Special purpose entity is a legal entity (usually a limited company of some type or, sometimes, a limited partnership) created to fulfil narrow, specific or temporary objectives. SPEs are typically used by companies to isolate the firm from financial risk.

The Bank does not have any special purpose entity as of now.

f. Transaction Elimination on Consolidation

Bank eliminates all the intercompany transactions, income and expenses while preparing consolidated financial statements as per NFRS 10 “Consolidated Financial Statement”.

3.3 Cash and Cash Equivalent

Cash and cash equivalents includes cash in hand, deposits held at call with banks and other short-term investments in an active market with original maturities of three months or less and bank overdrafts.

Details of Cash and Cash Equivalents are presented under Schedule No. 4.1.

**3.4 Financial Assets and Financial Liabilities
Recognition**

The entity recognizes financial assets and financial liabilities on the date it becomes party to the contractual agreement (trade date) and recognizes changes in fair value of the financial assets or financial liabilities from that date.

Classification & Measurement

Financial Assets are classified mainly under amortized cost, fair value through profit or loss and fair value through OCI. Financial Liabilities are classified at amortized cost or fair value through profit or loss.

The basic concept for the categorization of these assets depends upon their characteristics of business model and contractual cash flow model. Business model characteristics are whether the asset has been held to gain trading benefits or it has been held to collect contractual cash flow. Similarly, contractual cash flow characteristics determine whether the cash flow from the asset is solely the repayment of principal and interest or not. Principal represents the fair value of the instrument at the time of initial recognition while interest represents the time value of money and credit risk associated with the compensation.

1. Fair Value Through Profit or Loss:

Assets are categorized as fair value through profit or loss if the asset has been held in-order to obtain trading gain rather than to obtain contractual cash flows.

An asset can be recognized under this category if the bank has made an irrevocable decision to categorize an asset under this category in order to avoid accounting mismatch.

2. At amortized Cost:

Assets are categorized under this category if the business model is to obtain the contractual cash flow from the assets and the contractual cash flow is the solely repayment of principal and interest

3. Fair Value Through OCI:

Assets are categorized under this category if the business model is to obtain the contractual cash flow from the assets but the contractual cash flow isn't solely repayment of principal and interest.

Financial Liabilities:

Classification of financial liabilities

1. Financial liabilities at fair value through profit or loss:

These include financial liabilities that the entity either has incurred for trading purposes or otherwise has elected to classify into this category. Derivative liabilities are always treated as held for trading unless they are designated and effective hedging instruments. The designation of hedging instruments is discussed later in this chapter.

2. Financial Liabilities at Amortized cost:

It is the default category for financial liabilities that do not meet the definition of financial liabilities at fair value through profit or loss. All financial liabilities will fall into this category. Examples of financial liabilities that generally would be classified in this category are account payables, note payables, issued debt instruments, and deposits from customers.

De-recognition

Financial Assets are derecognized when the rights to receive cash flows from the investments have expired or the Fund has transferred substantially all risks and rewards of ownership.

Financial liabilities at fair value through profit or loss are derecognized when the obligation specified in the contract is discharged or expired.

Realized gains and realized losses on de-recognition are determined using the weighted average method and are included in the profit or loss in the period in which they arise as gain on sale of securities. The realized gain is the difference between an instrument's weighted average cost and disposal amount.

Determination of Fair Value

'Fair value' is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal or, in its absence, the most advantageous market to which the Entity has access at that date. The fair value of a liability reflects its non-performance risk. Fair value also represents the value of a company's assets and liabilities when a subsidiary company's financial statements are consolidated with a parent company.

Valuation hierarchy

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an inactive market, direct observation of a traded price may not be possible. In these circumstances, the Bank uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable.

Level 1 fair value measurements are those derived from unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 valuations are those with quoted prices for similar instruments in active markets or quoted prices for identical or similar instruments in inactive markets and financial instruments valued using models where all significant inputs are observable.

Level 3 portfolios are those where at least one input, which could have a significant effect on the instrument's valuation, is not based on observable market data.

Impairment

At each reporting date, the Entity assesses whether there is objective evidence that financial assets not carried at fair value through profit or loss are impaired. A financial asset or a group of financial assets is impaired when objective evidence demonstrates that a loss event has occurred after the initial recognition of the asset(s) and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Objective evidence that financial assets are impaired includes:

- significant financial difficulty of the borrower or issuer;
- default or delinquency by a borrower;
- the restructuring of a loan or advance by the Entity on terms that the Entity would not consider otherwise;
- indications that a borrower or issuer will enter bankruptcy;
- the disappearance of an active market for a security; or
- Observable data relating to a group of assets such as adverse changes in the payment status of borrowers or issuers in the group, or economic conditions that correlate with defaults in the group.

In addition, for an investment in an equity security, a significant or prolonged decline in its fair value below its cost is objective evidence of impairment. The Entity considers evidence of impairment for loans and advances and held-to-maturity investment securities at both a specific asset and a collective level. All individually significant loans and receivables and held-to-maturity investment securities are assessed for specific impairment.

Impairment losses on assets measured at amortized cost are calculated as the difference between the carrying amount and the present value of estimated future cash flows discounted at the asset's original effective interest rate.

If the terms of a financial asset are renegotiated or modified or an existing financial asset is replaced with a new one due to financial difficulties of the borrower, then an assessment is made of whether the financial asset should be derecognized. If the cash flows of the renegotiated asset are substantially different, then the contractual rights to cash flows from the original financial asset are deemed to have expired. In this case, the original financial asset is derecognized and the new financial asset is recognized at fair value. The impairment loss before an expected restructuring is measured as follows:

- If the expected restructuring will not result in de-recognition of the existing asset, then the estimated cash flows arising from the modified financial asset are included in the measurement of the existing asset based on their expected timing and amounts discounted at the original effective interest rate of the existing financial asset.
- If the expected restructuring will result in de-recognition of the existing asset, then the expected fair value of the new asset is treated as the final cash flow from the existing financial asset at the time of its de-recognition. This amount is discounted from the expected date of de-recognition to the reporting date using the original effective interest rate of the existing financial asset.

Impairment losses are recognized in profit or loss and reflected in an allowance account against loans and receivables or held-to-maturity investment securities. If an event occurring after the impairment was recognized causes the amount of impairment loss to decrease, then the decrease in impairment loss is reversed through profit or loss.

Impairment losses on available-for-sale investment securities are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and amortization, and the current fair value, less any impairment loss recognised previously in profit or loss. Changes in impairment

attributable to application of the effective interest method are reflected as a component of interest income.

If, in a subsequent period, the fair value of an impaired available-for-sale debt security increases and the increase can be related objectively to an event occurring after the impairment loss was recognized, then the impairment loss is reversed through profit or loss; otherwise, any increase in fair value is recognized through OCI. Any subsequent recovery in the fair value of an impaired available-for-sale equity security is always recognized in OCI.

Comparison of impairment as per NFRS and NRB:

Amnt In Rs.

Particulars	2077	2076
LLP as per NRB	3,552,449,164	3,015,790,786
Impairment as per NFRS	2,336,482,688	2,134,561,074

As per carve out issued by ICAN, higher of the loan loss provision to be maintained as per NRB Directives or Impairment calculated as per NFRS should be presented in financial statements. Hence, LLP as per NRB Directives has been presented in the financial statements.

3.5 Trading Assets

Trading Assets are those assets which are held for the purpose of selling or repurchasing in the near term or if on initial recognition is part of a portfolio of identifiable investments that are managed together and for which there is evidence of a recent actual pattern of short-term profit taking. It includes non-derivative financial assets.

The bank currently doesn't hold any asset to be classified as trading assets.

3.6 Derivative Assets and Derivative Liabilities

Derivative assets and liabilities (herein referred to as instrument) is a contract whose value changes to the change in agreed-upon underlying financial asset/liability which requires no initial net investment and is settled at future date. Derivative instruments includes transactions like interest rate swap, currency swap, forward foreign exchange contract etc. held for trading as well as risk management purposes. Derivative financial instruments are initially measured at fair value on the contract date and are subsequently re-measured to fair value at each reporting date.

Details of Derivative assets and liabilities are presented under Schedule No. 4.4 and 4.19 respectively.

3.7 Property & Equipment

Property, plant and equipment are tangible items that are held for use in the production or supply of goods or services or for administrative purposes and are expected to be used during more than one period.

Recognition and Measurement

As per NAS 16 – “Property plant and equipment”, Items of property, plant and equipment are measured at cost less accumulated depreciation and any accumulated impairment losses

Purchased software that is integral to the functionality of the related equipment is capitalized as part of that equipment.

If significant parts of an item of property or equipment have different useful lives, then they are accounted for as separate items (major components) of property and equipment as mentioned in NAS 16.

Any gain or loss on disposal of an item of property and equipment (calculated as the difference between the net proceeds from disposal and the carrying amount of the item) is recognised within other income in profit or loss

Subsequent Costs

Subsequent expenditure is capitalized only when it is probable that the future economic benefits of the expenditure will flow to the Entity. On-going repairs and maintenance are expensed as incurred.

Assets with a value of less than NPR 10,000 are charged off to revenue in the year of purchase irrespective of their useful life.

Depreciation is charged to Profit & Loss Account on a Written-down-Value method over the estimated useful life of the relevant assets. For calculation of depreciation, assets put to use for more than six months in a F/Y are considered full value, three to six months at two third of the cost and less than three months at one third of the cost. The rates of depreciation are determined based on the estimated useful life are as follows:

Nature of Assets	Depreciation Rate (%)
Buildings	5
Vehicles	20
Office Equipment	25
Computers and Accessories	25
Furniture and Fixtures	25
Machinery Items (ATM, Generator)	15

Leased assets and leasehold improvement is amortized on a straight-line basis using the rates determined with reference to the lease period or 10% whichever is higher.

Software applications purchased by the Bank and system development expenses are capitalized at acquisition cost and amortized over a period of five years from the date of acquisition.

De-recognition

The carrying amount of an item of property, plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use or disposal. The gain or loss arising from de-recognition of an item of property, plant and equipment is included in profit or loss when the item is derecognised.

3.8 Goodwill and Intangible Assets

Goodwill

"Goodwill" denotes the value of certain non-monetary, non-physical resources of the business that are not identifiable. Goodwill is more of a miscellaneous category for intangible assets that are harder to parse out individually or measured directly. Customer loyalty, brand equity, name/brand recognition and company reputation all of the things that make a company worth more than its book value, or quantifiable assets count as goodwill. Goodwill has a useful life which is indefinite, unlike most of the other intangible assets. Goodwill only shows up on a balance sheet when two companies complete a merger or acquisition. When a company buys another firm, anything it pays above and beyond the net value of the target's identifiable assets becomes goodwill on the balance sheet. Goodwill is a premium paid over the fair value of assets during the purchase of a company. Hence, it is tagged to a company or business and cannot be sold or purchased independently

Intangible Assets

Software has been categorized under Intangible Assets. Software acquired by the Group is measured at cost less accumulated amortization and any accumulated impairment losses.

Subsequent expenditure on software assets is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is expensed as incurred.

Software is amortized on a straight-line basis in profit or loss over its estimated useful life, from the date on which it is available for use. The estimated useful life of software for the current and comparative periods is five years. Amortization methods, useful lives and residual values are reviewed at each reporting date and adjusted if appropriate.

Asset Category	For the year ended 15 July 2020	For the year ended 16 July 2019
Computer Software	Lower of 5 years or License period	Lower of 5 years or License period

3.9 Investment Property

Investment property is the non-current asset held by the entity for capital appreciation or rental income rather than owner-occupied. It is not held for the consumption of business. The bank doesn't intentionally purchases any property for the capital appreciation or rental.

As per the Directive of NRB, this heading shall include land, land and building acquired as non-banking asset but not sold.

The bank has adopted cost model for the recognition and measurement of investment property. According to which the bank has initially recognized the assets at cost and subsequently depreciated such asset as per NAS 40 "Investment Property".

Details of Investment Properties have been depicted under Schedule No. 4.12.

3.10 Income Tax

Current Tax

Provision for current income tax is made in accordance with the provisions of the prevailing Income Tax Act, 2058 and Rules including amendments thereon. Current tax payable (or recoverable) is based on the taxable profit for the year. Taxable profit differs from the profit reported in the statement of profit or loss, because some item of income or expense are taxable or deductible in different years or may never be taxable or deductible.

Net of Current tax assets and current tax liabilities have been shown on the face of statement of financial position.

NPR in '000

	Current Year	Previous Year
Current tax assets	156,814,124	
Current tax liabilities		352,998,342
Net tax assets/(liability)	156,814,124	(352,998,342)

Current tax expenses calculation as per Income Tax Act, 2058:

Particulars	Amount
Profit as per SOPL before tax	1,761,753,433
Less:	
Dividend Income	25,631,163
Contribution to COVID-19 Fund	10,100,000
Provision for LLP/NBA and Loan write off (As allowed in tax)	563,252,904
Depreciation as per Section 19	279,207,019
Proportionate amount of unclaimed loss of merged entities	20,470,947
Recovery of Loan Write off	4,447,500
Cash payment Gratuity and Pension	15,520,659
Cost of Debenture Issue	1,737,365
Gain on sale of assets	-
	920,367,556
Add:	
Depreciation as per Financial Statement	273,892,286
Gratuity and pension provision	275,597,100
Repair Expenses Disallowed	5,316,255
Provision for possible loss	536,658,377
Loan write off disallowed	31,067,408
Non Capitalized Item	13,575,391
Loss on sale of assets	814,241
Bond Premium amortization NFRS	4,535,130
Debenture Adjustment as per NFRS	61,293
	1,141,517,482
Profit as per Tax	1,982,903,359
Tax Expenses	594,871,008

Tax Settlement Status

The bank has filed tax returns with the Inland Revenue Office for the financial years up to 2075/76 (2018/19) under self-assessment procedures. Inland Revenue office has completed assessment/reassessment of Bank's tax liability up to Financial Year 2072/73 (2015/16).

The total disputed amount from FY 2063/64 to FY 2071/72 of NPR 129, 255,412 has been disclosed as contingent liability on income tax under schedule 4.28.

On account of total Loss carried forward from merged entities NPR 20, 470,947 has been adjusted with the taxable income of the Bank during F/Y 2076/77 for calculation of Income Tax Provision Account. Remaining loss of NPR 24,453,069 shall be adjusted as per the provisions of Income Tax Act, 2058.

Deferred Tax

Deferred taxation is provided using the liability method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the tax base of assets and liabilities, which is the amount attributed to those assets and liabilities for tax purposes. The amount of deferred tax provided is based on the expected manner of realization or settlement of the carrying amount of assets and liabilities, using tax rates

enacted or substantively enacted on the reporting date. The existing tax rate 30% has been taken for the computation of deferred tax for the current year.

Deferred tax assets are recognized for unused tax losses, unused tax credits and deductible temporary differences to the extent that it is probable that future taxable profits will be available against which they can be used. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to be applied to temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

NRP in '000

Particulars	Deferred Tax	Deferred Tax	Net Deferred Tax
	Assets	Liabilities	Assets / (Liabilities)
Deferred tax on temporary differences on following items			
Loans and Advances to BFIs	-	-	-
Loans and Advances to Customers	-	-	-
Investment Properties	-	-	-
Investment Securities	-	110,054	(110,054)
Property and Equipment	24,022	-	24,022
Employees' Defined Benefit Plan	373,798	-	373,798
Lease Liabilities	-	-	-
Provisions	6,997	-	6,997
Booking of AIR	-	-	-
Other Temporary Differences	858	-	858
Deferred tax on temporary differences	405,675	110,054	295,621
Deferred tax on carry forward of unused tax losses	7,336	-	7,336
Deferred tax due to changes in tax rate	-	-	-
Net Deferred Tax Asset (Liabilities) as on year-end of Asar 2077	-	-	302,957
Deferred Tax (Asset)/ Liabilities as on Shrawan 01 Shrawan 2076	-	-	261,996
Origination/(Reversal) during the year	-	-	40,961
Deferred Tax (expense) income recognized in profit or loss	-	-	(27,321)
Deferred Tax (expense) income recognized in OCI	-	-	(13,640)
Deferred Tax (expense) income recognized directly in Equity	-	-	-

3.11 Deposits, Debt Securities Issued and Subordinated Liabilities

The estimated fair value of deposits with no stated maturity period is the amount repayable on demand.

Deposits by banks

Deposits by banks comprise amounts owed to other domestic or foreign banks.

Customer accounts

Customer accounts comprise amounts owed to creditors that are not banks.

However, liabilities in the form of debt securities and any liabilities for which transferable certificates have been issued are excluded (as they form part of debt securities in issue).

Deposits by banks & customers are financial liabilities - as there is an obligation to deliver cash or financial assets back to the depositing bank or customer – and are initially recognised at fair value, plus for those financial liabilities not at fair value through profit and loss, transaction costs directly attributable to the acquisition. Fair value is usually the transaction price.

The bank borrows money by issuing debt securities and subordinated debt. The borrowing is acknowledged or evidenced by issue of a negotiable instrument. The negotiable instrument can be certificate of deposit, commercial paper or debt note.

Subordinated debt is issued to meet the capital requirements at bank level and to supply the capital to various operations. This debt generally consists of negotiable instruments and is usually listed on exchanges providing an active secondary market for the debt.

Following is the break-up of total deposits customer-wise as well as product-wise, Figures are presented in thousands of NPR.

Particulars	Current Year	Previous Year
Deposits from Customer	128,740,771	105,488,506
Deposits from Bank & FIs	7,785,249	6,904,942
Total	136,526,020	112,393,448

Particulars	Current Year	Previous Year
Current Deposits	12,922,338	7,143,992
Saving Deposits	49,218,810	41,003,748
Fixed Deposits	55,234,615	44,574,569
Call Deposits	9,896,283	11,471,146
Other Deposits	1,468,725	1,295,051
	128,740,771	105,488,506

Debt Securities Issued

This presents debenture issued by the Bank under this line item. These are classified as financial liabilities measured at amortized cost.

Details of Debt Securities issued are:

S.N.	Name	Amount (NPR)	Period	Interest	Interest	Allotment	Maturity
1	10.25% Prabhu Bank Debenture - 2086	1,000,000,000	10 years	10.25% p.a.	Half Yearly	26/07/2076	25/07/2086

Subordinated Liabilities

These comprise of liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors. Items eligible for presentation under this line item include redeemable preference share, subordinated notes issued, borrowings etc. These are subject to the same accounting policies applied to financial liabilities measured at amortized cost. The Group does not have any subordinated liabilities at the reporting date.

The bank does not have any subordinated liabilities.

3.12 Provisions

A provision is recognized if, as a result of a past event, the Entity has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. The amount recognized is the best estimate of the consideration required to settle the present obligation at the reporting date, taking in to account the risks and uncertainties surrounding the obligation at that date. A provision for onerous contracts is recognized when the expected benefits to be derived by the Bank from a contract are lower than the unavoidable cost of meeting its obligations under the contract. The provision is measured as the present value of the lower of the expected cost of terminating the contract and the expected net cost of continuing with the contract.

Provision are not recognized for future operating losses.

The provisions and its movement are reported under schedule 4.22. The contingent liabilities & commitments are reported under schedule 4.28.

3.13 Revenue Recognition

Interest Income

Interest Income is recognized on accrual basis using the effective interest rate method for all financial assets measured at amortized cost, interest bearing financial asset designated at fair value through profit or loss or classified as available for sale. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability.

In-case a financial asset has been impaired the bank reduces the carrying amount of the asset to its estimated recoverable amount using the effective interest rate of the instrument and continues unwinding of the discount rate as interest income.

Moreover, Bank has followed guidelines issued by Nepal Rastra Bank for suspension and/or cessation to accrue of interest income, wherever applicable.

The amount accrued till year end which has been recovered from customer after ashad end 2077 amounting to Rs 202,086,399 has been adjusted in statement of distributable profit and loss.

Bank has capitalized interest income on the national priority sector project loans to the extent of NPR 255.52 million. Approval of interest capitalization has been duly obtained from Nepal Rastra Bank.

Impact of COVID 19 Pandemic on the Interest Income

As per Notice Issued by NRB 21/076/77 dated 2077/01/16, in order to mitigate impact of COVID 19 to loan borrower, BFIs required to lower interest rate by 2% applicable as on Chaitra end 2076. Bank has provided total rebate of Rs. 415,410,040 to 18,607 customers as a rebate of 2% on applied interest rate during the period of 4th Qtr. Of fiscal year 2076-77.

Further, as per NRB 18/076/77 dated 2076/12/16, BFI's required providing 10% discount on interest due in Mid-April, 2020 if payment is made in the same month. Discount as such amounting to Rs.21, 997,536 to 9,397 customers has also been provided and adjusted in Interest Income.

Fee and Commission Income

Fee income is earned for diverse ranges of services provided by the bank to its customers. Fee income arises on the execution of a significant act completed or from provision of services like asset management, portfolio management, management advisory and service fees etc. The fees and commission income that are integral to the effective interest rate on the financial assets are included in the measurement of the effective interest rate and shall not be recognized as income, however immaterial amount can be recognized in profit or loss account as income. Bank has a policy to treat loan administration fees up-to 1% of loan amount as immaterial.

Dividend Income

Dividend income is recognized in profit or loss on an accrual basis when the Entity's right to receive the dividend is established. Dividends are presented in net trading income or other operating income based on the underlying classification of the equity investment.

Net Trading Income

Trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interest; dividend and foreign exchange differences as well as unrealized changes in fair value of trading assets and liabilities shall be presented under this account head. The term 'Trading', in the context of financial instruments, is defined as active and frequent buying and selling of financial instruments with the objective of generating a profit from short-term fluctuations in price or dealer's margin. Gains and losses on trading instruments are recognised in the income statement on a mark-to-market basis and not on a cash basis.

Net Income from Other Financial Instrument at Fair Value through Profit or Loss

At initial recognition, the bank may choose to designate certain financial assets and liabilities as being held at fair value through profit or loss (the fair value option). Realised and unrealised gains and losses on these instruments are reported through net trading income.

Trading assets such as equity shares and mutual fund are recognized at fair value through profit or loss. No other financial instruments are designated at fair value through profit or loss. The bank has no income under the heading net income from other financial instrument at fair value through profit or loss.

The bank does not have net trading income from other financial instrument at FVTPL.

3.14 Interest Expense

Interest expense has been recognized in the accrual basis using the effective interest rate for financial liabilities measured at amortized cost. EIR is the rate that exactly discounts estimated future payment or receipts through the expected life of the financial instrument or a shorter period where appropriated to the net carrying amount of the financial asset or the financial liability.

3.15 Employee Benefits

Employee benefits include all forms of consideration given by an entity in exchange for service rendered by employees or for the termination of employment.

Defined Contribution Plan

A defined contribution plan is a post-employment plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay a further amount. Obligations for contributions to defined contribution plans are recognised as expense in the profit or loss as and when they are due.

The Bank operates a defined contribution plans as provident fund contribution of its employees and defined benefit plans for the Gratuity and leave payment requirement under its staff rules.

Defined Benefit Plan

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

Gratuity is a Defined Benefit Plan. The Entity annually measures the value of the promised retirement benefits for gratuity, which is a Defined Benefit Plan. Actuarial Valuation of Defined Benefit Plan has been carried out as per the requirement of NAS 19 – Employee Benefits.

Gain or loss arising as a result of changes in assumptions is recognized in other comprehensive income (OCI) in the period in which it arises.

In case of staff home loans provided under Staff Bylaws of the Bank under Insurance-Tied up Scheme, revenue has been calculated based on the estimated bonus rates (compounded by savings interest rate) provided by the insurance companies, which is 6.5% simple interest return for the Bank after reimbursing the half of the return to the respective staff. Bank has the policy to reimburse the half of the bonus received from insurance company at the end of the insurance term to the respective staff.

3.16 Leases

Lease is a contract in which one party provides an asset to the other party for some consideration usually a periodic payment. Lease can be either financial lease or operating lease. In Financial lease the lessee not only has the operating control over the asset but assumes the economic risk and return from the asset. While in operating lease the contract only allows the use of the asset.

The bank doesn't hold any financial lease.

Operating leases are not recognised on the balance sheet. Bank has recognized operating lease expense on Straight Line Method as per requirement of NFRS.

3.17 Foreign Currency Translation

Foreign currency transactions are those conducted in a currency other than the functional currency of the bank. The functional currency is the currency of the primary economic environment in which an entity operates. Transactions in foreign currencies are translated into the respective functional currency of Entity at the spot exchange rates at the date of the transactions.

Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated into the functional currency at the spot exchange rate (Closing rate) at that date. The foreign currency gain or loss on monetary items is the difference between the amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in the foreign currency translated at the spot exchange rate at the end of the year.

Non-monetary assets and liabilities that are measured at fair value in a foreign currency are translated into the functional currency at the spot exchange rate at the date on which the fair value is determined. Non-monetary items that are measured based on historical cost in a foreign currency are translated using the spot exchange rate at the date of the transaction.

Foreign currency differences arising on translation are recognised in profit or loss.

Explanatory Notes

Foreign currency translation gain/loss is presented under schedule 4.34 other operating income. 25% of such re

valuation gain, if any is transferred to foreign exchange fluctuation fund as per the requirement of NRB directive/ BAFIA 2073. During the current year, there was a gain of NPR 14,137,582.

3.18 Financial Guarantee and Loan Commitment

Financial guarantee are bond undertaken by the bank that requires the bank to reimburse the beneficiary of the bond in case the applicant of the bond fails to fulfil their commitments. Loan commitments are commitments by the bank to provide credit under pre-specified terms and conditions in the future. Financial guarantee are recognized as contingent liability and are continuously assessed if any actual financial obligation exists.

Details of Loan Commitments are disclosed in Sch. 4.28.

3.19 Share Capital and Reserves

Financial Instrument issued are classified as equity if that interest gives the holder an evidence of residual asset in the entity after deducting all of its liabilities and there exists no contractual obligation to transfer cash or other financial instrument.

General reserve

This is a statutory reserve and is a compliance requirement of NRB directive no. 4/75 and stipulations of BAFIA. The Bank is required to appropriate a minimum 20% of current year's net profit into this heading each year until it becomes double of paid up capital and then after a minimum 10% of profit each year. This reserve is not available for distribution to shareholders in any form and requires specific approval of the central bank for any transfers from this heading. The Bank has consistently appropriated the required amount from each year's profit into this heading. There is no such statutory requirement for the Subsidiary.

Movement in the General Reserve during the Fiscal Year (Amount in' 000):

Particulars	Amount in '000
Opening Balance as on 1st Shrawan, 2076	1,744,898
Transfer from Retained Earnings (20% of Net Profit)	238,841
Less: Transfer to Retained Earnings	-
Closing Balance as on 31st Ashadh, 2077	1,983,739

Exchange equalization reserve

This is a statutory reserve and is a compliance requirement of NRB directive no. 4/75 and stipulations of BAFIA. The Bank is required to appropriate 25% of current year's total revaluation gain (except gain from revaluation of Indian Currency) into this heading. The Bank has consistently appropriated the required amount from each year's profit into this heading. There is no such statutory requirement for the Subsidiary. Details of movement in the Exchange equalization reserves are provided in 3.17 above.

Movement in the Exchange Equalization Reserve during the Fiscal Year (Amount in' 000):

Particulars	Amount in '000
Opening Balance as on 1st Shrawan, 2076	-
Transfer from Retained Earnings (25% of Revaluation Gain)	3,534
Less: Transfer to Retained Earnings	-
Closing Balance as on 31st Ashadh, 2077	3,534

Fair value reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for financial assets. NFRS 9 requires that cumulative net change in the fair value of financial assets measured at FVTOCI is recognized under fair value reserve heading until the fair valued asset is de-recognized. Any realized fair value changes upon disposal of the re-valued asset is reclassified from this reserve heading to retained earnings. The Group has complied with this accounting policy application.

Movement in the Fair Value Reserve during the Fiscal Year (Amount in' 000):

Particulars	Amount in '000
Opening Balance as on 1st Shrawan, 2076	239,338
Transfer from OCI (after tax increment in fair value)	77,653
Less: Transfer from the Reserve	-
Closing Balance as on 31st Ashadh, 2077	316,992

Asset revaluation reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for non-financial assets such as property, equipment, investment property and intangible assets that are measured following a re-valuation model. Revaluation reserves often serve as a cushion against unexpected losses but may not be fully available to absorb unexpected losses due to the subsequent deterioration in market values and tax consequences of revaluation. The Group does not have any amount to present under asset revaluation reserve.

Capital reserve

This is a non-statutory reserve and represents the amount of all capital nature reserves such as the amounts arising from share forfeiture, capital grants and capital reserve arising out of business combinations. Funds in this reserve are not available for distribution of cash dividend but can be capitalized by issuing bonus shares upon obtaining prior approval from the central bank.

Corporate social responsibility fund

This is a statutory reserve and is a compliance requirement of NRB Directive No. 6. The Bank is required to appropriate an amount equivalent to 1% of net profit into this fund annually. The fund is created towards funding the Bank's corporate social responsibility expenditure during the subsequent year. Balance in this fund is directly reclassified to retained earnings in the subsequent year to the extent of payments made under corporate social responsibility activities. There is no such statutory requirement for the Subsidiary.

Movement in the CSR Fund during the year:

Particulars	Amount in '000
Opening CSR Fund	35,080
Transfer to the CSR Fund (1% of Net Profit)	11,942
Less: Contribution from CSR Fund	20,394
Closing CSR Fund	26,628

Investment adjustment reserve

This is a statutory reserve heading and is a compliance requirement of NRB directive no. 4/075 and 8/075. The Bank is required to maintain balance in this reserve heading which is calculated at fixed percentages of the cost of equity investments that are not held for trading. Changes in this reserve requirement are reclassified to retained earnings. The Bank has consistently appropriated the required amount from each year's profit into this heading. There is no such statutory requirement for the Subsidiary.

Movement in the Investment Adjustment Reserve during the Fiscal Year (Amount in' 000):

Particulars	Amount in '000
Opening Balance as on 1st Shrawan, 2076	117,721
Transfer from Retained Earnings	-
Less: Transfer to Retained Earnings	116,961
Closing Balance as on 31st Ashadh, 2077	760

Actuarial gain / loss reserve

This is a non-statutory reserve and is a requirement in the application of accounting policy for employee benefits. NAS 19 requires that actuarial gain or loss resultant of the change in actuarial assumptions used to value defined benefit obligations be presented under this reserve heading. Any change in this reserve heading is recognized through other comprehensive income and is not an appropriation of net profit. The Group has complied with this accounting policy application.

Movement in the Actuarial Gain/ Loss Reserve during the Fiscal Year (Amount in' 000):

Particulars	Amount in '000
Opening Balance as on 1st Shrawan, 2076	(168,968)
Actuarial Profit during the year (after Tax)	-
Less: Actuarial Loss during the year (after Tax)	(109,479)
Closing Balance as on 31st Ashadh, 2077	(278,446)

Regulatory reserve

This is a statutory reserve and is a requirement in the application of accounting policy as prescribed in NRB directive no. 4/075. In the transition to NFRS from previous GAAP the Bank is required to reclassify all amounts that are resultant of re-measurement adjustments and that are recognized in retained earnings into this reserve heading. The amount reclassified to this reserve includes re-measurement adjustments such as interest income recognized against interest receivables, difference in loan loss provision as per NRB directive and impairment on loan and advance as per NFRS, amount equals to deferred tax assets, actual loss recognized in other comprehensive income, amount of goodwill recognized under NFRS, etc. Balance in this reserve is not regarded as free for distribution of dividend. The Bank has complied with this regulatory requirement. There is no such statutory requirement for the Subsidiary.

Movement in the Regulatory Reserve during the Fiscal Year (Amount in' 000):

Particulars	Accrued Interest Receivable	Non-Banking Assets (after Impairment)	Actuarial Loss Reserve	Deferred Tax Assets	Total
Opening Balance	1,041,048	438,786	168,968	261,996	1,910,798
Transfer from Retained Earnings	-	-	109,479	40,961	150,440
Transfer to Retained Earnings	(170,920)	(115,970)	-	-	(286,890)
Closing Balance	870,128	322,816	278,446	302,957	1,774,348

Other reserve fund
Employees training and capacity development fund

This is a statutory reserve and is a compliance requirement of NRB circular 6/075. The Bank is required to incur expenses towards employee training and development for an amount that is equivalent to at least 3% of the preceding year's total personnel expenses. Any shortfall amount in meeting this mandatory expense requirement in the current year will have to be transferred to this reserve fund through appropriation of net profit and the amount shall accumulate in the fund available for related expenses in the subsequent year. Balance in this fund is directly reclassified to retained earnings in the subsequent year to the extent of expenses made for employees training related activities.

There is no movement in this fund during the year as Nepal Rastra Bank has pronounced that the provision of mandatory transfer shall not be mandatory this year because of adverse situation caused by Covid-19 pandemic.

Equity Share Capital – over the year's movements
Paid up share capital of the Bank has moved over the years as follows:

Financial Year	Raised Capital	Cumulative Capital	Remarks
2058/59	30 Mn.	30 Mn.	Initial Paid up Capital
2060/61	20 Mn.	50 Mn.	Capital raised by Initial Public Offer (IPO)
2062/63	50 Mn.	100 Mn.	Capital raised by Issuance of 1:1Right (1st Right Share)
2063/64	100 Mn.	200 Mn.	Capital raised by Issuance of 1:1Right (2nd Right Share)
2064/65	600 Mn.	800 Mn.	Capital raised by Issuance of 1:3Right (3rd Right Share)
2065/66	1,200 Mn.	2000 Mn.	Capital raised by Issuance of 1:1.5Right share (4th Right Share)
2071/72	1,208.89 Mn.	3208.89 Mn.	Merger with PBBL, GDBL and ZFL
2072/73	2,000 Mn.	5208.89 Mn.	Merger with GBNL
2072/73	30.74 Mn.	5239.63 Mn.	Acquisition of Nepal Development Bank Ltd. (in liquidation)
2072/73	641.78 Mn.	5,881.40Mn.	Capital raised by Issuance of 5:1 Right Share
2073/74	2352.56 Mn.	8,233.96 Mn.	Capital raised by Issuance of 10:4 Right Share
2075/76	658.72 Mn.	8,892.64 Mn.	Capital raised by Issuance of 8% Bonus Shares
2076/77	1422.82 Mn.	10,315.46 Mn.	Capital raised by Issuance of 16% Bonus Shares

List of Shareholders holding more than 0.5% shares of the Bank are as follows:

S.N.	Shareholders Name	Promoter Share (No. of Share)	Public Share (No. of Share)	Total no. of share	Share Holding %
1	Tara Kumari Bhattachan	4,836,367	379,138	5,215,505	5.06
2	Prabhu Group Pvt. Ltd	4,230,968	858,653	5,089,621	4.93
3	Gaurav Agarwal	4,409,263	346,661	4,755,924	4.61
4	Nepal Investment Pvt Ltd	3,412,603	267,660	3,680,263	3.57
5	Employees Provident Fund	1,068,182	215,954	1,284,136	1.24
6	Binod Thakali	1,010,989	212,373	1,223,362	1.19
7	Sudeep Acharya	1,004,124	148,003	1,152,127	1.12
8	Ambika Sharma Lamichhane	873,373	200,712	1,074,085	1.04
9	Swarup Gurung	617,322	401,284	1,018,606	0.99
10	Mijas Bhattachan	896,548	105,060	1,001,608	0.97
11	Sailesh Shrestha	995,182	-	995,182	0.96
12	Dhruba Chandra Dhital	915,133	67,873	983,006	0.95
13	Shiva Kumar Shrestha	852,622	120,403	973,025	0.94
14	Sun Nepal Life Insurance Company Ltd.	900,000	-	900,000	0.87
15	Rajendra Bhattachan	805,333	71,043	876,376	0.85
16	Pawan Kumar Agrawal	548,934	195,530	744,464	0.72
17	Manoj Rathi	561,692	134,887	696,579	0.68
18	Devraj Rajbhandari	413,091	268,687	681,778	0.66
19	Purna Man Shakya	435,564	223,032	658,596	0.64
20	Shamba Lama	511,128	106,984	618,112	0.60
21	Sachi Bhattachan	495,517	38,864	534,381	0.52

Proposed Distributions (Dividends and Bonus Shares)

The Board has recommended 0.526% as cash dividend (for the purpose of tax on bonus shares) and 10% bonus shares for the reported year, 2019-20. This proposal of the Board of Directors is subject to the ratification by the Annual General meeting of the Shareholders. The proposed distribution shall be recognised in equity in the period in which they are paid.

3.20 Earnings per Share including Diluted

Earnings per share (EPS) is the portion of the company profit allocated to each outstanding share of the common stock. Diluted earnings per share is the calculation of the EPS if all convertible securities were exercised. Bank has fully followed NAS 33 Earnings per Share for the calculation of EPS.

Basic earnings per share is calculated by dividing the net profit for the year attributable to equity holders of the parent by the weighted average number of ordinary shares outstanding during the year, as per the NAS 33 - Earnings per Share.

Previous years' Basic and Diluted EPS has been adjusted retrospectively due to issue of 16% bonus shares during the current year, as per NAS 33.

	2020	2019
Profit Attributable to ordinary Shareholders	1,194,203,890	1,783,592,538
Weighted average number of Ordinary Shares	103,155,066	103,155,066
Basic Earnings per Ordinary Share (Rs.)	11.58	17.29

The calculation of Diluted Earnings Per Share as at reporting date was based on the profit attributable to equity holders of the Bank by the weighted average number of ordinary shares outstanding during the year, after adjustment for the effects of all potentially dilutive weighted average number of ordinary shares.

Weighted average number of Ordinary Shares	2020		2019	
	Outstanding	Weighted Average	Outstanding	Weighted Average
Weighted average number of ordinary shares for Basic EPS				
Number of Shares held as at 1st Shrawan 2076	88,926,747	88,926,747	82,339,485	82,339,485
Add; Share Issue During The Year	40	40	103	103
Add: Bonus Share Issue	14,228,280	14,228,280	6,587,159	2,454,393
Add: Issue For Merger				
Number of Shares held as at Ashadh 31 2077	103,155,066	103,155,066	88,926,747	84,793,982

3.21 Segment Reporting

Segment Reporting is the reporting of the operating segment of the entity. A segment is reportable if:

- It has at least 10% of the revenues, 10% of the profit or loss, or 10% of the combined assets of the entity.

Segment can be categorized either on the basis of geographic segment or business segment. The bank has categorized its segment on the basis of functions and services provided to the customers. Segment assets, segment liabilities, total revenue, total expenses and operating profit are disclosed. Branches of the bank are classified under the regional operating structure for monitoring and supervision. The transaction between the branches are charged at transfer price decided by Asset Liability Management Committee of the bank. The disclosure has been prepared in accordance with the requirements of NFRS

Cash and Cash Equivalent

For the year ended 31 Ashad 2077

Annex 4.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Cash in Hand	3,663,275,492	3,132,648,276	3,663,275,492	3,132,648,276
Balances with BFIs	2,451,893,631	2,971,337,300	2,087,884,137	2,892,274,981
Money at Call and Short Notice	2,688,394,096	7,767,413,760	2,688,394,096	7,767,413,760
Other Cash and Cash Equivalents	6,514,400	-	6,514,400	-
Total	8,810,077,619	13,871,399,336	8,446,068,125	13,792,337,018

Due from Nepal Rastra Bank

For the year ended 31 Ashad 2077

Annex 4.2

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Statutory Balances with NRB	14,253,257,339	5,294,094,204	14,253,257,339	5,294,094,204
Securities purchased under Resale Agreement	-	-	-	-
Other Deposit and Receivable from NRB	5,775,121,816	2,737,174,928	5,775,121,816	2,737,174,928
Total	20,028,379,155	8,031,269,133	20,028,379,155	8,031,269,133

Placements with Banks and Financial Institutions

For the year ended 31 Ashad 2077

Annex 4.3

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Placement with Domestic BFIs	-	-	-	-
Placement with Foreign BFIs	-	-	-	-
Less: Allowances for Impairment	-	-	-	-
Total	-	-	-	-

Derivative Financial Instruments

For the year ended 31 Ashad 2077

Annex 4.4

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
<i>Held for Trading</i>	-	-	-	-
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts	-	-	-	-
Others	-	-	-	-
<i>Held for Risk Management</i>	-	-	-	-
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts.	5,353,759,640	4,476,352,355	5,353,759,640	4,476,352,355
Others	-	-	-	-
Total	5,353,759,640	4,476,352,355	5,353,759,640	4,476,352,355

Other Trading Assets

For the year ended 31 Ashad 2077

Annex 4.5

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Treasury Bills	-	-	-	-
Government Bonds	-	-	-	-
NRB Bonds	-	-	-	-
Domestic Corporate Bonds	-	-	-	-
Equities	536,795,114	84,148,259	-	-
Other Trading Assets	-	-	-	-
Total	536,795,114	84,148,259	-	-

Loans and Advances to BFIs

For the year ended 31 Ashad 2077

Annex 4.6

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Loans to Micro-Finance Institutions	3,936,957,462	3,971,566,996	3,936,957,462	3,971,566,996
Other				
Less: Allowances for Impairment	(39,298,409)	(39,640,362)	(39,298,409)	(39,640,362)
Total	3,897,659,053	3,931,926,634	3,897,659,053	3,931,926,634

Allowances for Impairment

For the year ended 31 Ashad 2077

Annex 4.6.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Balance at Shrawan 01, 2076	(39,640,362)	(32,058,238)	(39,640,362)	(32,058,238)
Impairment Loss for the year:				
Charge for the year	-	(7,582,124)	-	(7,582,124)
Recoveries/Reversal	341,952	-	341,952	
Amount Written Off				
Balance at 31 Ashadh, 2077	(39,298,409)	(39,640,362)	(39,298,409)	(39,640,362)

Loans and Advances to Customers

For the year ended 31 Ashad 2077

Annex 4.7

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Loans and Advances measured at Amortized Cost	102,910,875,251	88,797,326,203	102,910,875,251	88,797,326,203
Less: Impairment Allowances				
Collective Impairment	(1,471,949,415)	(949,875,321)	(1,471,949,415)	(949,875,321)
Individual Impairment	(2,041,201,340)	(2,026,275,103)	(2,041,201,340)	(2,026,275,103)
Net Amount	99,397,724,497	85,821,175,779	99,397,724,497	85,821,175,779
Loans and Advances measured at FVTPL			-	-
Total	99,397,724,497	85,821,175,779	99,397,724,497	85,821,175,779

Analysis of Loans and Advances - By Product

For the year ended 31 Ashad 2077

Annex 4.7.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Product				
Term Loans	37,451,563,372	24,345,786,365	37,451,563,372	24,345,786,365
Overdraft	12,136,960,571	11,040,479,693	12,136,960,571	11,040,479,693
Trust Receipt/Import Loans	6,140,380,588	3,093,605,055	6,140,380,588	3,093,605,055
Demand and other Working Capital Loans	9,855,306,495	14,238,201,359	9,855,306,495	14,238,201,359
Personal Residential Loans	10,053,643,783	9,311,068,022	10,053,643,783	9,311,068,022
Real Estate Loans	3,358,221,988	4,462,929,082	3,358,221,988	4,462,929,082
Margin Lending Loans	1,929,666,072	2,192,132,789	1,929,666,072	2,192,132,789
Hire Purchase Loans	6,772,148,719	7,136,497,926	6,772,148,719	7,136,497,926
Deprived Sector Loans	4,980,115,211	4,716,101,324	4,980,115,211	4,716,101,324
Bills Purchased	30,000,000	242,370	30,000,000	242,370
Staffs Loans	1,951,006,713	1,446,670,745	1,951,006,713	1,446,670,745
Other	6,496,432,089	5,778,796,834	6,496,432,089	5,778,796,834
Sub-Total	101,155,445,601	87,762,511,563	101,155,445,601	87,762,511,563
Interest Receivable	1,755,429,650	1,034,814,640	1,755,429,650	1,034,814,640
Grand Total	102,910,875,251	88,797,326,203	102,910,875,251	88,797,326,203

Analysis of Loans and Advances - By Currency

For the year ended 31 Ashad 2077

Annex 4.7.2

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Nepalese Rupee	99,012,155,047	87,116,678,230	99,012,155,047	87,116,678,230
Indian Rupee				
United States Dollar	3,898,720,204	1,680,647,973	3,898,720,204	1,680,647,973
Great Britain Pound				
Euro				
Japanese Yen				
Chinese Yuan				
Other				
Grand Total	102,910,875,251	88,797,326,203	102,910,875,251	88,797,326,203

Analysis of Loans and Advances - By Collateral

For the year ended 31 Ashad 2077

Annex 4.7.3

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Secured				
Moveable/Immoveable Assets	87,220,906,179	81,144,570,992	87,220,906,179	81,144,570,992
Gold and Silver	50,892,420	61,573,157	50,892,420	61,573,157
Guarantee of Domestic BFIs	4,189,483,092	-	4,189,483,092	
Government Guarantee	124,487,585	124,978,223	124,487,585	124,978,223
Guarantee of International Rated Bank	-	-	-	
Collateral of Export Document	5,182,612,916	-	5,182,612,916	
Collateral of Fixed Deposit Receipt	3,169,323,245	3,572,595,125	3,169,323,245	3,572,595,125
Collatereal of Government Securities	-	1,550,000	-	1,550,000
Counter Guarantee	-	-	-	
Personal Guarantee	702,349,549	429,197,643	702,349,549	429,197,643
Other Collateral	2,270,820,264	3,462,861,063	2,270,820,264	3,462,861,063
Subtotal	102,910,875,251	88,797,326,203	102,910,875,251	88,797,326,203
Unsecured				
Grand Total	102,910,875,251	88,797,326,203	102,910,875,251	88,797,326,203

Allowance for Impairment

For the year ended 31 Ashad 2077

Annex 4.7.4

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Specific Allowance for Impairment				
Balance at Shrawan 01	2,026,275,103	1,952,141,495	2,026,275,103	1,952,141,495
Impairment Loss for the year				
Charge for the year	14,926,236	74,133,609	14,926,236	74,133,609
Recoveries/Reversals during the year			-	
Write-Offs				
Exchange Rate Variance on Foreign Currency				
Other Movement				
Balance at Asar End	2,041,201,340	2,026,275,103	2,041,201,340	2,026,275,103
Collective Allowances for Impairment				
Balance at Sharawan 01	949,875,321	661,453,029	949,875,321	661,453,029
Impairment Loss for the year				
Charge/(Reversal) for the year	522,074,093	288,422,293	522,074,093	288,422,293
Exchange Rate Variance on Foreign Currency				
Other Movement				
Balance at Asar End	1,471,949,415	949,875,321	1,471,949,415	949,875,321
Total Allowances for Impairment	3,513,150,754	2,976,150,425	3,513,150,754	2,976,150,425

Investment Securities
For the year ended 31 Ashad 2077

Annex 4.8

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Investment Securities measured at Amortized Cost	17,615,443,740	12,291,535,771	17,443,408,345	12,215,053,171
Investment in Equity measured at FVTOCI	2,874,724,545	2,233,476,904	2,874,724,545	2,233,476,904
Total	20,490,168,285	14,525,012,675	20,318,132,889	14,448,530,074

Investment Securities measured at Amortized Cost

For the year ended 31 Ashad 2077

Annex 4.8.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Debt Securities				
Government Bonds	14,917,505,845	8,657,090,000	14,917,505,845	8,657,090,000
Government Treasury Bills	2,334,702,500	3,557,963,171	2,334,702,500	3,557,963,171
Nepal Rastra Bank Bonds				
Nepal Rastra Bank Deposit Instruments				
Deposit Instruments				
Other	363,235,396	76,482,600	191,200,000	
Less: Specific Allowances for Impairment				
Total	17,615,443,740	12,291,535,771	17,443,408,345	12,215,053,171

Investment in Equity measured at FVTOCI

For the year ended 31 Ashad 2077

Annex 4.8.2

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Equity Instruments				
Quoted Equity Securities	1,142,320,745	813,566,284	1,142,320,745	813,566,284
Unquoted Equity Securities	1,732,403,799	1,419,910,620	1,732,403,799	1,419,910,620
Total	2,874,724,545	2,233,476,904	2,874,724,545	2,233,476,904

Information relating to Investment in Equities

For the year ended 31 Ashad 2077

Annex 4.8.3

Particulars	Group				Bank			
	Current Year		Previous Year		Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
1.1 Arun Valley Hydropower Company Ltd.								
6122 Ordinary Shares of Rs. 100 each	875,000	569,346	875,000	679,542	875,000	569,346	875,000	679,542
1.2 Asian Life Insurance Company Ltd.								
1534 Ordinary Shares of Rs. 100 each	215,635	931,138	150,234	337,040	215,635	931,138	150,234	337,040
1.3 Butwal Power Co.Ltd								
16816 Ordinary Shares of Rs. 100 each	10,009,852	6,036,944	10,009,852	6,252,383	10,009,852	6,036,944	10,009,852	6,252,383
1.4 Credit Information Centre Ltd.								
190,296 Ordinary Shares of Rs. 100 each at par	8,077,620	19,029,600	8,077,620	8,077,620	8,077,620	19,029,600	8,077,620	8,077,620
1.5 First Micro Finance Dev Bank Ltd								
326,015 Ordinary Shares of Rs. 100 each at par	14,672,700	180,938,325	14,672,700	104,492,250	14,672,700	180,938,325	14,672,700	104,492,250
875,094 Promotor Shares of Rs. 100 each at par	69,384,500	240,650,850	69,384,500	179,506,560	69,384,500	240,650,850	69,384,500	179,506,560
1.6 ICRA Nepal Ltd								
7,600 Ordinary Shares of Rs. 100 each at par	760,000	760,000	760,000	760,000	760,000	760,000	760,000	760,000
1.8 Nepal Clearing House								
79,280 Ordinary Shares of Rs. 100 each at par	5,505,600	7,928,000	5,505,600	5,505,600	5,505,600	7,928,000	5,505,600	5,505,600
1.10 Nepal Life Insurance Ltd.								
3,862 Ordinary Shares of Rs. 100 each at par	2,480,925	4,866,120	2,480,925	2,784,090	2,480,925	4,866,120	2,480,925	2,784,090
1.11 Khanikholha Hydropower Company Ltd								
378,996 Promoter Shares of Rs. 100 each at par	37,899,600	18,570,804	37,899,600	37,899,600	37,899,600	18,570,804	37,899,600	37,899,600
1.12 Life Insurance Corporation (Nepal) Ltd.								
942 Bonus Shares only		1,252,860		1,120,000		1,252,860		1,120,000
1.13 NMB Hybrid Fund L-1								
236,610 Ordinary Shares of Rs. 10 each at par	2,366,100	2,247,795	2,366,100	2,373,198	2,366,100	2,247,795	2,366,100	2,373,198
1.14 NABIL Equity Fund								
168,974 Ordinary Shares of Rs. 10 each at par	1,689,740	1,576,527	1,689,740	1,576,527	1,689,740	1,576,527	1,689,740	1,576,527
1.15 NIIBL Pragati Fund								
171,247 Ordinary Shares of Rs. 10 each at par	1,712,470	1,395,663	1,712,470	1,274,078	1,712,470	1,395,663	1,712,470	1,274,078
1.16 National Life Insurance Company Ltd.								
6,274 Ordinary Shares of Rs. 100 each	3,409,769	4,153,388	3,409,769	3,580,785	3,409,769	4,153,388	3,409,769	3,580,785
1.17 Nepal Dorsanchar Company Ltd.								
68,080 Ordinary Shares of Rs. 100 each	40,634,566	44,592,400	40,634,566	47,179,440	40,634,566	44,592,400	40,634,566	47,179,440
1.18 Riddhi Hydropower Development Company Ltd.								
165 Ordinary Shares of Rs. 100 each at par	13,000	13,860	13,000	14,850	13,000	13,860	13,000	14,850
1.19 Sana Kisan Bikas Bank Ltd.								
11,310 Ordinary Shares of Rs. 100 each	3,522,964	14,714,310	3,522,964	10,721,880	3,522,964	14,714,310	3,522,964	10,721,880
1.20 Siddhartha Investment Growth Scheme - 1								
500,000 Ordinary Shares of Rs. 10 each	5,000,001	5,000,000			5,000,001		5,000,000	
1.21 Siddhartha Equity Oriental Scheme								
176,931 Ordinary Shares of Rs. 10 each			1,769,310	1,914,393			1,769,310	1,914,393
1.22 United Modi Hydropower Ltd.								
125,351 Promoter Shares of Rs. 100 each at par	12,535,100	13,036,504	12,535,100	13,663,259	12,535,100	13,036,504	12,535,100	13,663,259
1.23 NIC Asia Balance Fund								
5,000,000 units of Rs. 10 each	50,000,000	50,000,000			50,000,000	50,000,000		
1.24 NMB Sulav Fund								
2,000,000 units of Rs. 10 each	20,000,000	20,000,000			20,000,000	20,000,000		
1.25 Sunrise First Mutual Fund								
10,000,000 units of Rs. 10 each	100,000,000	100,000,000			100,000,000	100,000,000		
1.26 Hydro Electricity Inv.& Dev. Company Ltd. (HIDCL)								
111,510 Ordinary Shares of Rs. 100 each at par	10,137,300	14,830,830	10,137,300	17,953,110	10,137,300	14,830,830	10,137,300	17,953,110
1.27 Globle IME Samunnat Yojana - 1								
474,658 Ordinary Shares of Rs. 10 each at par	4,746,580	4,072,566	4,746,580	3,977,634	4,746,580	4,072,566	4,746,580	3,977,634
1.28 Mero Micro Finance Bittiya Sanstha Ltd.								
598,598 Promoter Shares of Rs. 100 each at par	37,023,000	59,859,800	37,023,000	37,023,000	37,023,000	59,859,800	37,023,000	37,023,000
1.29 Nepal Banking Training Institute (NBTI)								
120,000 Promoter Shares of Rs. 100 each at par	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000
1.30 Prabhu Insurance Company Ltd.								
609,112 Promotor Shares of Rs. 100 each at par	212,841,528	289,328,200	212,841,528	335,620,712	212,841,528	289,328,200	212,841,528	335,620,712
1.31 Prabhu Life Insurance Company Ltd.								
2,000,000 Promotor Shares of Rs. 100 each at par	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000	200,000,000
1.32 Siddhartha Equity Fund								
967,748 units of Rs. 10 each at par	9,677,480	9,677,480	9,677,480	9,764,577	9,677,480	9,677,480	9,677,480	9,764,577
1.33 Sanima Equity Fund								
1,200,000 units of Rs. 10 each at par	12,000,000	11,916,000	12,000,000	11,280,000	12,000,000	11,916,000	12,000,000	11,280,000
1.34 Citizens Mutual Fund - 1								
1,000,000 units of Rs. 10 each at par	10,000,000	10,060,000	10,000,000	10,180,000	10,000,000	10,060,000	10,000,000	10,180,000
1.35 NIC Asia Growth Fund								
1,000,000 units of Rs. 10 each at par	10,000,000	10,190,000	10,000,000	10,280,000	10,000,000	10,190,000	10,000,000	10,280,000
1.36 Mithila Laghubitta Bikas Bank Ltd.								
33 units of Rs. 100 each	2,100	26,895	2,100	11,687	2,100	26,895	2,100	11,687

1.37 Laxmi Laghubitta Bittiya Sanstha Ltd. 10 units Bonus Shares	-	-	12,140	-	-	5,288	-	-	-	12,140	-	5,288
1.38 Smart Choice Technologies Ltd. 539,520 units of Rs. 425 each	-	-	-	-	-	-	-	-	-	-	-	-
1.39 Nepal Infrastructure Bank Ltd. 9,833,000 units of Rs. 100 each	125,236,200	125,236,200	93,217,800	93,217,800	125,236,200	125,236,200	93,217,800	93,217,800	93,217,800	93,217,800	93,217,800	93,217,800
1.40 Banking Finance & Insurance Institute 30,000 units of Rs. 100 each	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000	3,000,000
1.41 Unique Nepal Laghubitta Sanstha 108,000 units of Rs. 100 each	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000	10,800,000
1.42 Mahila Upakar Laghubitta Sanstha 60,000 units of Rs. 100 each	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000	6,000,000
1.43 Dhaulagiri Laghubitta Sanstha 151,500 units of Rs. 100 each	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000	15,150,000
1.44 Rastriya Utthan Laghubitta Sanstha 300,000 units of Rs. 100 each	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000	30,000,000
1.45 Citizen Mutual Fund-II 1,000,000 units of Rs. 10 each	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
1.46 Nabil Balance Fund-II 1,000,000 units of Rs. 10 each	10,000,000	9,900,000	10,000,000	10,000,000	10,000,000	9,900,000	10,000,000	9,900,000	10,000,000	10,000,000	10,000,000	10,000,000
1.47 NESDO Sambriddha Laghubitta Sanstha 50,000 units of Rs. 100 each	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000	5,000,000
1.48 Nepal Stock Exchange Ltd. 250,000 units of Rs. 100 each	325,000,000	325,000,000	-	-	325,000,000	325,000,000	-	-	-	-	-	-
Total	2,421,879,332	2,874,724,545	1,891,564,837	2,233,476,904	2,421,879,332	2,874,724,545	1,891,564,837	2,233,476,904				
Provision maintained for loss on investment		-		-								
Net Total Amount	2,421,879,332	2,874,724,545	1,891,564,837	2,233,476,904	2,421,879,332	2,874,724,545	1,891,564,837	2,233,476,904				

Current Tax Assets

For the year ended 31 Ashad 2077

Annex 4.9

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Current Tax Assets	-	-	-	-
Current year Income Tax Assets	163,739,404	4,940,683	156,814,124	-
Tax Assets of Prior Periods	-	-	-	-
Current Tax Liabilities	-			
Current year Income Tax Liabilities	10,096,771	352,998,342	-	352,998,342
Tax Liabilities of Prior Periods	-	-	-	-
Total	153,642,633	(348,057,659)	156,814,124	(352,998,342)

Investment in Subsidiaries

For the year ended 31 Ashad 2077

Annex 4.10

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-		
Investment in Unquoted Subsidiaries	-	-	524,229,080	116,960,880
Total Investment	-	-		
Less: Impairment Allowances	-	-	-	-
Net Carrying Amount	-	-	524,229,080	116,960,880

Investment in quoted Subsidiaries

For the year ended 31 Ashad 2077

Annex 4.10.1

Particulars	Bank			
	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
..... Ltd., per share	-	-	-	-
..... Ltd., per share	-	-	-	-
..... Ltd., per share	-	-	-	-
..... Ltd., per share	-	-	-	-
Total				

Investment in Unquoted Subsidiaries

For the year ended 31 Ashad 2077

Annex 4.10.2

Particulars	Bank			
	Current Year		Previous Year	
	Cost	Fair Value	Cost	Fair Value
Prabhu Capital Ltd.				
3,796,682 Promotor Shares of Rs. 100 each at par	3,796,682	3,796,682	72,400,000	72,400,000
55,000 Promotor Shares of Rs. 155 each at par	8,525,000	8,525,000	8,525,000	8,525,000
292,000 Promotor Shares of Rs. 146.64 each at par Prabhu Stock Ltd.	42,818,880	42,818,880	42,818,880	42,818,880
1,000,000 Promoter Shares of Rs. 100 each	100,000,000	100,000,000		
Total	531,012,080	531,012,080	123,743,880	123,743,880

Information relating to Subsidiaries of the Bank

For the year ended 31 Ashad 2077

Annex 4.10.3

	Bank			
	Percentage of Ownership held by Bank			
	Current Year		Previous Year	
Prabhu Capital Ltd.	51%		51%	
Prabhu Stock Ltd.	100%		0%	
Total				

Non Controlling Interest of the Subsidiaries

For the year ended 31 Ashad 2077

Annex 4.10.4

	Current Year			
	Group			
	Prabhu Capital Ltd.	Prabhu Stock Ltd.Ltd.Ltd.
Equity Interest held by NCI (%)	49%	100%		
Profit (Loss) allocated during the year	11,040,177	-	-	-
Accumulated Balances of NCI as on Asar End	411,208,353	-	-	-
Dividend Paid to NCI	-	-	-	-

	Previous Year			
	Group			
	Prabhu Capital Ltd.	Prabhu Stock Ltd.Ltd.Ltd.
Equity Interest held by NCI (%)	49%	100%		
Profit (Loss) allocated during the year	5,291,099	-	-	-
Accumulated Balances of NCI as on Asar End	105,264,486	-	-	-
Dividend Paid to NCI	(6,860,000)	-	-	-

Investment in Associates

For the year ended 31 Ashad 2077

Annex 4.11

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Investment in Quoted Subsidiaries	-	-	-	-
Investment in Unquoted Subsidiaries	-	-	-	-
Total Investment	-	-	-	-
Less: Impairment Allowances	-	-	-	-
Net Carrying Amount	-	-	-	-

Quoted Equity Investment in Associates

For the year ended 31 Ashad 2077

Annex 4.11.1

Particulars	Group				Bank			
	This Year		Previous Year		This Year		Previous Year	
	Cost Price	Fair Value	Cost Price	Fair Value	Cost Price	Fair Value	Cost Price	Fair Value
..... Ltd., per share								
..... Ltd., per share								
Total								

Unquoted Equity Investment in Associates

For the year ended 31 Ashad 2077

Annex 4.11.2

Particulars	Group				Bank			
	This Year		Previous Year		This Year		Previous Year	
	Cost Price	Fair Value	Cost Price	Fair Value	Cost Price	Fair Value	Cost Price	Fair Value
..... Ltd., per share								
..... Ltd., per share								
Total								

Details about Associated Companies

For the year ended 31 Ashad 2077

Annex 4.11.3

Particulars	Group				Bank			
	Ownership (%)				Ownership (%)			
	This Year							
..... Ltd.								
..... Ltd.								
..... Ltd.								
..... Ltd.								
Total								

Equity Price of Associated Companies

For the year ended 31 Ashad 2077

Annex 4.11.4

Particulars	Group				Bank			
	Ownership (%)				Ownership (%)			
	This Year		Previous Year		This Year		Previous Year	
..... Ltd.								
..... Ltd.								
..... Ltd.								
..... Ltd.								
Total								

Investment Properties

For the year ended 31 Ashad 2077

Annex 4.12

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Investment Properties measured at Fair Value	-			
Balance as on Shrwan 01.				
Addition/(Disposal) during the year.				
Net Changes in fair value during the year.				
Adjustment/Transfer.				
Net Amount			-	-
Investment Properties measured at Cost				
Balance as on Shrwan 01	438,785,936	464,795,000	438,785,936	464,795,000
Addition/(Disposal) during the year	78,665,677	(21,881,150)	78,665,677	(21,881,150)
Net Changes in fair value during the year	-	-		
Adjustment/Transfer	(5,045,741)	(4,127,914)	(5,045,741)	(4,127,914)
Net Amount	512,405,873	438,785,936	512,405,873	438,785,936
Total	512,405,873	438,785,936	512,405,873	438,785,936

Property and Equipment

For the year ended 31 Ashad 2077

Annex 4.13

Particulars	Group									Total Asar end 2077	Total Asar end 2076
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & others			
Cost											
As on Shrawan 01	649,879,125	1,002,211,641	384,098,320	269,299,051	270,985,127	201,148,987	338,095,128	243,692,406			3,359,409,785
Addition during the Year	-	14,689,918	63,975,928	71,594,761	120,421,074	37,006,559	41,348,043	65,825,020			414,861,303
Acquisition	-	14,689,918	63,975,928	71,594,761	120,421,074	37,006,559	41,348,043	65,825,020			414,861,303
Capitalization	-	-	-	-	-	-	-	-			-
Disposal during the year	-	(174,811)	(1,715,600)	(2,812,936)	(54,197,962)	(1,273,089)	(2,033,312)	(6,987,929)			(69,195,640)
Adjustment/Revaluation	-	-	-	-	-	-	-	-			-
Balance as on Asar end 2076	649,879,125	1,016,726,748	446,358,648	338,080,876	337,208,239	236,882,457	377,409,858	302,529,497			3,705,075,448
 Depreciation and Impairment											
As on Shrawan 01	204,513,205	212,825,199	185,012,453	117,832,667	145,163,092	204,859,415	175,684,462				1,245,890,493
Depreciation charge for the year	40,306,989	33,280,153	30,953,674	46,950,691	19,590,048	22,571,586	25,972,691				219,625,832
Impairment for the year	-	-	-	-	-	-	-	-			-
Disposals	(38,015)	(39,390)	(2,574,643)	(34,651,653)	(1,088,738)	(1,402,131)	(5,617,307)				(45,411,877)
Adjustment	-	-	-	-	-	-	-	-			-
As on Asar end 2076	244,782,179	246,065,962	213,391,484	130,131,705	163,664,402	226,028,869	196,039,846				1,420,104,447
Impairment for the year	-	-	-	-	-	-	-	-			-
Depreciation charge for the year	38,624,383	42,241,931	40,227,819	49,372,913	23,859,633	24,696,007	37,160,628	256,183,313			
Disposals	-	(150,869)	(1,018,474)	(4,088,914)	(531,441)	(1,591,332)	(2,741,323)	(10,122,353)			
Adjustment	-	-	-	-	-	-	-	-			-
As on Asar end 2077	283,406,563	288,157,024	252,600,829	175,415,704	186,992,593	249,133,544	230,459,150	1,666,165,408			
Capital Work in Progress											
Net Book Value											
As on Asar end 2075	649,879,125	797,698,436	171,273,122	84,286,598	153,152,460	55,985,895	133,235,713	68,007,944	2,113,519,292		
As on Asar end 2076	649,879,125	771,944,568	200,292,686	124,689,392	207,076,533	73,218,055	151,380,989	106,489,651	2,284,971,001		
As on Asar end 2077	649,879,125	733,914,095	291,174,097	145,845,365	202,538,808	78,772,776	143,892,530	118,536,869	2,364,553,665	2,131,781,915	

Particulars	Bank									Total Asar end 2076	Total Asar end 2075
	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixtures	Machinery	Equipment & others			
Cost											
As on Shrawan 01	649,879,125	1,002,211,641	377,288,823	265,902,471	267,855,727	197,599,705	338,095,128	242,439,562			3,341,272,181
Addition during the year	-	14,689,918	63,667,476	71,076,261	120,421,074	37,006,559	41,348,043	65,818,523			414,027,855
Acquisition	-	14,689,918	63,667,476	71,076,261	120,421,074	37,006,559	41,348,043	65,818,523			414,027,855
Capitalization	-	-	-	-	-	-	-	-			-
Disposal during the year	-	(174,811)	(1,715,600)	(2,710,784)	(54,197,962)	(1,273,089)	(2,033,312)	(6,987,929)			(69,093,489)
Adjustment/Revaluation	-	-	-	-	-	-	-	-			-
Balance as on Asar end 2076	649,879,125	1,016,726,748	439,240,698	334,267,948	334,078,839	233,333,175	377,409,858	301,270,156			3,686,206,547
 Depreciation and Impairment											
As on Shrawan 01	204,513,205	207,738,461	182,651,426	116,776,682	142,396,323	204,859,415	174,593,277				1,233,528,789
Depreciation charge for the year	40,306,989	32,655,137	30,368,217	46,508,541	19,450,619	22,571,586	25,864,704				217,725,793
Impairment for the year	-	-	-	-	-	-	-	-			-
Disposals	(38,015)	(39,390)	(2,472,491)	(34,651,653)	(1,088,738)	(1,402,131)	(5,617,307)				(45,309,725)
Adjustments	-	-	-	-	-	-	-	-			-
As on Asar end 2076	244,782,179	240,354,208	210,547,152	128,633,570	160,758,204	226,028,869	194,840,673				1,405,944,857
Impairment for the year	-	-	-	-	-	-	-	-			-
Depreciation charge for the year	38,624,383	41,575,788	39,728,768	48,925,855	23,786,311	24,696,007	37,061,255	254,398,368			
Disposals	-	(150,869)	(1,018,474)	(4,088,914)	(531,441)	(1,591,332)	(2,741,323)	(10,122,353)			
Adjustments	-	-	-	-	-	-	-	-			-
As on Asar end 2077	-	283,406,563	281,779,128	249,257,447	173,470,512	184,013,074	249,133,544	229,160,605	1,650,220,872		
Capital Work in Progress											
Net Book Value											
As on Asar end 2075	649,879,125	797,698,436	169,550,362	83,251,045	151,079,044	55,203,381	133,235,713	67,846,286	2,107,743,392		
As on Asar end 2076	649,879,125	771,944,568	198,886,490	123,720,796	205,445,268	72,574,971	151,380,989	106,429,483	2,280,261,690	2,280,261,690	
As on Asar end 2077	649,879,125	733,914,095	290,434,044	144,684,750	201,297,256	76,477,902	143,892,530	118,307,635	2,358,887,338		

Goodwill and Intangible Assets

For the year ended 31 Ashad 2077

Annex 4.14

Particulars	Group					
	Goodwill	Software Purchased	Developed	Other	Total Asar end 2077	Total Asar end 2076
Cost						
As on Shrawan 01. 2075		100,848,657				100,848,657
Addition during the year.	-	31,627,748				31,627,748
Acquisition.		31,627,748				31,627,748
Capitalization.						-
Disposal during the year.						-
Adjustment/Revaluation.						-
Balance as on Asar end 2076	-	132,476,405				132,476,405
Addition during the Year		183,395,403			183,395,403	
Acquisition		46,367,225			46,367,225	
Capitalization		137,028,178			137,028,178	
Disposal during the year						-
Adjustment/Revaluation						-
Balance as on Asar end 2077	-	315,871,808			315,871,808	
Amortisation and Impairment						
As on Shrawan 01 2075		82,757,576				82,757,576
Amortisation charge for the year		9,030,413				9,030,413
Impairment for the year						-
Disposals						-
Adjustment						-
As on Asar end 2076	-	91,787,989				91,787,989
Impairment for the year						-
Amortisation charge for the year		18,576,090			18,576,090	
Disposals						-
Adjustment						-
As on Asar end 2077	-	110,364,079			110,364,079	
Capital Work in Progress						
Net Book Value						
As on Asar end 2075		18,091,081			18,091,081	
As on Asar end 2076	-	40,688,416			40,688,416	
As on Asar end 2077	-	205,507,729			205,507,729	

Goodwill and Intangible Assets

For the year ended 31 Ashad 2077

Annex 4.14

Particulars	Bank					Total Asar end 2076 16 July, 2019	Total Asar end 2075 15 July, 2018
	Goodwill	Software Purchased	Developed	Other			
Cost	-	-	-	-	-	-	-
As on Shrawan 01. 2075		99,253,139					
Addition during the year.		31,333,948					
Acquisition.		31,333,948					
Capitalization.							
Disposal during the year.							
Adjustment/Revaluation.							
Balance as on Asar end 2076		130,587,088					130,587,088
Addition during the Year		159,029,305					
Acquisition		22,001,127					
Capitalization		137,028,178					
Disposal during the year							
Adjustment/Revaluation							
Balance as on Asar end 2077		289,616,393					289,616,393
Amortisation and Impairment							
As on Shrawan 01 2075		82,022,034					
Amortisation charge for the year		8,796,254					
Impairment for the year							
Disposals							
Adjustment							
As on Asar end 2076		90,818,289					90,818,289
Impairment for the year							
Amortisation charge for the year		18,576,090					
Disposals							
Adjustment							
As on Asar end 2077		109,394,379					109,394,379
Capital Work in Progress							
Net Book Value	-	399,010,771	-	-	-	-	-
As on Asar end 2075		17,231,105					
As on Asar end 2076		39,768,799					39,768,799
As on Asar end 2077		180,222,014					180,222,014

Deferred Tax
For the year ended 31 Ashad 2077

Annex 4.15

Particulars	Group			Bank		
	Deferred Tax Assets	Deferred Tax Liabilities	Current Year Net Deferred Tax Assets / (Liabilities)	Deferred Tax Assets	Deferred Tax Liabilities	Current Year Net Deferred Tax Assets / (Liabilities)
Deferred tax on temporary differences on following items						
Loans and Advances to BFIs						-
Loans and Advances to Customers	-	-	-	-	-	-
Investment Properties	-	-	-	-	-	-
Investment Securities	-	113,492,419	(113,492,419)	-	110,053,564	(110,053,563)
Property and Equipment	24,685,245	-	24,685,245	24,022,083	-	24,022,083
Employees' Defined Benefit Plan	374,604,357	-	374,604,357	373,797,720	-	373,797,720
Lease Liabilities	-	-	-	-	-	-
Provisions	6,997,366	-	6,997,366	6,997,366	-	6,997,366
Booking Of AIR	-	-	-	-	-	-
Other Temporary Differences	857,718	-	857,718	857,718	-	857,718
Deferred tax on temporary differences	407,144,686	113,492,419	293,652,268	405,674,887	110,053,564	295,621,323
Deferred tax on carry forward of unused tax losses	9,863,548		9,863,548	7,335,921		7,335,921
Deferred tax due to changes in tax rate						
Net Deferred Tax Asset (Liabilities) as on year end of Asar 2077			303,515,816			302,957,244
Deferred Tax (Asset)/ Liabilities as on Shrawan 01 Shrawan 2076			271,184,220			261,996,224
Origination/(Reversal) during the year			32,331,595			40,961,020
Deferred Tax expense (income) recognized in profit or loss			(39,409,106)			(27,321,464)
Deferred Tax expense (income) recognized in OCI			(13,759,753)			(13,639,555)
Deferred Tax expense (income) recognized directly in Equity						

Deferred Tax
For the year ended 31 Ashad 2077

Annex 4.15

Particulars	Group			Bank		
	Deferred Tax Assets	Deferred Tax Liabilities	Previous Year Net Deferred Tax Assets / (Liabilities)	Deferred Tax Assets	Deferred Tax Liabilities	Previous Year Net Deferred Tax Assets / (Liabilities)
Deferred tax on temporary differences on following items						
Loans and Advances to BFIs						
Loans and Advances to Customers	-	-	-			
Investment Properties	-	-	-			-
Investment Securities	6,526,516	(25,800,000)	(19,273,485)		(25,800,000)	(25,800,000)
Property and Equipment	429,408	18,466,363	18,895,770		18,466,363	18,466,363
Employees' Defined Benefit Plan	249,370,336	-	249,370,336	248,855,290		248,855,290
Lease Liabilities	-	-	-			-
Provisions	8,714,394	-	8,714,394	6,997,366		6,997,366
Booking of AIR	-	-	-	-		-
Other Temporary Differences	-	-				-
Deferred tax on temporary differences	265,040,653	(7,333,637)	257,707,015	255,852,656	(7,333,637)	248,519,019
Deferred tax on carry forward of unused tax losses	13,477,205		13,477,205	13,477,205		13,477,205
Deferred tax due to changes in tax rate						
Net Deferred Tax Asset (Liabilities) as on year end of Asar 2076			271,184,220			261,996,224
Deferred Tax (Asset)/ Liabilities as on Shrawan 01 2075			(376,206,955)			(387,174,766)
Origination/(Reversal) during the year			647,391,175			649,170,990
Deferred Tax (expense)/income recognized in profit or loss			(651,631,130)			(653,410,944)
Deferred Tax (expense)/income recognized in OCI			4,239,954			4,239,954
Deferred Tax expense (income) recognized directly in Equity						

Other Assets

For the year ended 31 Ashad 2077

Annex 4.16

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Assets held for Sale	-	-	-	-
Other Non-Banking Assets.	-	-	-	-
Bills Receivable	-	-	-	-
Accounts Receivable	4,152,890,720	2,572,239,991	4,119,310,167	2,572,239,991
Accrued Income	225,810,516	139,177,982	225,810,516	138,001,543
Prepayments and Deposits	518,450,752	407,945,439	507,277,360	407,431,396
Income Tax Deposit	-	-	-	-
Deferred Employee Expenditure	1,080,711,785	1,081,572,789	1,080,711,785	1,081,572,789
Other Assets	109,059,128	72,281,138	106,948,996	47,726,302
Total	6,086,922,901	4,273,217,340	6,040,058,824	4,246,972,021

Due to Banks and Financial Institutions

For the year ended 31 Ashad 2077

Annex 4.17

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Money Market Deposits	-	-	-	-
Interbank Borrowing	90,181,002	1,100,000,000	-	1,100,000,000
Other Deposits from BFIs	7,785,248,887	6,904,942,439	7,785,248,887	6,904,942,439
Settlement and Clearing Accounts	-	-	-	-
Other Deposits from BFIs	-	-	-	-
Total	7,875,429,889	8,004,942,439	7,785,248,887	8,004,942,439

Due to Nepal Rastra Bank

For the year ended 31 Ashad 2077

Annex 4.18

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Refinance from NRB	281,412,044	797,271,683	281,412,044	797,271,683
Standing Liquidity Facility	-	-	-	-
Lender of Last Resort facility from NRB	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-
Other Payable to NRB	4,512,993,913	-	4,512,993,913	-
Total	4,794,405,958	797,271,683	4,794,405,958	797,271,683

Derivative Financial Instruments

For the year ended 31 Ashad 2077

Annex 4.19

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Held for Trading	-	-	-	-
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts	-	-	-	-
Others	-	-	-	-
Held for Risk Management	-	-	-	-
Interest Rate Swap	-	-	-	-
Currency Swap	-	-	-	-
Forward Exchange Contracts.	5,311,757,836	4,393,479,202	5,311,757,836	4,393,479,202
Others	-	-	-	-
Total	5,311,757,836	4,393,479,202	5,311,757,836	4,393,479,202

Deposits from Customers

For the year ended 31 Ashad 2077

Annex 4.20

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Institutional Customers:				
Term Deposits.	27,547,324,328	24,127,803,244	27,547,324,328	24,127,803,244
Call Deposits	9,896,282,969	11,471,146,387	9,896,282,969	11,471,146,387
Current Deposits.	12,564,249,209	6,777,411,522	12,564,259,209	6,837,433,188
Others.	425,076,921	1,076,331,428	425,076,921	1,076,331,428
Individual Customers:				
Term Deposits	27,687,290,949	20,446,765,559	27,687,290,949	20,446,765,559
Saving Deposits	49,218,810,484	41,003,747,854	49,218,810,484	41,003,747,854
Current Deposits	358,078,620	306,558,410	358,078,620	306,558,410
Others	1,000,702,727	218,719,724	1,043,647,869	218,719,724
Total	128,697,816,206	105,428,484,127	128,740,771,349	105,488,505,793

Currency wise analysis of deposit from customers

For the year ended 31 Ashad 2077

Annex 4.20.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Nepalese Rupee	125,512,843,114	100,559,157,036	125,555,798,257	100,619,178,702
Indian Rupee	-	-		
United States Dollar	3,176,205,909	4,866,986,508	3,176,205,909	4,866,986,508
Great Britain Pound	133,602	2,114,447	133,602	2,114,447
Euro	7,204,238	123,907	7,204,238	123,907
Japanese Yen	112	101	112	101
Chinese Yuan	-	-	-	-
Other	1,429,230	102,128	1,429,230	102,128
Total	128,697,816,206	105,428,484,127	128,740,771,349	105,488,505,793

Borrowings

For the year ended 31 Ashad 2077

Annex 4.21

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Domestic Borrowings	-	-		
Nepal Government	-	-	-	-
Other Institutions.	495,179,567	-	495,179,567	-
Other	-	-	-	-
Sub Total	495,179,567	-	495,179,567	-
Foreign Borrowings	-	-	-	-
Foreign Banks and Financial Institutions	-	-	-	-
Multilateral Development Banks	-	-	-	-
Other Institutions	-	-	-	-
Sub Total	-	-	-	-
Total	495,179,567	-	495,179,567	-

Provisions

For the year ended 31 Ashad 2077

Annex 4.22

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Provisions for Redundancy	-	-	-	-
Provisions for Restructuring	-	-	-	-
Pending Legal Issues and Tax Litigation	-	-	-	-
Onerous Contracts	-	-	-	-
Other Provisions	23,324,555	23,324,555	23,324,555	23,324,555
Total	23,324,555	23,324,555	23,324,555	23,324,555

Movement in Provision
For the year ended 31 Ashad 2077

Annex 4.22.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Balance at Shrawan 01	23,324,555	23,453,428	23,324,555	23,324,555
Provisions made during the year	-	-	-	-
Provisions used during the year	-	-	-	-
Provisions reversed during the year	-	(128,873)	-	-
Unwind of Discount	-	-	-	-
Balance at Asar end	23,324,555	23,324,555	23,324,555	23,324,555

Other Liabilities
For the year ended 31 Ashad 2077

Annex 4.23

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Liabilities for employees defined benefit obligations	918,591,160	620,217,278	915,902,370	618,500,458
Liabilities for long service leave	330,090,037	211,017,175	330,090,037	211,017,175
Short term employee benefits	-	-	-	-
Bills payable	11,460,873	12,247,222	11,460,873	12,247,222
Creditors and accruals	128,974,665	97,851,522	128,946,115	97,851,522
Interest payable on deposits	38,628,875	16,167,560	38,628,875	16,167,560
Interest payable on borrowing	2,052,355	4,921,980	2,052,355	4,921,980
Liabilities on defered grant income	2,401,751	2,920,396	2,401,751	2,920,396
Unpaid Dividend	-	30,205,809	-	30,205,809
Liabilities under Finance Lease	-	-	-	-
Employee bonus payable	199,074,752	236,312,924	195,750,381	234,680,895
Other Liabilities	2,504,777,730	3,404,177,677	2,355,282,765	3,276,634,235
Total	4,136,052,198	4,636,039,542	3,980,515,523	4,505,147,252

Defined Benefit Obligation
For the year ended 31 Ashad 2077

Annex 4.23.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Present value of unfunded obligations	1,248,681,197	831,234,453	1,245,992,407	829,517,633
Present value of funded obligations				
Total present value of obligations	1,248,681,197	831,234,453	1,245,992,407	829,517,633
Fair value of plan assets				
Present value of net obligations	1,248,681,197	831,234,453	1,245,992,407	829,517,633
Recognised liability for defined benefit obligations	1,248,681,197	831,234,453	1,245,992,407	829,517,633

Plan Assets

For the year ended 31 Ashad 2077

Annex 4.23.2

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Equity securities	-	-	-	-
Government bonds	-	-	-	-
Bank deposit	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Movement in the present value of defined benefit obligations

For the year ended 31 Ashad 2077

Annex 4.23.3

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Defined benefit obligations at Sawan 1, 2076	831,234,453	687,703,169	829,517,629	687,005,009
Actuarial losses	230,432,224	(3,634,420)	230,031,564	(3,634,420)
Benefits paid by the plan	(15,520,660)	(26,417,740)	(15,520,660)	(26,417,740)
Current service costs and interest	202,535,184	173,583,444	201,963,874	172,564,780
Defined benefit obligations at Ashadh end, 2077	1,248,681,201	831,234,453	1,245,992,407	829,517,629

Movement in the fair value of plan assets

For the year ended 31 Ashad 2077

Annex 4.23.4

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Fair value of plan assets at 17 July	-	-	-	-
Contributions paid into the plan	-	-	-	-
Benefits paid during the year	-	-	-	-
Actuarial (losses) gains	-	-	-	-
Expected return on plan assets	-	-	-	-
Fair value of plan assets at 16 July	-	-	-	-

Amount recognised in profit or loss

For the year ended 31 Ashad 2077

Annex 4.23.5

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Current service costs	129,695,430	130,284,674	129,266,010	129,266,010
Interest on obligation	72,839,750	46,113,650	72,697,860	46,113,650
Past Service Cost	73,944,356	9,063,590	73,633,230	9,063,590
Expected return on plan assets				
Total	276,479,536	185,461,914	275,597,100	184,443,250

Amount recognised in other comprehensive income

For the year ended 31 Ashad 2077

Annex 4.23.6

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Actuarial (gain)/loss	156,798,990	(15,512,890)	156,398,330	(15,512,890)
Total	156,398,330	(15,512,890)	156,398,330	(15,512,890)

Actuarial assumptions

For the year ended 31 Ashad 2077

Annex 4.23.7

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Discount rate	8.5%	9%	8.5%	9%
Expected return on plan asset	0%	0%	0%	0%
Future salary increase	9%	9%	9%	9%
Withdrawal rate	6%	6%	6%	6%

Debt securities issued

For the year ended 31 Ashad 2077

Annex 4.24

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Debt securities issued designated as at fair value through profit or loss	-		-	
Debt securities issued at amortised cost	998,323,929		998,323,929	
Total	998,323,929		998,323,929	

Subordinated Liabilities

For the year ended 31 Ashad 2077

Annex 4.25

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Redeemable preference shares	-	-	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Share capital
For the year ended 31 Ashad 2077

Annex 4.26

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Ordinary shares	10,315,506,635	8,892,674,706	10,315,506,635	8,892,674,706
Convertible preference shares (equity component only)	-	-	-	-
Irredeemable preference shares (equity component only)	-	-	-	-
Perpetual debt (equity component only)	-	-	-	-
Total	10,315,506,635	8,892,674,706	10,315,506,635	8,892,674,706

Ordinary Shares
For the year ended 31 Ashad 2077

Annex 4.26.1

Particulars	Bank	
	Current Year	Previous Year
Authorized Capital		
103,155,066 Ordinary share of Rs. 100 each	103,315,506,635	10,000,000,000
Issued capital		
103,155,066 Ordinary share of Rs. 100 each	103,315,506,635	8,892,674,706
Subscribed and paid up capital		
103,155,066 Ordinary share of Rs. 100 each	103,315,506,635	8,892,674,706
Total	103,315,506,635	8,892,674,706

Ordinary Shares
For the year ended 31 Ashad 2077

Annex 4.26.2

Particulars	Bank			
	Current Year		Previous Year	
	Percent	Amount	Percent	Amount
Domestic ownership	99.94	10,308,822,187	99.94	8,886,914,692
Nepal Government				
"A" class licensed institutions				
Other licensed intitutions				
Other Institutions	15.20	1,568,348,998	15.17	1,349,370,190
Public	84.73	8,740,473,189	84.76	7,537,544,502
Other	-			
Foreign ownership	0.06	6,684,448	0.06	5,760,014
Total	100	10,315,506,635	100	8,892,674,706

Reserves
For the year ended 31 Ashad 2077

Annex 4.27

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Statutory general reserve	1,983,738,778	1,744,898,000	1,983,738,778	1,744,898,000
Exchange equilisation reserve	3,534,396	-	3,534,396	-
Corporate social responsibility reserve	26,628,281	35,079,819	26,628,281	35,079,819
Capital redemption reserve	-	-	-	-
Regulatory reserve	1,774,347,731	1,910,798,017	1,774,347,731	1,910,798,017
Investment adjustment reserve	760,000	117,720,880	760,000	117,720,880
Capital reserve	-	-	-	-
Assets revaluation reserve	-	-	-	-
Fair value reserve	316,991,649	239,338,447	316,991,649	239,338,447
Dividend equalisation reserve	-	-	-	-
Actuarial gain	(278,446,433)	(168,967,602)	(278,446,433)	(168,967,602)
Special reserve	-	-	-	-
Other reserve (Staff Training Reserve)	28,210,429	28,210,429	28,210,429	28,210,429
Total	3,855,764,831	3,907,077,989	3,855,764,831	3,907,077,989

Contingent liabilities and commitments

For the year ended 31 Ashad 2077

Annex 4.28

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Contingent liabilities	37,492,812,947	31,388,862,941	37,492,812,947	31,388,862,941
Undrawn and undisbursed facilities	3,201,026,805	2,312,525,784	3,201,026,805	2,312,525,784
Capital commitment	-	-	-	-
Lease Commitment	46,722,579	44,436,155	46,722,579	44,436,155
Litigation	129,255,412	129,255,412	129,255,412	129,255,412
Total	40,869,817,743	33,875,080,293	40,869,817,743	33,875,080,293

Contingent Liabilities

For the year ended 31 Ashad 2077

Annex 4.28.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Acceptance and documentary credit	7,712,170,579	8,103,385,432	7,712,170,579	8,103,385,432
Bills for collection	103,929,610	6,118,946	103,929,610	6,118,946
Forward exchange contracts	5,311,757,836	4,393,479,202	5,311,757,836	4,393,479,202
Guarantees	24,364,954,921	18,885,879,361	24,364,954,921	18,885,879,361
Underwriting commitment	-	-	-	-
Other commitments	-	-	-	-
Total	37,492,812,947	31,388,862,941	37,492,812,947	31,388,862,941

Undrawn and undisbursed facilities

For the year ended 31 Ashad 2077

Annex 4.28.2

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Undisbursed amount of loans				-
Undrawn limits of overdrafts	3,147,411,753	2,312,525,784	3,147,411,753	2,312,525,784
Undrawn limits of credit cards	53,615,052	-	53,615,052	-
Undrawn limits of letter of credit	-	-		-
Undrawn limits of guarantee	-	-		-
Total	3,201,026,805	2,312,525,784	3,201,026,805	2,312,525,784

Capital commitments

For the year ended 31 Ashad 2077

Annex 4.28.3

Capital expenditure approved by relevant authority of the bank but provision has not been made in financial statements

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Capital commitments in relation to Property and Equipment	-	-	-	-
Approved and contracted for	-	-	-	-
Approved but not contracted for	-	-	-	-
Sub total				
Capital commitments in relation to Intangible assets	-	-	-	-
Approved and contracted for	-	-	-	-
Approved but not contracted for	-	-	-	-
Sub total				
Total				

Lease commitments
For the year ended 31 Ashad 2077

Annex 4.28.4

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Operating lease commitments				
Future minimum lease payments under non cancellable operating lease, where the bank is lessee				
Not later than 1 year	46,722,579	44,436,155	46,722,579	44,436,155
Later than 1 year but not later than 5 years				
Later than 5 years				
Sub total	46,722,579	44,436,155	46,722,579	44,436,155
Finance lease commitments				
Future minimum lease payments under non cancellable operating lease, where the bank is lessee				
Not later than 1 year				
Later than 1 year but not later than 5 years				
Later than 5 years				
Sub total				
Grand total	46,722,579	44,436,155	46,722,579	44,436,155

Pending Litigations
For the year ended 31 Ashad 2077

Annex 4.28.5

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Possible Income Tax Liability	129,255,412	129,255,412	129,255,412	129,255,412
Total	129,255,412	129,255,412	129,255,412	129,255,412

Interest Income
For the year ended 31 Ashad 2077

Annex 4.29

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Cash and cash equivalent	57,602,203	146,104,738	57,602,203	146,104,738
Due from Nepal Rastra Bank	-	-	-	-
Placement with bank and financial institutions	-	-	-	-
Loan and advances to bank and financial institution	362,197,952	401,667,155	362,197,952	401,667,155
Loans and advances to customers	10,091,708,113	9,328,856,469	10,091,708,113	9,328,856,469
Investment securities	760,245,391	482,209,584	760,245,391	482,209,584
Loan and advances to staff	218,261,390	214,551,961	218,261,390	214,551,961
Other Interest Income	323,007,406	199,360,060	307,435,706	191,674,539
Total interest income	11,813,022,455	10,772,749,968	11,797,450,755	10,765,064,446

Interest Expenses

For the year ended 31 Ashad 2077

Annex 4.30

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Due to bank and financial institutions	(37,577,383)	(43,729,767)	(37,461,227)	(43,729,767)
Due to Nepal Rastra Bank	(38,036,263)	(21,023,665)	(38,036,263)	(21,023,665)
Deposits from customers	(7,107,431,367)	(6,265,419,794)	(7,108,020,488)	(6,267,786,706)
Borrowing	(24,393,959)	(34,426,171)	(24,393,959)	(34,426,171)
Debt securities issued	(68,581,841)	-	(68,581,841)	-
Subordinated liabilities	-	-	-	-
Other Charges	-	-	-	-
Total Interest expense	(7,276,020,813)	(6,364,599,397)	(7,276,493,778)	(6,366,966,309)

Fees and Commission Income

For the year ended 31 Ashad 2077

Annex 4.31

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Loan administration fees	249,641,951	231,112,383	249,641,951	231,112,383
Service fees	148,214,829	57,713,626	148,214,829	57,713,626
Consortium fees	-	-	-	-
Commitment fees	-	-	-	-
DD/TT/Swift fees	58,520,978	61,884,589	58,520,978	61,884,589
Credit card/ATM issuance and renewal fees	32,379,700	72,749,064	32,379,700	72,749,064
Prepayment and swap fees	12,152,091	16,799,973	12,152,091	16,799,973
Investment banking fees	-	-	-	-
Asset management fees	-	-	-	-
Brokerage fees	-	-	-	-
Remittance fees	40,343,645	47,922,990	40,343,645	47,922,990
Commission on letter of credit	24,982,135	57,716,014	24,982,135	57,716,014
Commission on guarantee contracts issued	187,884,627	139,528,422	187,884,627	139,528,422
Commission on share underwriting/issue	-	-	-	-
Locker rental	7,335,435	6,924,514	7,335,435	6,924,514
Other fees and commision income	174,484,307	212,348,712	164,719,290	212,348,712
Total Fees and Commission Income	935,939,699	904,700,287	926,174,682	904,700,287

Fees and Commission Expense

For the year ended 31 Ashad 2077

Annex 4.32

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
ATM management fees	(2,752,110)	(2,720,658)	(2,752,110)	(2,720,658)
VISA/Master card fees	(26,441,098)	(26,336,480)	(26,441,098)	(26,336,480)
Guarantee commission	-	-	-	-
Brokerage	-	-	-	-
DD/TT/Swift fees.	-	-	-	-
Remittance fees and commission	(50,035,978)	(31,681,958)	(50,035,978)	(31,681,958)
Other fees and commission expense	(27,131,639)	(59,717,569)	(25,354,066)	(61,217,569)
Total Fees and Commission Expense	(106,360,825)	(120,456,665)	(104,583,252)	(121,956,665)

Net Trading income

For the year ended 31 Ashad 2077

Annex 4.33

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Changes in fair value of trading assets	13,624,603	6,386,082	-	-
Gain/loss on disposal of trading assets	-	-	-	-
Interest income on trading assets	-	-	-	-
Dividend income on trading assets	-	-	-	-
Gain/loss foreign exchange transation	393,476,422	366,924,420	393,476,422	366,924,420
Other	-	-	-	-
Net trading income	407,101,025	373,310,502	393,476,422	366,924,420

Other Operating Income

For the year ended 31 Ashad 2077

Annex 4.34

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Foreign exchange revaluation gain	14,137,582	(821,128)	14,137,582	(821,128)
Gain/loss on sale of investment securities	239,705	-	239,705	-
Fair value gain/loss on investment properties	-	-	-	-
Dividend on equity instruments	27,916,999	24,806,289	25,631,163	23,063,727
Gain/loss on sale of property and equipment	(812,241)	4,595,779	(814,241)	4,575,679
Gain/loss on sale of investment property	2,352,838	(4,699,262)	2,352,838	(4,699,262)
Operating lease income	-	-	-	-
Gain/loss on sale of gold and silver	-	-	-	-
Other Operating Income	50,662,429	48,733,915	53,202,300	32,634,663
Total	94,497,312	72,615,593	94,749,347	54,753,679

Impairment charge/(reversal) for loan and other losses

For the year ended 31 Ashad 2077

Annex 4.35

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Impairment charge/(reversal) on loan and advances to BFIs	(341,952)	-	(341,952)	-
Impairment charge/(reversal) on loan and advances to customers	537,000,330	370,138,025	537,000,330	370,138,025
Impairment charge/(reversal) on financial Investment	-	-	-	-
Impairment charge/(reversal) on placement with BFIs	-	-	-	-
Impairment charge/(reversal) on property and equipment	-	-	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-	-	-
Impairment charge/(reversal) on investment properties	-	-	-	-
Total	536,658,377	370,138,025	536,658,377	370,138,025

Personnel Expenses

For the year ended 31 Ashad 2077

Annex 4.36

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Salary	(710,312,306)	(530,392,327)	(704,345,867)	(524,986,487)
Allowances	(573,639,310)	(440,108,429)	(570,373,943)	(437,048,932)
Gratuity Expense	(149,547,510)	(127,413,080)	(148,976,200)	(127,360,400)
Provident Fund	(70,981,535)	(49,950,903)	(70,396,341)	(49,546,760)
Uniform	(28,013,007)	(18,715,430)	(27,641,807)	(18,310,430)
Training & development expense	(28,752,563)	(27,163,602)	(28,752,563)	(27,149,202)
Leave encashment	(126,932,026)	(57,837,403)	(126,620,900)	(57,082,850)
Medical	(70,330,532)	(51,550,631)	(70,330,532)	(51,550,631)
Insurance	(33,414,525)	(30,062,953)	(33,000,460)	(29,666,417)
Employees incentive	(4,668,462)	(14,759,861)	(4,668,462)	(14,759,861)
Cash-settled share-based payments	-	-	-	-
Pension expense	-	-	-	-
Finance expense under NFRS	(157,899,913)	(162,575,619)	(157,899,913)	(162,575,619)
Other expenses related to staff	(18,045,748)	(13,203,231)	(17,947,023)	(13,042,465)
Subtotal	(1,972,537,437)	(1,523,733,470)	(1,960,954,011)	(1,513,080,055)
Employees Bonus	(196,910,752)	(236,312,924)	(195,750,381)	(234,680,895)
Grand total	(2,169,448,188)	(1,760,046,394)	(2,156,704,392)	(1,747,760,950)

Other Operating Expense

For the year ended 31 Ashad 2077

Annex 4.37

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Directors' fee	(2,750,500)	(2,632,500)	(2,328,000)	(2,352,000)
Directors' expense	(169,541)	(207,097)	(158,964)	(192,863)
Auditors' remuneration	(2,241,690)	(1,983,880)	(1,921,000)	(1,695,000)
Other audit related expense	(5,090,290)	(5,222,399)	(5,090,290)	(5,222,399)
Professional and legal expense	(6,328,000)	(10,081,154)	(6,328,000)	(10,081,154)
Office administration expense	(729,487,503)	(696,823,088)	(725,960,835)	(690,624,169)
Operating lease expense	(225,242,754)	(187,381,565)	(225,242,753)	(187,381,565)
Operating expense of investment properties	-	-	-	-
Corporate social responsibility expense	-	-	-	-
Onerous lease provisions	-	-	-	-
Other Expenses	(91,235,935)	(89,425,629)	(91,165,935)	(89,425,629)
Total	(1,062,546,214)	(993,757,311)	(1,058,195,778)	(986,974,778)

Other Operating Expense

For the year ended 31 Ashad 2077

Annex 4.37.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Water & Electricity	(68,955,081)	(54,888,945)	(68,901,943)	(54,888,945)
Repair & Maintenance	-	-	-	-
(a) Building	(1,382,597)	(4,466,574)	(1,382,597)	(4,466,574)
(b) Vehicle	(4,758,561)	(4,744,496)	(4,758,561)	(4,744,496)
(c) Computer & Accessories	(1,778,969)	(1,839,415)	(1,778,969)	(1,839,415)
(d) Office Equipment & Furniture	(4,096,861)	(6,050,844)	(4,096,861)	(6,050,844)
(e) Other	(47,443,365)	(44,422,534)	(47,372,999)	(44,422,534)
Insurance	(10,438,982)	(8,817,404)	(10,380,104)	(8,817,404)
Postage, Telex, Telephone, Fax	(58,832,768)	(54,979,932)	(58,529,575)	(54,979,932)
Printing & Stationery	(36,928,880)	(37,159,335)	(36,464,443)	(37,159,335)
Newspapers, books and journals	(968,908)	(1,176,069)	(952,445)	(1,176,069)
Advertisement	(165,738,772)	(243,748,326)	(165,588,191)	(243,748,326)
Donation	-	(50,000)	-	(50,000)
Security Expenses	(179,825,089)	(164,981,528)	(179,147,089)	(164,981,528)
Deposit & Loan Guarantee Premium	(43,177,435)	(38,171,133)	(43,177,435)	(38,171,133)
Travel Allowances & expenses	(7,109,366)	(9,189,909)	(6,934,521)	(9,189,909)
Entertainment	(1,012,955)	(787,839)	(1,012,955)	(787,839)
Annual/ special general meeting expenses	(1,997,792)	(1,082,905)	(1,896,047)	(1,082,905)
Other	(95,041,123)	(20,265,901)	(93,586,101)	(14,066,983)
Total	(729,487,503)	(696,823,088)	(725,960,835)	(690,624,169)

Depreciation and Amortisation

For the year ended 31 Ashad 2077

Annex 4.38

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Depreciation on property and equipment	(256,183,315)	(219,625,833)	(254,398,369)	(217,725,794)
Depreciation on investment property	(917,827)	(392,467)	(917,827)	(392,467)
Amortisation of intangible assets	(18,854,016)	(9,030,412)	(18,576,090)	(8,796,253)
Total	(275,955,157)	(229,048,712)	(273,892,286)	(226,914,515)

Non Operating Income
For the year ended 31 Ashad 2077

Annex 4.39

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Recovery of loan written off	4,447,500	8,714,057	4,447,500	8,714,057
Other income	-	3,099,672	-	3,099,672
Total	4,447,500	11,813,730	4,447,500	11,813,730

Non Operating Expenses
For the year ended 31 Ashad 2077

Annex 4.40

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Loan written off	(31,067,408)	(170,417,262)	(31,067,408)	(170,417,262)
Redundancy provision	-	-	-	-
Expense of restructuring	-	-	-	-
Other expense.	(16,950,000)	-	(16,950,000)	-
Total	(48,017,408)	(170,417,262)	(48,017,408)	(170,417,262)

Income Tax Expenses
For the year ended 31 Ashad 2077

Annex 4.41

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Current tax expense				
Current year	(596,822,069)	(984,056,744)	(594,871,008)	(981,946,463)
Adjustments for prior years	-	-		
Deferred tax expense	-	-		
Origination and reversal of temporary differences	39,409,106	651,631,130	27,321,464	653,410,944
Changes in tax rate	-	-		
Recognition of previously unrecognised tax losses				
Total income tax expense	(557,412,963)	(332,425,614)	(567,549,543)	(328,535,519)

Reconciliation of tax expense and accounting profit

For the year ended 31 Ashad 2077

Annex 4.41.1

Particulars	Group		Bank	
	Current Year	Previous Year	Current Year	Previous Year
Profit before tax	1,780,001,009	2,126,816,314	1,761,753,433	2,112,128,057
Tax amount at tax rate of 30%	528,526,030	633,638,417	528,526,030	633,638,417
Add: Tax effect of expenses that are not deductible for tax purpose	-	15,000		15,000
Less: Tax effect on exempt income	7,689,349	6,919,118	7,689,349	6,919,118
Add/less: Tax effect on other items	(36,576,282)	294,308,685	46,712,862	(298,198,780)
Total income tax expense	557,412,963	332,425,614	567,549,543	328,535,519
Effective tax rate	31.32%	15.63%	32.22%	15.55%

Statement of distributable profit or loss

For the year ended 31 Ashad 2077
(As per NRB Regulations)

NPR.

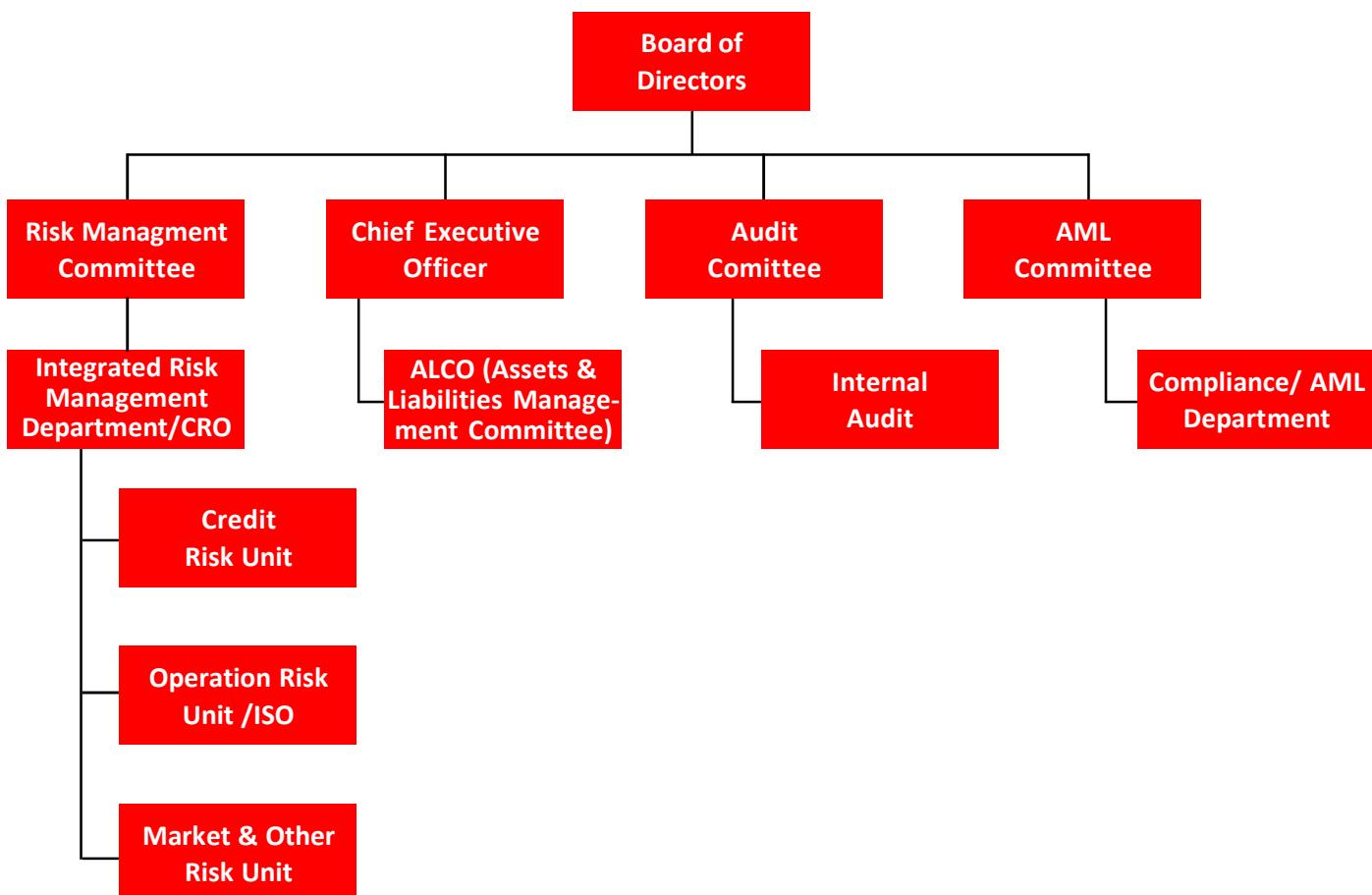
Particulars	Bank	
	Current Year	Previous Year
Opening balance in retained earnings		
Net profit / (loss) as per statement of profit or loss	1,194,203,890	1,783,592,538
Less: appropriations (-) / contributions (+):		
a. General reserve	(238,840,778)	(356,718,508)
b. Foreign exchange fluctuation fund	(3,534,396)	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(11,942,039)	(17,835,925)
e. Employees' training fund	0.00	(13,309,812)
f. Investment adjustment reserves	116,960,880	6,783,000
g. Others		
Profit or (loss) before regulatory adjustment	1,056,847,557	1,402,511,293
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	170,919,900	281,799,521
b. Short loan loss provision in accounts (-)/reversal (+)		
c. Short provision for possible losses on investment (-)/reversal (+)		
d. Short loan loss provision on Non Banking Assets (-)/resersal (+)	115,970,237	26,009,064
e. Deferred tax assets recognised (-)/ reversal (+)	(40,961,020)	(261,996,224)
f. Goodwill recognised (-)/ impairment of Goodwill (+)		
g. Bargain purchase gain recognised (-)/resersal (+)		
h. Acturial loss recognised (-)/reversal (+)	(109,478,831)	10,859,023
i. Other (+/-)		
Distributable profit or (loss) - Current Year	1,193,297,843	1,459,182,680

5. Disclosures & Additional Information

5.1 Risk management

Risk is inevitable naturally for the banking business and because of that profit and prestige are the indeed reward for the risk management. Prabhu Bank clearly understands that excessive or poorly managed risk, side by side, taking the risk beyond its risk capacity, can lead both financial and non-financial losses. Risk taking attitude can be considered logical only when the risks are understandable, measurable, and controllable and are within the Bank's risk capacity. Sound risk management system in doing business enables the Bank to take risks in systematic manner by understanding the risk capacity, setting the risk appetite and risk tolerance.

Given the ground, Prabhu Bank, in line with Nepal Rastra Bank's Directives /guideline paper and its own Risk Management Policy, is moving ahead with a formation of comprehensive mechanism to identify, assess, measure, monitor and control of all types of risks. The Bank's current risk management structural framework is as follows:



Thus, with the objective to move ahead prudently, risk management approaches as briefed below is adopted by the Bank.

Credit Risk: Credit Risk is the possible losses from the non-payment of interest and /or principal by the Bank's borrowers or debtors as per the agreed terms of credit sanction. In order to ensure sound credit risk management system, credit risk management responsibilities are shared to three distinct functions, namely relationship management, credit risk assessment and credit administration. There has been clear demarcation on the roles and responsibilities of the three functions.

Besides to analysis of trend and assess the exposure impacts, credit risk unit ensures credit policy, procedural manuals and other required activities to develop risk management culture throughout the Bank.

The following table shows the risk concentration of Loans & Advances by Industry: NPR in Thousand

Particulars	Manufacturing	Banks, Financial & Business Services	Agriculture, Tourism & Trading	Construction	Others	Total
Loans & Advances -Mid July 2020*	13,501,585	22,992,447	31,551,293	14,488,989	20,599,966	103,134,280
Loans & Advances -Mid July 2019*	13,039,558	19,637,923	27,168,983	13,072,807	17,360,607	90,279,877

*Loans & Advances do not include staff loan and interest receivable

Operational Risk: Operational risk is the risk of loss resulting from technology, inadequacy of internal procedure, breach of laid down procedures, incapable people and failure of system or adverse external disasters. Prabhu Bank aims to minimize the frequency and impact of unexpected operational loss by ensuring well defined operational manuals and guidelines covering each type of activities, train the people to ensure smooth delivery of service, check and balance of authority delegation, comprehensive internal audit and follow up on audit remarks and business continuity plan for possible external disasters.

In order to manage the operation risk, Operation Risk unit remains vigilant for the monitoring operational activities throughout the Bank. In addition to making the Bank enable for required policy and procedural mechanism, it collects operational incidents taken place in the Bank and external relevant information and submits reports to Risk Mgmt. Committee as well Operation Risk Management Committee with the recommendation of required remedies that are advised to the Bank Management for necessary execution.

Market, Liquidity & Other Risk: Market risk is the possible losses resulting from the change in interest rate, foreign currency exchange rates or price of commodity or investments. Market risks are arisen from rapidly changing external factors, thus highly sensitive in banking business. The Bank has Market Risk unit which is independent from Treasury Dealer and Treasury Back Office. It monitors day to day activities and decisions related to treasury and reviews /analyses the trend of liquidity, interest rate and FCY exchange rate and assesses the exposure's impacts. Adequate system for monitoring and reporting the risk exposures and assessing how the bank's changing risk profile affects the need for capital had been established.

In addition, liquid assets are maintained in relation to cash flows to provide further sources of funding in the event of a crisis by carefully preparing and reporting the Structural Liquidity Position, gap analysis and stress test on

regular time interval which are further presented in ALCO (Asset Liability Management Committee) for appropriate decision taking and future strategy setting.

The table below summarises the maturity profile of the undiscounted cash flows of the Bank's financial assets and liabilities as at Ashadh 31, 2076. Repayments which are subject to notice are treated as if notice were to be given immediately. However, the Bank expects that many customers will not request repayment on the earliest date it could be required to pay and the table does not reflect the expected cash flows indicated by its deposit retention history.

NPR in '000

Particulars	On Demand	Up to 3 months	3 to 12 months	More than 1 years	Total
Financial Assets					
Cash & Cash Equivalents	3,663,275	4,776,278	6,514	-	8,446,068
Due From Bank	14,253,257	-	5,775,122	-	20,028,379
Derivative Financial Instruments	-	5,353,760	-	-	5,353,760
Loan & Advance	291,530	13,739,685	28,403,291	60,860,878	103,295,384
Investment Securities	-	-	17,443,408	2,874,725	20,318,133
Investment in Subsidiaries	-	-	-	524,229	524,229
Total undiscounted Assets	18,208,062	23,869,723	51,628,335	64,259,832	157,965,952
Financial Liabilities					
Due to Banks			12,579,655		12,579,655
Due to Customers	12,848,081	34,975,178	32,432,057	48,485,455	128,740,771
Debts Issued & Other Borrowed Funds	-	-	-	-	-
Unclaimed Dividend	-	-	-	-	-
Total Undiscounted Liabilities	12,848,081	34,975,178	45,011,712	48,485,455	141,320,426
Net Financial Assets/(Liabilities)	5,359,981	(11,105,456)	6,616,623	15,774,377	16,645,526

Financial instruments are recorded at fair value. The following is a description of how fair values are determined for financial instruments that are recorded at fair value using valuation techniques. These incorporate the bank's estimate of assumptions that a market participant would make when valuing the instruments.

For all financial instruments where fair values are determined by referring to externally quoted prices or observable pricing inputs to models, independent price determination or validation is obtained. In an inactive market, direct observation of a traded price may not be possible. In these circumstances, the Bank uses alternative market information to validate the financial instrument's fair value, with greater weight given to information that is considered to be more relevant and reliable. Financial assets measured at fair value (either through PL or OCI), primarily consisting of quoted equities and Quoted Mutual Fund units, are valued using the quoted market price in active markets as at the reporting date. If unquoted, those are carried at cost.

Financial investments - Measured through OCI

Financial assets measured through OCI, primarily consist of quoted equities and Quoted Mutual Fund units are valued using the quoted market price in active markets as at the reporting date. For unquoted securities those are carried at cost.

Besides to above, a full-fledged Compliance Department is formed headed by Head - Compliance under direct supervision of Chief Executive Officer to ensure compliance of regulatory requirements and internal policies. Likewise, audit function is also independent and Internal Audit Department ensures in development of internal procedures and checks and control system /procedures and reports to Board level Audit Committee.

5.2 Capital Management

Bank has rolled out its ICAAP Policy, 2015 amended in 2017 with the following fundamental purposes:

- Development of policy, practice, processes, system and plan to meet the regulatory and economic capital under the Pillar 2 of the Basel II Capital Accord.
- Report the Board about the ongoing assessment of the bank's risk profile, mitigation mechanisms being applied and estimated future capital requirements of the bank.
- Communicate and justify the regulatory authority about the procedure and methodology adopted for ICAAP based on present and future risk profile of the bank.
- Ensuring that management exercises sound judgment and set aside adequate capital for material risks in accordance with the overall risk.

As per ICAAP Policy, 2015, amended in 2017, tolerable risk appetite of the Bank shall be as follows:

	Risk Appetite Level			
Risk Category	Economic Capital Allocation	Low	Medium	High
Credit Risk	80.00% to 82.00%	✓		
Operation Risk	4.50% to 4.75%		✓	
Market Risk	0.20% to 0.25%		✓	
Supervisory Adjustments	1.75% to 2.55%		✓	
Other Risk	0.05% to 0.10%			✓

Standard Risk appetite under Credit Risk, Operation Risk, Market Risk, supervisory adjustment and Other Risk are set at 80%, 7.25%, 0.25%, 1% and 0.25% of total capital fund respectively. Meanwhile, Maximum tolerable risk under Credit Risk, Operation Risk, Market Risk, supervisory adjustment and Other Risk are set at 85%, 9.50%, 0.75%, 3% and 0.50% total capital fund respectively.

In order to comply with prudential floor prescribed by NRB, the Bank has computed and reported the capital adequacy position as per Basel III norms.

1 Capital Structure and Capital Adequacy:

1.1 Tier I Capital and Breakdown of its Components:

SN	Particular	Amount In '000
A	Paid Up Equity Share Capital	10,315,507
B	Share Premium	-
C	Statutory General Reserves	1,983,739
D	Retained Earnings	1,216,499
E	Unaudited current year cumulative profit	-
F	Other Reserves	-
	Sub-total	13,515,744
G	Less: Fictitious Assets	-
H	Less: Investment in subsidiaries	524,229
I	Less: Deferred Tax Assets	-
	Total Tier I Capital	12,991,515

1.2 Tier II Capital and Breakdown of its Components:

SN	Particular	Amount In '000
A	General loan loss provision	1,511,248
B	Exchange Equalization Reserve	3,534
c	Investment Adjustment Reserve	760
d	10.25% Debenture	998,324
	Total Tier II Capital	2,513,866

1.3 The bank has not issued any Subordinated Term Debt instrument.

1.4 Deduction from Tier I

SN	Particular	Amount In '000
a	Fictitious Assets	-
b	Investment in subsidiaries	524,229
c	Deferred Tax Assets	-
	Total	524,229

1.5 Qualifying Capital

SN	Particular	Amount In '000
a	Core Capital (Tier I)	12,991,515
b	Supplementary Capital (Tier II)	2,513,866
	Total Capital Fund (Tier I and Tier II)	15,505,381

2 Risk Exposures:

2.1 Risk weighted exposures under each 11 categories of Credit Risk:

SN	Particular	Amount In '000
a	Claims on government and central bank	-
b	Claims on other official entities	-
c	Claims on banks	2,424,076
d	Claims on corporate and securities firms	59,085,022
e	Claims on regulatory retail Portfolio	13,350,346
f	Claims secured by residential properties	6,063,507
g	Claims secured by commercial real estate	2,702,216
h	Past due claims	1,825,479
i	High risk claims	8,658,944
j	Other Assets	14,347,383
k	Off Balance - sheet items	19,030,604
Total Risk Weighted Exposures		127,487,576

2.2 Risk weighted exposures for Credit Risk, Market Risk and Operational Risk:

SN	Particular	Amount In '000
a	Risk Weighted Exposure for Credit Risk	127,487,576
b	Risk Weighted Exposure for Operational Risk	5,267,044
c	Risk Weighted Exposure for Market Risk	455,019
	Adjustments under Pillar-II	
	Add: 3% of the Gross Revenue for operational risk	1,436,587
	Add: 1% of the total deposit due to insufficient Liquid Assets(6.4a 6)	-
	Add: 3% of Overall Risk Weighted Exposure as per Supervisory Adjustment	3,996,289
Total Risk Weighted Exposures		138,642,516

2.3 Capital Adequacy Calculation Table:

SN	Particular	Amount In '000
a	Risk Weighted Exposure for Credit Risk	127,487,576
b	Risk Weighted Exposure for Operational Risk	5,267,044
c	Risk Weighted Exposure for Market Risk	455,019
	Adjustments under Pillar-II	
	Add: 3% of the Gross Revenue for operational risk	1,436,587
	Add: 1% of the total deposit due to insufficient Liquid Assets(6.4a 6)	-
	Add: 3% of the Risk Weighted Exposure as per Supervisory Adjustment	3,996,289
	Total Core Capital to Total Risk Weighted Exposure	9.37%
Total Capital Fund to Total Risk Weighted Exposure		11.18%

3 Non-Performing Assets

3.1 Statement of Non-Performing Assets (Gross and Net)

Amnt In '000

SN	Particular	Amount (NPR)	Provision	Net NPA
a	Restructured	71,157	8,895	62,262
b	Sub-standard	590,787	147,697	443,090
c	Doubtful	1,411,874	705,937	705,937
d	Loss	1,178,673	1,178,673	-
	Total	3,252,491	2,041,201	1,211,289

3.2 Non-Performing Assets Ratios

SN	Particular	Percentage
a	Gross NPA to Gross Loan & Advances	3.15%
b	Net NPA to Net Advances	1.22%

3.3 Movement of Non-Performing Assets

Amnt In '000

SN	Particular	This Quarter	Previous Quarter	Movement
a	Restructured	71,157	80,810	(9,654)
b	Sub-standard	590,787	1,243,115	(652,328)
c	Doubtful	1,411,874	737,549	674,326
d	Loss	1,178,673	1,334,133	(155,460)
	Total	3,252,491	3,395,606	(143,116)
	Non-Performing Assets (%)	3.15%	3.76%	-0.61%

4 Write off of Loans and Interest in the quarter

SN	Particular	Amount In '000
a	Write off Loans during the Year	31,067
b	Write off Interest during the Year	-

5 Movement of Loan Loss Provision and Interest Suspense

Amnt In '000

SN	Particular	This Quarter	Previous Quarter	Movement
a	Loan Loss Provision	3,552,449	3,015,791	536,658
b	Interest Suspense	1,762,546	1,041,048	721,498

5.1 Classification of financial assets and financial liabilities

Details on classification of financial assets and financial liabilities and their measurement have been presented in point no. 3.4 above.

5.2 Operating Segment Information

1. Bank has identified its four segments (Treasury & Remittance, ADC, Trade operations and Banking) based on the business activities.
2. The segmental information about Profit/ Loss, Assets & Liabilities etc. are presented below:

NPR in '000'

Particulars	Treasury & Remittance	Alternate Delivery Channel (Card & Internet Banking)	Trade Operations	Banking	Total
(a) Revenue from external customers	1,637,668	137,319	411,759	11,029,552	13,216,299
(b) Intersegment revenues	(1,297,806)	6,788	(31,547)	1,322,564	-
(c) Net Revenue	339,863	144,107	380,212	12,352,117	13,216,299
(d) Interest Revenue	1,125,283	-	-	10,672,167	11,797,451
(e) Interest Expense	99,891	-	-	7,176,602	7,276,494
(f) Net interest revenue (b)	1,025,392	-	-	3,495,565	4,520,957
(g) Depreciation and Amortization	8,217	10,956	2,739	251,981	273,892
segment expenses	260,717	63,204	8,027	10,848,705	11,180,653
(h) Segment profit/(loss)	70,929	69,947	369,446	1,251,431	1,761,753
(i) Entity's interest in the profit or loss of associates accounted for using equity method	-	-	-	-	-
(j) Other material non-cash items:	-	-	-	-	-
(k) Impairment of assets	-	-	-	3,552,449	3,552,449
(l) Segment assets	54,117,072	1,099,453	72,097	112,228,675	167,517,298
(m) Segment liabilities	8,257,541	54,254	1,212,984	142,604,749	152,129,528

3. Measurement of segment profit/ loss, assets and liabilities:

- Bank has used Fund Transfer Pricing (FTP) method to recognize income/ expense for any transaction between reportable segments.
- Reportable segments' profit or loss has been computed on the same basis for that of entity's profit or loss.
- Reportable segments' assets or liabilities have been measured on the same basis for that of entity's profit or loss.

4. Reconciliation of reportable segment revenues, profit or loss, assets and liabilities:

• Revenue

NPR in '000'

Total revenue for Reportable Segments	13,216,299
Other Revenues	
Elimination of intersegment revenues	
Entity's revenues	13,216,299

• Profit or Loss

NPR in '000'

Total profit or loss for Reportable Segments	1,761,753
Other Profit or Loss	
Elimination of intersegment profit	
Unallocated amounts:	
Entity's Profit	1,761,753

• Assets

NPR in '000'

Total assets for Reportable Segments	167,517,298
Other Assets	
Unallocated Amounts	
Entity's Assets	167,517,298

• Liabilities

NPR in '000'

Total liabilities for reportable segments	152,129,528
Other Liabilities	
Unallocated Amounts	
Entity's Liabilities	152,129,528

5. Information about products and services:

Revenue from each type of products and services:

NPR in '000'

Treasury & Remittance	332,160
Alternate Delivery Channel	144,607
Central Trade Operations	380,212
Banking	12,359,320
Total	13,216,299

6. Information about geographical areas:

Revenue from each geographical areas:

NPR in '000'

a. Domestic	13,216,299
Province-1	940,974
Province-2	691,887
Province-3	9,162,880
Province-4	890,173
Province-5	1,159,947
Province-6	64,150
Province-7	306,288
b. Foreign	
Total	13,216,299

7. Information about major customers:

Revenue from any single customer does not amount to 10% or more of entity's revenue.

5.1 Share options and share based payment

“Share options” is a contract that gives the holder the right, but not the obligation, to subscribe the bank’s shares at a fixed or determinable price for a specified period.

A share-based payment is a transaction in which the bank receives goods or services either as consideration for its equity instruments or by incurring liabilities for amounts based on the price of the bank’s shares or other equity instruments of the bank.

Explanatory Notes

The bank does not have any share options contract and share based payment transactions for the reporting period.

5.2 Contingent liabilities and commitment

Contingent liabilities: Where the Bank undertakes to make a payment on behalf of its customers for guarantees issued, such as for performance bonds or as irrevocable letters of credit as part of the Bank’s transaction banking business for which an obligation to make a payment has not arisen at the reporting date, those are included in these financial statements as contingent liabilities.

Other contingent liabilities primarily include revocable letters of credit and bonds issued on behalf of customers to customs, for bids or offers.

Commitments: Where the Bank has confirmed its intention to provide funds to a customer or on behalf of a customer in the form of loans, overdrafts, future guarantees, whether cancellable or not, or letters of credit and the Bank has not made payments at the reporting date, those instruments are included in these financial statement as commitments.

Explanatory Notes

The Bank seeks to comply with all applicable laws and regulations, but may be subject to regulatory actions and investigations, the outcome of which are generally difficult to predict and can be material to the bank.

In addition to these matters, the Bank may receive legal claims against it in the normal course of business. The Bank considers none of these claims as material. Where appropriate, the bank recognises a provision for liabilities when it is probable that an outflow of economic resources embodying economic benefits will be required and for which a reliable estimate can be made of the obligation(s).

Details relating to Contingent liabilities and commitment are depicted under schedule 4.28.

5.3 Related parties disclosures

The Bank has carried out transactions in the ordinary course of business on an arm’s length basis at commercial rates with parties as per Nepal Accounting Standard – NAS 24- “Related Party Disclosures”, except for the transactions that Key Management Personnel (KMPs) have availed under schemes uniformly applicable to all staff at concessionary rates.

Parent and Ultimate Controlling Party:

The Bank does not have an identifiable parent of its own.

Transactions with Key Management Personnel (KMPs):

As per NAS -24- Related Party Disclosures, KMP are defined as those persons having authority and responsibility for planning, directing and controlling the activities of the entity.

Board of Directors and the members of top level Management are considered as KMP of the Bank.

Compensations of KMP:

Compensation to Board of Directors:

Amnt In '000

	2020	2019
Meeting Fees Paid	2,328	2,352
Telephone/ Internet/ Newspaper Expenses Paid	802	732
	3,130	3,084

Compensation to CEO:

Amnt In '000

	2020	2019
Short term employee benefits	25,792	18,074
Employee Bonus	4,870	2,336
Festival Allowance and payment against annual leave	3,568	2,578
	34,230	22,989

Compensation to Other KMPs:

Amnt In '000

	2020	2019
Short term employee benefits	18,888	19,800
Employee Bonus	3,455	1,799
Festival Allowance and payment against annual leave	1,663	1,506
	24,007	23,105
Grand Total	58,237	46,094

Transaction with subsidiary M/s Prabhu Capital Ltd.

Amnt In '000

	2020	2019
Interest Expenses	589	2,367
Deposit Held	42,945	64,002
RTS Fees and Operational Support Expenses	1,500	1,781
Rent Income	2,764	2,764

Transaction with subsidiary M/s Prabhu Stock Market Ltd.

Amnt In '000

	2020	2019
Deposit Held	10	

Transaction with Smart Choice Technology Ltd.

Amnt In '000

	2020	2019
SCT SWITCH Charge	1,589	
Purchase of cards		3,390

5.1 Merger and acquisition

No such events occurred during the year.

5.2 Additional disclosures of non-consolidated entities

The bank has neither any investment in any entities which requires consolidation as per applicable NFRS nor any investment in associates which needs to be pooled in the financial statement of the bank. Except for strategic investment in equity shares, the bank has no other equity investment.

5.3 Events after reporting date.

Bank monitors and assesses events that may have potential impact to qualify as adjusting and / or non-adjusting events after the end of the reporting period based on NAS 10 "Events after reporting periods". All adjusting events are adjusted in the books with additional disclosures and non-adjusting material events are disclosed in the notes with possible financial impact, to the extent ascertainable.

Explanatory Notes

There are **no material events** that have occurred subsequent to 15 July 2020 till the signing of this financial statement on 6th December, 2020.

5.9 Grant Received from Sakshyam:

As per agreement with Sakshyam, NPR 5,073,953 received as Capital Grant during the Fiscal Year 2016/17 against acquisition of Fixed Assets; which had been booked as "Deferred Grant Income" under Other Liabilities. Amortization of NPR 518,644 has been booked as deferred grant income in the current year. Deferred Grant Income shall be proportionately recognized as income in Income Statement according to the depreciation policy for the concerned Fixed Assets.

5.10 Summary of concentration of exposure:

NPR in '000'

Particulars	Loans and Advances	Deposits and Borrowings
Total Amount as on 15 July 2020	103,134,280	128,740,771
Core Capital (last quarter)	12,874,237	
Highest Exposure to a Single Unit (including non-funded)	17,69,050	41,88,626
Concentration of exposure to a single unit (of Core Capital)	13.74%	
Concentration of deposit from a single unit (of Total Deposit)		3.25%

5.11 Weighted Average Interest Spread:

The weighted average interest spread rate is calculated considering interest income on loan on cash basis and investment in all securities.

Particulars	Rate (%)	
	FY 2076/77	FY 2075/76
Average Rate of return from Advances	9.17	10.96
Average cost of Deposits	5.60	6.26
Net Interest Spread	3.57	4.70

5.12 Loan Write-off Details:

Following is the list of loan written off during the current year:

S. N	Loan Type	Amount Write Off	Type of Security	Basis of valuation	Loan approved by Name/Designation	Initiations made for Recovery
1	Demand loan	1,861,773	Land	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
2	Auto loan	661,767	Vehicle	80:20	Credit Committee	Regular follow-up, publish public notice, blacklisting,
3	Hire purchase loan	11,366	Scoter	70:30	CEO	Regular follow-up, publish public notice, blacklisting,
4	Personal loan	405,034	-	-	CEO	Regular follow-up, publish public notice, blacklisting,
5	Term loan	5,962,776	-	-	CEO	Regular follow-up, publish public notice, blacklisting,
6	Personal pg	2,283,025	-	-	CEO	Regular follow-up, publish public notice, blacklisting,
7	Hire purchase loan	1,954,465	Vehicle	80:20	Credit Committee	Regular follow-up, publish public notice, blacklisting,
8	Hire purchase loan	2,132,994	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
9	Personal pg	11,763	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
10	Personal pg	135,376	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
11	Auto loan	1,604,393	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
12	Auto loan	392,737	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
13	Personal loan	555,832	-	-	CEO	Regular follow-up, publish public notice, blacklisting,
14	Auto loan	675,577	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
15	Auto loan	446,025	Vehicle	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
16	Overdraft loan	306,475	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
17	Hire purchase loan	671,665	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
18	Auto loan	1,028,777	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
19	Micro fin whole-sale	117,711	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
20	Micro fin whole-sale	138,507	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
21	Micro fin whole-sale	143,061	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
22	Micro fin whole sale	145,201	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,

23	Auto loan	704,860	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
24	Hire purchase loan	164,588	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
25	Personal loan	408,361	-	-	CEO	Regular follow-up, publish public notice, blacklisting,
26	Hire purchase loan	2,124,935	Vehicle	70:30	Credit Committee	Regular follow-up, publish public notice, blacklisting,
27	Hire purchase loan	10,729	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
28	Hire purchase loan	3,110	-	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
29	Overdraft loan	6,004,526	Land	-	Credit Committee	Regular follow-up, publish public notice, blacklisting,
TOTAL		31,067,408				

5.13 Written off Loan Recovered:

NPR 4,447,530 was recovered from written-off loan during the year. Details as follows:

S.N.	Amount Written off			Date of recovery	Recovery Amount
	Principal	Interest	Others		
1	47,500			06/08/2019	47,500
2	4,221,192	178,808		03/12/2019	4,400,000
	4,268,692	178,808			4,447,500

Principal Indicators

	Indicators	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20
1. Net Profit/Gross Income	Percent	44.26	47.78	25.69	31.77	20.11
2. Earnings Per Share	NPR	26.75	27.17	12.58	21.03	11.58
3. Market Value Per Share	NPR	415	406	187	266	221
4. Price Earning Ratio	Ratio	15.51	14.94	14.87	12.65	19.09
5. Dividend (including bonus) on Share Capital	Percent	-	-	8.42	16.84	10.53
6. Cash Dividend on Share Capital	Percent	-	-	0.42	0.84	0.53
7. Interest Income/Loans and Advances	Percent	7.45	8.86	10.46	11.60	11.04
8. Staff Expenses/Total Operating Expenses	Percent	50.95	49.92	60.25	56.68	60.02
9. Interest Expenses/Total Deposits and Borrowings	Percent	2.66	3.64	5.58	6.04	5.31
10. Exchange Gain/ Total Income	Percent	6.08	5.70	9.06	6.54	6.62
11. Staff Bonus/Total Staff Expenses	Percent	22.93	28.17	11.13	13.43	9.08
12. Net Profit /Loan and Advances	Percent	2.32	2.58	1.23	1.92	1.12
13. Net Profit /Total Assets	Ratio	1.64	1.76	0.86	1.29	0.71
14. Total Credit/Deposits	Percent	79.11	76.19	81.04	87.94	78.26
15. Total Operating Expenses/ Total Assets	Percent	2.01	1.79	1.99	2.24	2.15
16. Capital Adequacy (On Risk Weighted Assets)						
a.Core Capital	Percent	10.62	9.45	10.82	10.22	9.37
b. Supplementary Capital	Percent	1.67	1.73	1.04	0.94	1.81
c. Total Capital Fund	Percent	12.29	11.18	11.86	11.16	11.18
17. Liquidity (CRR)	Percent	12.13	12.13	6.83	4.39	11.20
18. Gross Non-Performing Credit/Total Credit	Ratio	8.83	4.55	3.98	3.76	3.15
19. Weighted Average Interest Rate Spread	Percent	5.09	5.09	4.72	4.70	3.57
20. Book Net Worth	NPR'000	6,433,842	8,284,287	12,570,246	14,320,667	15,387,770
21. Number of Shares	Number	58,814,022	58,814,022	82,339,485	88,926,747	103,155,066
22. Number of Staff	Number	1334	1444	1677	2061	2331
23. Return on Equity	Percent	17.00	19.29	7.69	12.45	7.76
24. Book Value Per share	NPR	109.39	140.86	152.66	161.04	149.17
25. CCD Ratio (Credit/ (Deposits+Core Capital)	Ratio	73.64	71.28	68.91	76.62	67.11
26. Net Liquid Asset Ratio	Ratio	34.29	30.25	29.30	28.08	31.72
27. Base Rate	Percent	6.31	10.51	10.62	9.36	8.32

Capital Adequacy Table
For the year ended 31 Ashad 2077

1.1 Risk Weighted Exposures	Current Year NPR	Previous Year NPR
a Risk Weighted Exposure for Credit Risk	127,487,576,040	108,426,239,417
b Risk Weighted Exposure for Operational Risk	5,267,043,870	4,674,745,915
c Risk Weighted Exposure for Market Risk	455,019,317	330,150,706
Total	133,209,639,228	113,431,136,037
Adjustments under Pillar II		
Add: 3% of the total RWE due to non compliance to Disclosure Requirement(6.4a 10)		
Add: 3% of gross revenue of Previous year for operational risk	1,436,587,222	974,824,765
Add: 1% of the total deposit due to insufficient Liquid Assets(6.4a 6)		-
Add: 3% of the Overall Risk Weighted Exposure as per Supervisory Adjustment	3,996,289,177	3,402,934,081
Total RWE	138,642,515,627	117,808,894,884
1.2 Capital		
Core Capital (Tier I)	12,991,515,120	12,041,526,405
a Paid Up Equity Share Capital	10,315,506,635	8,892,674,706
Calls in Advance		
b Irredeemable non-cumulative preference shares		
c Share Premium		
d Proposed Bonus Equity shares		
e Statutory General Reserves	1,983,738,778	1,744,898,000
f Retained Earnings	1,216,498,788	1,520,914,580
g Unaudited current year cumulative profit/(loss)		
h Capital Redemption Reserve		
i Special Reserve (CSR)		
j Dividend Equalisation Reserves		
k Deferred Tax Adjustment Fund		
l Less: Goodwill		
m Less: Fictitious Assets		
n Less: Investment in equity in licensed Financial institutions		
o Less: Investment in equity of institutions with vested interest	524,229,080	116,960,880
less: Purchase of Land		
p Less: Investment in equity of institutions in excess of limits		
q Less: Investments arising out of underwriting commitments		
r Less: Reciprocal crossholdings		
s Less: Other Deductions		-
Adjustments under Pillar II		
Less: Shortfall in provisions (6.4a 1)		
Less: Loans to parties prohibited by acts & Directives(6.4a 2)		
Supplementary Capital (Tier II)	2,513,866,148	1,107,236,563
a Cumulative and/or Redeemable preference share		
b Subordinated Term Debt	998,323,929	-
c Hybrid Capital Instruments		
d General loan loss provision	1,511,247,824	989,515,683
e Investment Adjustment Reserve	760,000	117,720,880
f Asset Revaluation Reserve		
g Exchange Equalisation Reserve	3,534,396	-
h Other Reserves		
Total Capital Fund (Tier I and Tier II)	15,505,381,268	13,148,762,969
1.3 Capital Adequacy Ratio	Current Period	Current Period
Tier I Capital to Total RWE	9.37	10.22
Tier I and Tier II Capital to Total RWE	11.18	11.16

Risk Weighted Exposure for Credit Risk

For the year ended 31 Ashad 2077

	Balance Sheet Exposures (A)	Current Year					Previous Year		
		Book Value a	Specific Provision b	Eligible CRM c	Net Value d=a-b-c	Risk Weight e	Risk Weighted Exposures f=d* e	Net Value	Risk Weighted Exposures
1	Cash Balance	3,663,275,492	-	-	3,663,275,492	0%	-	3,132,648,276	-
2	Balance With Nepal Rastra Bank	14,253,257,339	-	-	14,253,257,339	0%	-	6,877,798,266	-
3	Gold	519,195,411	-	-	519,195,411	0%	-	1,200,000	-
4	Investment in Nepalese Government Securities	17,443,408,345	-	-	17,443,408,345	0%	-	12,215,053,171	-
5	All Claims on Government of Nepal	280,792,248	-	-	280,792,248	0%	-	123,978,223	-
6	Investment in Nepal Rastra Bank securities	-	-	-	-	0%	-	-	-
7	All other claims on Nepal Rastra Bank	5,775,121,816	-	-	5,775,121,816	0%	-	2,737,174,928	-
8	Investment in Foreign Government Securities and Central Bank (ECA rating 0-1)	-	-	-	-	0%	-	-	-
9	Investment in Foreign Government Securities and Central Bank (ECA rating 2)	-	-	-	-	20%	-	-	-
10	Investment in Foreign Government Securities and Central Bank (ECA rating 3)	-	-	-	-	50%	-	-	-
11	Investment in Foreign Government Securities and Central Bank (ECA rating 4-6)	-	-	-	-	100%	-	-	-
12	Investment in Foreign Government Securities and Central Bank (ECA rating 7)	-	-	-	-	150%	-	-	-
13	Claims on BIS, IMF, ECB, EC and Multilateral Development Banks recognised by the framework	-	-	-	-	0%	-	-	-
14	Claims on other Multilateral Development Banks	-	-	-	-	100%	-	-	-
15	Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	20%	-	-	-
16	Claims on Public Sector Entity (ECA 2)	-	-	-	-	50%	-	-	-
17	Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	100%	-	-	-
18	Claims on Public Sector Entity (ECA 7)	-	-	-	-	150%	-	-	-
19	Claims on domestic banks that meet capital adequacy requirements	6,184,903,371.81	-	-	6,184,903,372	20%	1,236,980,674	15,588,673,119	3,117,734,624
20	Claims on domestic banks that do not meet capital adequacy requirements	-	-	-	-	100%	-	-	-
21	Claims on foreign bank (ECA Rating 0-1)	678,506,424.22	-	-	678,506,424	20%	135,701,285	115,569,586	23,113,917
22	Claims on foreign bank (ECA Rating 2)	1,716,941,449.04	-	-	1,716,941,449	50%	858,470,725	431,577,817	215,788,909
23	Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-	-	-
24	Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-	-	-
25	Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement	964,615,904	-	-	964,615,904	20%	192,923,181	479,821,761	95,964,352
26	Claims on Domestic Corporates	59,085,021,655	-	-	59,085,021,655	100%	59,085,021,655	51,545,148,286	51,545,148,286
27	Claim on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-	-	-
28	Claim on Foreign Corporates (ECA 2)	-	-	-	-	50%	-	-	-
29	Claim on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-	-	-
30	Claim on Foreign Corporates (ECA 7)	-	-	-	-	150%	-	-	-
31	Regulatory Retail Portfolio (Not Overdue)	18,031,050,900	-	-	230,590,007	17,800,460,892	75%	13,350,345,669	15,934,677,128
32	Claims fulfilling all criterion of regulatory retail except granularity	-	-	-	-	100%	-	-	-
33	Claims secured by residential properties	10,105,844,913	-	-	10,105,844,913	60%	6,063,506,948	9,594,192,988	5,756,515,793
34	Claims not fully secured by residential properties	-	-	-	-	150%	-	-	-
35	Claims secured by residential properties (overdue)	63,493,998	-	-	27,369,447	100%	27,369,447	70,703,572	70,703,572
36	Claims secured by Commercial real estate	2,702,216,207	-	-	2,702,216,207	100%	2,702,216,207	2,950,136,906	2,950,136,906
37	Past due claims (except for claim secured by residential properties)	3,203,446,871	2,004,707,342	-	1,198,739,529	150%	1,798,199,293	1,353,398,094	2,030,997,141
38	High Risk claims	5,889,016,675	-	-	5,772,629,502	150%	8,658,944,254	2,159,708,595	3,239,562,893
39	Investments in equity of institutions listed in the stock exchange	754,425,532	-	-	754,425,532	100%	754,425,532	471,654,217	471,654,217
40	Investments in equity of institutions not listed in the stock exchange	2,191,682,879	-	-	2,191,682,879	150%	3,287,524,319	1,536,871,500	2,305,307,250
41	Staff Loan secured by Residential Properties	1,175,642,885	-	-	1,175,642,885	50%	587,821,443	992,337,347	595,402,408
42	Interest Receivable/ Claim on Government Securities	220,955,565	-	-	220,955,565	0%	-	129,659,062	-
43	Cash in Transit and other cash items in the process of Collection	-	-	-	-	20%	-	-	-
44	Other Assets (as per attachment)	11,656,530,152	1,938,918,902	-	9,717,611,249	100%	8,428,775,056	8,428,775,056	8,428,775,056
	Total	166,559,715,579	3,980,120,242	346,977,180	162,232,618,157		108,456,971,881	136,870,757,900	92,796,913,171

	Off-Balance Sheet Exposures (B)	Book Value a	Specific Provision b	Eligible CRM c	Net Value d=a-b-c	Risk Weight e	Risk Weighted Exposures f=d*e	Net Value d=a-b-c	Risk Weighted Exposures f=d*e	Previous Year
1	Revocable Commitments	-	-	-	-	0%	-	-	-	-
2	Bills Collection	103,929,610	-	-	103,929,610	0%	-	-	6,118,946	-
3	Forward Exchange Contract Liabilities	5,311,757,836	-	-	5,311,757,836	10%	531,175,784	4,393,479,202	439,347,920	-
4	LC Commitments With Original Maturity Up to 6 months domestic counterparty	6,492,586,135	-	-	167,152,094	6,325,434,041	20%	1,265,086,808	6,284,497,260	1,256,899,452
ECA Rating 0-1		-	-	-	-	-	20%	-	-	-
ECA Rating 2		-	-	-	-	-	50%	-	-	-
ECA Rating 3-6		-	-	-	-	-	100%	-	-	-
ECA Rating 7		-	-	-	-	-	150%	-	-	-
5	LC Commitments With Original Maturity Over 6 months domestic counterparty	-	-	-	-	-	50%	-	-	-
ECA Rating 0-1		-	-	-	-	-	20%	-	-	-
ECA Rating 2		-	-	-	-	-	50%	-	-	-
ECA Rating 3-6		-	-	-	-	-	100%	-	-	-
ECA Rating 7		-	-	-	-	-	150%	-	-	-
6	Bid Bond and Performance Bond and Counter guarantee domestic counterparty	17,557,531,875	-	-	554,013,409	17,003,518,467	50%	8,501,759,233	12,331,120,026	6,165,560,013
ECA Rating 0-1		-	-	-	-	-	20%	-	-	-
ECA Rating 2		-	-	-	-	-	50%	-	-	-
ECA Rating 3-6		-	-	-	-	-	100%	-	-	-
ECA Rating 7		-	-	-	-	-	150%	-	-	-
7	Underwriting commitments	-	-	-	-	-	50%	-	-	-
8	Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	-	100%	-	-	-
9	Repurchase Agreements, Assets sale with recourse(including repo/reverse repo)	-	-	-	-	-	100%	-	-	-
10	Advance Payment Guarantee	6,807,423,046	-	91,239,510	6,716,183,536	100%	6,716,183,536	5,762,354,807	5,762,354,807	-
11	Financial Guarantee	-	-	-	-	-	100%	-	-	-
12	Acceptances and Endorsements	1,219,584,446	-	19,369,000	1,200,215,446	100%	1,200,215,446	1,413,403,484	1,413,403,484	-
13	Unpaid portion of partly paid shares & Securities	-	-	-	-	-	100%	-	-	-
14	Irrevocable Credit Commitments (short term)	3,201,026,805	-	-	3,201,026,805	20%	640,205,361	2,312,525,784	462,505,157	-
15	Irrevocable Credit Commitments (long term)	-	-	-	-	-	50%	-	-	-
16	Other Contingent Liabilities	175,977,991	-	-	175,977,991	100%	175,977,991	129,255,412	129,255,412	-
Total	40,869,817,744	-	831,774,012	40,038,043,732	-	19,030,604,160	32,632,754,922	15,629,326,246		

Eligible Credit Risk Mitigation (CRM)

For the year ended 31 Ashad 2077

Balance Sheet Credit exposures (A)	Deposits with Banks	Deposits with other Banks/FI	Gold	NRB Sec.	HMG/N & Govt of Nepal	G'tee of Govt of other Sovereigns	G'tee of Domestic Banks	G'tee of MDBs	Sec/G'tee of Foreign Banks	Total
Investment in Foreign Government Securities (ECA-2)										-
Investment in Foreign Government Securities (ECA-3)										-
Investment in Foreign Government Securities (ECA-4-6)										-
Investment in Foreign Government Securities (ECA-7)										-
Claims on other Multilateral Development Banks										-
Claims on Public Sector Entity (ECA-0-1)										-
Claims on Public Sector Entity (ECA-2)										-
Claims on Public Sector Entity (ECA-3-6)										-
Claims on Public Sector Entity (ECA-7)										-
Claims on domestic banks that meet capital adequacy requirements	-									
Claims on domestic banks that do not meet capital adequacy requirements										
Claims on foreign bank (ECA Rating 0-1)										
Claims on foreign bank (ECA Rating 2)										
Claims on foreign bank (ECA Rating 3-6)										
Claims on foreign bank (ECA Rating 7)										
Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement										
Claims on Domestic Corporates										
Claims on Foreign Corporates (ECA 0-1)										-
Claims on Foreign Corporates (ECA 2)										-
Claims on Foreign Corporates (ECA 3-6)										-
Claims on Foreign Corporates (ECA 7)										-
Regulatory Retail Portfolio (Not Overdue)	201,244.578				29,345,429					230,590,007
Claims fulfilling all criterion of regulatory retail except granularity										
Regulatory Retail Portfolio (Overdue)										-
Claims secured by residential properties (with condition)										-
Claims secured by residential properties (without condition)										-
Unsecured portion of claims secured by residential properties										-
Claims not fully secured by residential properties										-
Claims secured by residential properties (overdue)										-
Claims secured by Commercial real estate										-
Past due claims(except for claims secured by residential properties)										-
High Risk Claims/Venture Capital,private equity investments, personal loans & credit card receivables)	115,048,019				1,339,154					116,387,172
Investments in equity of institutions not listed in stock exchange										-
Investments in equity of institutions listed in stock exchange										-
Other Loans & Advances										-
Cash and cash items in transit										-
Fictitious Assets										-
Other Assets (as per attachment)										-

Off Balance Sheet Exposures (B)	Deposits with Banks	Deposits with other Banks/FI	Gold	HMG/N & NRB Sec.	G'tee of Govt of Nepal	Sec/G'tee of other Sovereigns	G'tee of Domestic Banks	G'tee of MDBS	Sec/G'tee of Foreign Banks	Total
Forward Exchange Contract Liabilities										
LC Commitments With Original Maturity Up to 6 months domestic counterparty	167,152,094									167,152,094
ECA Rating 0-1										
ECA Rating 2										
ECA Rating 3-6										
ECA Rating 7										
LC Commitments With Original Maturity Over 6 months domestic counterparty										
ECA Rating 0-1										
ECA Rating 2										
ECA Rating 3-6										
ECA Rating 7										
Bid Bond and Performance Bond and Counter guarantee domestic counterparty	554,013,409									554,013,409
ECA Rating 0-1										
ECA Rating 2										
ECA Rating 3-6										
ECA Rating 7										
Underwriting commitments										
Lending of Bank's Securities or Posting of Securities as collateral										
Repurchase Agreements, Assets sale with recourse (including repo/reverse repo)										
Advance Payment Guarantee	91,239,510									91,239,510
Financial Guarantee										
Acceptances and Endorsements	19,369,000									19,369,000
Unpaid portion of Partly paid shares and securities										
Irrevocable Credit Commitments										
Other Contingent Liabilities										

Risk Weighted Exposure For Operational Risk
For the year ended 31 Ashad 2077

Particulars	Year 3 FY 2075/76	Year 2 FY 2074/75	Year 1 FY 2073/74	Last Year NPR
Net Interest Income	4,398,098,137	2,818,002,555	2,243,121,937	-
Commission & Discount Income	904,700,287	614,140,670	520,122,723	-
Other Operating Income	54,753,679	54,690,557	130,169,466	-
Exchange Fluctuation Income	366,924,420	341,153,748	192,666,836	-
Additional/Deduction Interest Suspense during the period	(456,990,041)	(253,630,057)	(340,428,403)	-
Gross Income(a)	5,267,486,482	3,574,357,473	2,745,652,559	-
Alfa (b)	15%	15%	15%	15%
Fixed Percentage of Gross Income[c=(a*b)] (c)	790,122,972.35	536,153,620.88	411,847,884	-
Capital Requirement for operational risk(d) (average of c)	579,374,826			514,222,051
Risk Weight(reciprocal of capital requirement of 10%) in times (e)	9.09			9.09
Equivalent Risk Weight Exposure [f=(d*e)]	5,267,043,870			4,674,745,915

Risk Weighted Exposure For Market Risk

For the year ended 31 Ashad 2077

S.No.	Currency	Open Position (FCY)	Exchange Rate	Open Position (NPR)	Relevant Open Position	Relevant Open Position Previous Year
1	INR	559,167,590	1.60	895,087,520	895,087,520	367,990,828
2	US Dollar	113,151	120.55	13,640,392	13,640,392	239,220,345
3	Pound Sterling (GBP)	2,981	151.38	451,298	451,298	2,121,944
4	EURO	17,349	137.27	2,381,460	2,381,460	8,124,416
5	Thai Bhat (THB)	234,923	3.78	886,833	886,833	514,885
6	Swiss Franc (CHF)	6,260	127.87	800,424	800,424	599,805
7	Australian Dollar (AUD)	581	83.91	48,740	48,740	3,724,767
8	Canadian Dollar(CAD)	36,964	88.59	3,274,498	3,274,498	3,673,652
9	Singapur Dollar (SGD)	5,208	86.55	450,722	450,722	1,093,543
10	Japanese Yen (JPY)	(784,832)	1.12	(881,366)	881,366	2,562,974
11	Hongkong Dollar (HKD)	60,103	15.48	930,089	930,089	399,675
12	Denish Kroner (DKK)	13,651	18.36	250,637	250,637	1,330,387
13	Swedish Kroner (SEK)	5,118	13.21	67,588	67,588	58,350
14	Saudi Arabian Riyal (SAR)	317,664	32.66	10,374,911	10,374,911	51,587,507
15	Qatar Riyal (QAR)	717,936	33.09	23,756,503	23,756,503	5,306,311
16	United Arab Emirates (AED)	611,647	32.75	20,028,369	20,028,369	25,536,246
17	Malasiyan Ringgit (MYR)	129,657	28.19	3,655,023	3,655,023	3,987,486
18	Korean WON	-	-	-	-	133,291
19	Chinese Yuan (CNY)	376,170	16.90	6,357,278	6,357,278	5,403,021
20	(BHD)	39,651	390.54	15,485,226	15,485,226	2,814,630
21	KWD	7,189	319.12	2,294,004	2,294,004	147,490
Total Open Position (a)					1,001,102,881	726,331,553
Fixed Percentage (b)					0.05	0.05
Capital Charge for Market Risk [c=(a×b)]					50,055,144	36,316,578
Risk Weight (reciprocal of capital requirement of 10%) in times (d)					9.09	9.09
Equivalent Risk Weight Exposure [e=(c×d)]					455,019,317	330,150,706

Condensed Consolidated Statement of Financial Position

As on Quarter ended 4th Quarter 2075/76

In Rs.

Particulars	As per Unaudited	As per Audited	Variance	Variance %	Remarks
Cash and cash equivalent	7,677,015	8,446,068	(769,053)	-10%	Regrouping
Due from Nepal Rastra Bank	20,028,379	20,028,379	-	0%	Regrouping
Placement with Bank and Financial Institutions	769,053	-	769,053		
Derivative Financial Instruments	5,353,760	5,353,760	-	0%	Regrouping
Other Trading Assets	-	-	-		
Loan and advances to B/FIs	3,897,659	3,897,659	-	0%	
Loan and advances to Customers	99,692,110	99,397,724	294,385	0%	Regrouping & Impairment
Investment Securities	20,280,791	20,318,133	(37,342)	0%	Fair value adjustment
Current Tax Assets/Liabilities	50,220	156,814	(106,594)	-212%	Additional of impairment charge
Investment in Subsidiaries	116,961	524,229	(407,268)	-348%	Booking of investment
Investment in Associates	-	-	-		
Investment Property	517,584	512,406	5,178	1%	Regrouping
Property & Equipment	2,355,479	2,358,887	(3,408)	0%	Regrouping
Goodwill and Intangible Assets	47,761	180,222	(132,461)	-277%	Software booking
Deferred Tax Assets	257,051	302,957	(45,906)		Adjustment
Other Assets	6,682,673	6,040,059	642,614	10%	Regrouping
Total Assets	167,726,496	167,517,298	209,198	0%	
Liabilities				-	
Due to Bank and Financial Institutions	7,785,249	7,785,249	-		
Due to Nepal Rastra Bank	4,794,406	4,794,406	-	0%	
Derivative Financial Instruments	5,311,758	5,311,758	-		
Deposit from customer	128,494,354	128,740,771	(246,418)	0%	Regrouping
Borrowings	495,180	495,180	-	0%	
Current Tax Assets/Liabilities	-	-	-		
Provisions	23,325	23,325	-	0%	
Deferred Tax Liabilities	-	-	-	#DIV/0!	
Other Liabilities	4,215,405	3,980,516	234,889	6%	Regrouping
Debt Securities Issued	1,000,000	998,324	1,676	0%	
Subordinated Liabilities	-	-	-		
Total Liabilities	152,119,675	152,129,528	(9,852)	0%	
Equity				-	
Share Capital	10,315,507	10,315,507	-	0%	
Share Premium	-	-	-		
Retained Earnings	1,105,818	1,216,499	(110,681)	-10%	Change in Profit and reserve
Reserves	4,185,496	3,855,765	329,731	8%	Change in regulatory reserve
Total Equity Attributable to equity holders	15,606,820	15,387,770	219,050	1%	
Non-controlling interest			-		
Total Equity	15,606,820	15,387,770	219,050	1%	
Total Liabilities and equity	167,726,496	167,517,298	209,198	0%	

Condensed Consolidated Statement of Profit or Loss

As on Quarter ended 4th Quarter 2075/2077

Amount in '000

Particulars	As per Unaudited	As per Audited	Varience	Varience %	Remarks
Interest income	11,920,872	11,797,451	123,421	1%	Regrouping
Interest Expenses	(7,275,057)	(7,276,494)	1,437	0%	adjustment
Net Interest income	4,645,815	4,520,957	124,858	3%	
Fees and commission income	925,045	926,175	(1,129)	0%	Regrouping
Fees and commission expenses	(105,843)	(104,583)	(1,260)	1%	Regrouping
Net Fees and commission income	819,203	821,591	(2,389)	0%	
Net Interest, fee and commission income	5,465,017	5,342,548	122,469	2%	
Net trading income	393,476	393,476	-	0%	
Other operating income	73,557	94,749	(21,192)	-29%	Regrouping
Total operating income	5,932,051	5,830,774	101,276	2%	
Impairment charge/(reversal) for loans and other losses	(252,935)	(536,658)	283,723	-112%	Additional LLP
Net operating income	5,679,115	5,294,116	385,000	7%	
Operating expense					
Personnel expenses	(2,090,155)	(2,156,704)	66,549	-3%	Bonus & fair value adjustment
Other operating expense	(1,228,724)	(1,058,196)	(170,529)	14%	regrouping and adjustment
Depreciation & Amortisation	(267,555)	(273,892)	6,337	-2%	booking of software
Operating profit	2,092,681	1,805,323	287,357	14%	
Non operating income	5,577	4,448	1,129	20%	Regrouping
Non operating expenses	(31,067)	(48,017)	16,950	-55%	adjustment
Profit before income tax	2,067,190	1,761,753	305,437	15%	
Income tax expense					
Current tax	701,465	594,871	106,594	15%	Change in Profit
deferred tax	(1,249)	(27,321)	26,072	-2087%	adjustment
Profit/(loss) for the period	1,366,974	1,194,204	172,771	13%	

Condensed Consolidated Statement of Financial Position

As on Quarter ended 4th Quarter 2076/77

Amount in '000

Assets	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending	This Quarter Ending	Immediate Previous Year Ending
Cash and cash equivalent	7,931,269	13,871,399	7,677,015	13,792,337
Due from Nepal Rastra Bank	20,028,379	8,031,269	20,028,379	8,031,269
Placement with Bank and Financial Institutions	769,053	-	769,053	-
Derivative Financial Instruments	5,353,760	4,476,352	5,353,760	4,476,352
Other Trading Assets	526,791	84,148	-	-
Loan and advances to B/FIs	3,897,659	3,931,927	3,897,659	3,931,927
Loan and advances to Customers	99,692,110	85,821,176	99,692,110	85,821,176
Investment Securities	20,462,826	14,525,013	20,280,791	14,448,530
Current Tax Assets	50,220	4,941	50,220	-
Investment in Subsidiaries	-	-	116,961	116,961
Investment in Associates	-	-	-	-
Investment Property	517,584	438,786	517,584	438,786
Property & Equipment	2,361,146	2,284,971	2,355,479	2,280,262
Goodwill and Intangible Assets	73,047	40,688	47,761	39,769
Deferred Tax Assets	245,522	271,184	257,051	261,996
Other Assets	6,431,775	4,273,217	6,682,673	4,246,972
Total Assets	168,341,140	138,055,072	167,726,496	137,886,337
Liabilities				
Due to Bank and Financial Institutions	7,875,430	8,004,942	7,785,249	8,004,942
Due to Nepal Rastra Bank	4,794,406	797,272	4,794,406	797,272
Derivative Financial Instruments	5,311,758	4,393,479	5,311,758	4,393,479
Deposit from customer	128,447,657	105,428,484	128,494,354	105,488,506
Borrowings	495,180	-	495,180	-
Current Tax Liabilities	14,954	352,998	-	352,998
Provisions	23,325	23,325	23,325	23,325
Deferred Tax Liabilities	-	-	-	-
Other Liabilities	4,370,236	4,636,040	4,215,405	4,505,147
Debt Securities Issued	1,000,000	-	1,000,000	-
Subordinated Liabilities	-	-	-	-
Total Liabilities	152,332,945	123,636,540	152,119,675	123,565,669
Equity				
Share Capital	10,315,507	8,892,675	10,315,507	8,892,675
Share Premium	-	-	-	-
Retained Earnings	1,106,951	1,513,515	1,105,818	1,520,915
Reserves	4,181,191	3,907,078	4,185,496	3,907,078
Total Equity Attributable to equity holders	15,603,649	14,313,267	15,606,820	14,320,667
Non-controlling interest	404,546	105,264	-	-
Total Equity	16,008,195	14,418,532	15,606,820	14,320,667
Total Liabilities and equity	168,341,140	138,055,072	167,726,496	137,886,337

Condensed Consolidated Statement of Profit or Loss

As on Quarter ended 4th Quarter 2076/77

Particulars	Group			Bank		
	Current Year This Quarter Ending	Upto this quarter(YTD)	Previous Year Corresponding This Quarter Ending	Current Year Upto this quarter(YTD)	Upto this quarter(YTD)	Previous Year Corresponding This Quarter Ending
Interest income	2,972,539	11,928,535	2,748,523	10,772,750	2,969,889	11,920,872
Interest Expenses	(1,921,624)	(7,274,468)	(1,726,006)	(6,364,599)	(1,921,832)	(7,275,057)
Net interest income	1,050,915	4,654,067	1,022,517	4,408,151	1,048,057	4,645,815
Fees and commission income	160,653	936,310	100,222	731,924	93,045	280,905
Fees and commission expenses	(35,843)	(105,843)	(70,072)	(120,457)	(35,842)	(105,843)
Net fees and commission income	124,811	830,468	30,150	611,468	121,646	819,203
Net interest, fee and commission income	1,175,726	5,484,534	1,052,667	5,019,618	1,169,703	5,465,017
Net trading income	92,925	407,097	110,103	373,311	79,305	393,476
Other operating income	659	76,068	199,072	245,392	9,338	73,557
Total operating income	1,269,309	5,967,700	1,361,842	5,638,321	1,258,345	5,932,051
Impairment charge/(reversal) for loans and other losses	(75,818)	(252,935)	(173,287)	(370,138)	(75,818)	(252,935)
Net operating income	1,193,492	5,714,765	1,188,555	5,268,183	1,182,527	5,167,115
Operating expense						
Personnel expenses	(561,187)	(2,103,403)	(502,927)	(1,760,046)	(556,707)	(2,090,155)
Other operating expense	(542,832)	(1,238,156)	(427,277)	(993,667)	(539,447)	(1,228,724)
Depreciation & Amortisation	(77,153)	(269,618)	(74,378)	(229,049)	(75,090)	(267,555)
Operating profit	12,320	2,103,588	183,973	2,285,420	11,283	2,092,681
Non operating income	1,129	5,577	4,007	11,814	1,129	5,577
Non operating expenses	(25)	(31,067)	(6,005)	(170,417)	(25)	(31,067)
Profit before income tax	13,424	2,078,987	181,974	2,126,816	12,387	2,067,190
Income tax expense						
Current tax	(84,437)	(703,839)	(522,803)	(984,057)	(85,024)	(701,465)
deferred tax	(24,551)	1,249	677,185	651,631	(24,551)	678,965
Profit/(loss) for the period	(95,564)	1,375,507	336,356	1,794,391	1,366,974	1,783,593
Condensed Consolidated Statement of Comprehensive Income						
Profit/(loss) for the period	(95,564)	1,375,507	336,356	1,794,391	(97,188)	1,366,974
Other Comprehensive income	63,857	14,454	20,834	9,893	63,857	14,454
Total Comprehensive Income	(31,707)	1,389,361	357,191	1,804,284	(33,331)	1,381,428
Basic earnings per share						
Diluted earnings per share						
Profit attributable to:						
Equity holders of the Bank	(32,502)	1,385,780	354,773	1,798,993	(33,331)	1,381,428
Non-controlling interest	796	4,181	2,418	5,291	-	-
Total	(31,707)	1,389,361	357,191	1,804,284	(33,331)	1,381,428
						352,256
						1,793,486



नेपाल राष्ट्र बैंक

बैंक सुपरिवेक्षण विभाग



दरवारमार्ग, काठमाडौं।
फोन नं.: ४४९९८०५७
प्लाक्स नं.: ४४९०१५९
Site: www.nrb.org.np
Email: bsd@nrb.org.np
पोष्ट बक्स: ७३

प.सं: बै.सु.वि./अफसाइट/एजिएम/१३/२०७७-७८

मिति : २०७७/०८/३०

प्रभु बैंक लिमिटेड
बबरमहल, काठमाडौं।

विषय: लाभांश घोषणा/वितरण तथा वित्तीय विवरण प्रकाशन सम्बन्धमा।

महाशय,

त्यस बैंकबाट पेश गरिएका वित्तीय विवरण तथा अन्य कागजातका आधारमा बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा ४७ को उपदफा (२) का प्रावधानहरु पालना गरेको देखिएको हुँदा, उक्त ऐनको उपदफा (१) बमोजिम त्यस बैंकले प्रस्ताव गरे बमोजिम रु. १,०३,१५,५०,६४/- बाबारको बोनस शेयर तथा रु. ५,४२,९२,१४१/- नगद लाभांश (कर प्रयोजनको लागि) गरी कुल रु. १,०८,५८,४२,८०५/- (अक्षरेपी एक अर्व आठ करोड अन्ठाउन्न लाख बयालिस हजार आठ सय पाँच मात्र) अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना गर्ने गरी वार्षिक साधारण सभाबाट पारित भएको अवस्थामा मात्र शेयरधनीहरुलाई वितरण गर्न स्वीकृति प्रदान गरिएको तथा आ.व. २०७६/७७ को वार्षिक हिसाब वार्षिक साधारण सभामा स्वीकृतिको लागि पेश गर्ने प्रयोजनार्थ देहायका निर्देशनहरु सहित सार्वजनिक गर्न सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार जानकारी गराउँदछु।

- लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका सम्पर्ण कैफियतहरु पूर्ण रूपले सुधार गर्न तथा त्यस्ता कैफियतहरु पुनः दोहोरिच नदिन आवश्यक व्यवस्था मिलाउनु।
 - यस बैंकबाट जारी गरिएको निर्देशन नं १० को वुँदा नं ७ बमोजिम इजाजतपत्र प्राप्त कुनै एक बैंक तथा वित्तीय संस्थाको संस्थापक शेयरमा लगानी गर्दा चुक्ता पूँजीको बढीमा १५ प्रतिशत र अन्य बैंक तथा वित्तीय संस्थाहरुमा चुक्ता पूँजीको बढीमा १ प्रतिशतसम्म मात्र लगानी गर्न सकिने व्यवस्था रहेकोले उल्लिखित सीमाभन्दा बढी शेयर धारण गर्ने संस्थापक शेयरधनीहरुलाई सो सीमाभित्र नल्याएसम्म प्रस्तावित नगद लाभांश तथा बोनस शेयर वितरण रोकका राख्ने व्यवस्था मिलाउनु हुन्।
 - बैंक तथा वित्तीय संस्था सम्बन्धी ऐन २०७३ को दफा ११ को उपदफा ३ मा बैंकको चुक्ता पूँजीको २ प्रतिशत भन्दा बढी शेयर धारण गरेका संस्थापकहरुले आफुले धारण गरेको शेयर बिक्री तथा धितो बन्धक राख्दा नेपाल राष्ट्र बैंकको स्वीकृति लिनु पर्ने व्यवस्था रहेकोले नेपाल राष्ट्र बैंकको स्वीकृति नलिङ्ग आफुले धारण गरेको शेयर धितो बन्धक राखी अन्य बैंक तथा वित्तीय संस्थाबाट कर्जा उपयोग गरेका संस्थापक शेयरधनीहरु रहेमा ती संस्थापक शेयरधनीहरुलाई सोको स्वीकृति नलिएसम्म वा शेयर धितो बन्धक राखी उपयोग गरेको कर्जा पूर्ण रूपमा चुक्ता गरी शेयर फुकुवा नगरेसम्म प्रस्तावित नगद लाभांश तथा बोनस शेयर वितरण रोकका राख्ने व्यवस्था मिलाउनु हुन्।
- उपरोक्त निर्देशनलाई त्यस बैंकको वार्षिक प्रतिवेदनको छ्वै पानामा प्रकाशित गर्नुहुन।

भवदीय,

(कृष्ण शरण फुयाल)
उप-निर्देशक

बोधार्थ

- नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग।
- बैंक सुपरिवेक्षण विभाग, प्रतिवेदन कार्यान्वयन इकाई, प्रभु बैंक लिमिटेड।

नेपाल राष्ट्र बैंकबाट लाभांश घोषणा/वितरण तथा वित्तीय विवरण प्रकाशन गर्ने स्वीकृति प्रदान गर्दा प्राप्त स्वीकृति पत्रमा उल्लेखित निर्देशनहरुको कार्यान्वयन सम्बन्धमा बैंकको प्रतिक्रिया:

१. निर्देशन अनुसार गरिनेछ ।
२. निर्देशन अनुसार गरिनेछ ।
३. निर्देशन अनुसार गरिनेछ ।

प्रभु बैंक लिमिटेडको प्रबन्धपत्र संसोधन सम्बन्धी तीन महले विवरण

साविकको व्यवस्था	संसोधित व्यवस्था	कारण
<p>६ (क) बैंकको अधिकृत पूँजी रु. १०,३१,५५,०६,६३५/- (रु.दश अर्ब एकतीस करोड पचपन्न लाख छ, हजार छ, सय पैंतीस) हुनेछ । सो पूँजीलाई प्रतिशेयर रु.१००/- दरका १०,३१,५५,०६६.३५ थान साधारण शेयरमा विभाजन गरिएको छ ।</p> <p>(ख) बैंकको तत्काल जारी पूँजी रु.१०,३१,५५,०६,६३५/- (रु.दश अर्ब एकतीस करोड पचपन्न लाख छ, हजार छ, सय पैंतीस) हुनेछ । सो पूँजीलाई प्रतिशेयर रु.१००/- दरका १०,३१,५५,०६६.३५ थान साधारण शेयरमा विभाजन गरिएको छ ।</p> <p>(ग) बैंकको तत्काल चुक्ता पूँजी रु. १०,३१,५५,०६,६३५/- (रु.दश अर्ब एकतीस करोड पचपन्न लाख छ, हजार छ, सय पैंतीस) हुनेछ ।</p>	<p>६ (क) बैंकको अधिकृत पूँजी रु. ११,३४,७०,५७,२९९/- (रु.एघार अर्ब चौतीस करोड सतरी लाख सन्तावन्न हजार दुई सय उनान्सय) हुनेछ । सो पूँजीलाई प्रतिशेयर रु.१००/- दरका ११,३४,७०,५७२.९९ थान साधारण शेयरमा विभाजन गरिएको छ ।</p> <p>(ख) बैंकको तत्काल जारी पूँजी रु.११,३४,७०,५७,२९९/- (रु.एघार अर्ब चौतीस करोड सतरी लाख सन्तावन्न हजार दुई सय उनान्सय) हुनेछ । सो पूँजीलाई प्रतिशेयर रु.१००/- दरका ११,३४,७०,५७२.९९ थान साधारण शेयरमा विभाजन गरिएको छ ।</p> <p>(ग) बैंकको तत्काल चुक्ता रु. ११,३४,७०,५७,२९९/- (रु.एघार अर्ब चौतीस करोड सतरी लाख सन्तावन्न हजार दुई सय उनान्सय) हुनेछ ।</p>	<p>बोनस शेयर वितरण गर्न अधिकृत पूँजी बढ्दि गर्नुपर्ने भएकाले ।</p> <p>बोनस शेयर वितरण गर्न जारी पूँजी बढ्दि गर्नुपर्ने भएकाले ।</p> <p>बोनस शेयर वितरण गर्न चुक्ता पूँजी बढ्दि गर्नुपर्ने भएकाले ।</p>

प्रभु बैंकका शाखा कार्यालयहरू

उपत्यका भित्रका शाखा कार्यालयहरू

सुकेदारा	०१-४६५०९५१	सिनामंगल	०१-४४६९८८५	पुतलीसडक	०१-४२६२९५०	पाटन	०१-५५२२८८९
कोटेश्वर	०१-४४९९८७६७	नयाँ बानेश्वर	०१-४४६७४६६	कमलादी	०१-४२३३१५१	ग्वार्को	०१-२२३९५९९
सिनामंगल	०१-४४९९८९६	लैनचौर	०१-४४४२३६४	हातीगांडा	०१-४३७३५३१	ज्ञानेश्वर	०१-४४२२२७७
खिचापोखरी	०१-४१५७५०९	बागदरबार सुन्धारा	०१-४२३३४०४	ललितपुर	०१-५५३३६५४	टंगाल	०१-४४२१२७७
जोरपाटी	०१-२०४४००४	कपन	०१-४८२२५०९	बनेपा	०११-६६०९४६	थानकोट	०१-४३१३२२८
कालीमाटी	०१-४२८८४५७	सानेपा	०१-५५४४६३९	भक्तपुर	०१-६६१९३९०	ईमाडोल	९८४९०६८८८८
ठमेल	०१-४२४८८७६६	टेकु	०१-४२५०८०६	भैसेपाटी	०१-५५९२७८७	बालकोट	०१-६६३६१३०
कलंकी	०१-४२८७४५३	कोटेश्वर (वी)	०१-४६००८९३	मंगलबजार	०१-५५२९६०४	कीर्तिपुर	०१-४३३६६३१
महाराजगंज	०१-४३७३४४२	चावहिल	०१-४८८४७८८	गंगाबु	०१-४३८९००६	बल्खु	०१-५१७७०९
स्वयम्भू	०१-४०३३५८३	डल्लु	०१-४२७७५५७	सातदोबाटो	०१-५१५२९०२	चापागाउँ	०१-५२६५६९३
बानेश्वर	०१-४४९२९१२	धापासी	०१-५१५९९१९	कौशलटार	०१-६६३१३३९	सांखु	०१-४४०९६२
शंखमूल	०१-४७९१२७७	गुर्जुधारा	०१-४३१३२७५	ठिमी	०१-५०९३१२२	दुङ्गेधारा	०१-४८८१५४०
कात्तिपथ	०१-४२५४५८०	गोठाटार	९८४९७३८२९	बाडेगाउँ	०१-२२३९८८३	धर्मस्थली	०१-४७८८५००
बौद्ध	०१-४९१६४३३	मनमैजु	०१-४०२७३२९	कुमारीपाटी	०१-५५३९३२७	गौशाला	०१-४७८८५००

उपत्यका बाहिरका शाखा कार्यालयहरू

बुटवल	०७१-५४३४२८	हरिवन	०४६-५३०६२७	स्याफुवेशी	०१०-५४१०८०	धौलागिरी	०६८-६२००९७
नेपालगञ्ज	०८१-५२७६०९	हेटौडा	०५७-५२६८८२	बौनिया	०११-४०४१२३	रगुणगां	०६८-६२००८८
विराटनगर	०२१-४४०३५७	कावासोती	०७८-५४१०३२	शान्तिपुर	०७८-६२००२५	परोहा	९८५११३०७२०
मणिग्राम	०७१-५६२३७५	दैलेख	०८९-४२०५७०	एकडारा	०४४-६९२९३८	अन्नपुर्ण	०६८-६२००६२
गुलरिया	०८४-४२११७१	जोमसोम	०६९-४४०००५	माछापुच्छे	०६९-६२०८०७	मंगला	०६८-६२००९२
भैरहवा	०७१-५२७३२८	दरबाड	०६८-६९०७०१	बरेड	०६८-६२००९१	बारपाक	०६४-६२००५३
खैरहनी	०७१-५७७५३३	बेनी	०६९-५२१०५२	बडिगाड	०६८-६२००५६	फुडलिङ्ग	०२४-४६०९९०
दमक	०२३-५८१७७६	गजुरी	०१०-४०२०८८	तमनखोला	०६८-७८८५००	चन्द्रगढी	०२१-४५५६०४
विर्तामोड	०२३-५४३२४५	धार्के	०१०-६२००१२	निसीखोला	०६८-६२००८१	उर्लावारी	०२१-५४११९६
बगर	०६१-५३२९१४	गड्घौली	०५६-४०५०९७	भगवतीमाई	०६९-६९०५६७	तिनपैनी	०२१-५२२६९५
नारायणगढ	०५६-५३३८२६	गोरखा	०६४-४२१४०६	गुराँस	९८५८०३०६०१	खादबारी	०२९-५६००७९
दोलखा	०४९-४२९८४७	बैनीघाट	०१०-६९०५४०	विजयनगर	०१-६२७९७८०	गाइघाट	०३५-४२०९९७
धरान	०२५-५३४०१	मुक्तिनाथ	९९४-६९००२२	विहादी	०६९-६२००९४	पर्सा	९८५०६६८८७
दमौली	०६५-५६१८०३	निजगढ	०५३-५४०२२५	बरियापटी	०२७-६९१२२२	झम्हे	०६५-५८०४९१
टाँडी	०५६-५६३००६	गल्कोट	०६८-४१२०११	सिराहा	०३८-५२०७८०	लम्ही	०८२-५४०८८८
कीरगांज	०५१-५३०९८०	वालिङ	०६३-४४०००८	पोखरा	०६९-५३९८१२	चन्द्रौटा	०७६-५४०५६०
पाल्पा	०७५-५२२७२१	सन्धिखर्क	०७७-४२०२११	बुर्तीवाड	०६८-४१००७३	अत्तीरिया	०९९-५४०९३२
महेन्द्रनगर	०९९-५२०२७७	विरौटा	०६१-४६७२३३	बागलुड	०६८-५२२६३०	शे-फोकसुण्डो	९८०२०४४५५१
धनगढी	०९९-५२०९७०	काँकरभिट्ठा	०२३-५६२८९२	कलैया	०५३-५४१८९१	खर्पुनाथ	९८४१२०१२१३
अमरपथ	०७१-५४१७७१	बेशीसहर	०६६-५२१०३२	मिचैया	०३३-५५०७२९	टीकापुर	०९९-५६०२७५
तुल्सीपुर	०८२-५२१६२८	कोहलपुर	०८१-५४२०३८	कुश्मा	०६७-४२१२९३३	भलारी	०९९-५४०२९४
घोराही	०८२-५६३१८६	सुखेत	०८२-५२४३२८	इनरुवा	०२५-५६१९९१	पुनरवास	०९९-४२००२९
धादिङ	०१०-५२१००८	गौर	०५५-५२१००३	तम्घास	०७९-५२०६८८	साफेबगर	०९७-६२५२२२
सौराहा	५६-५८०४४३	बट्टार	९८५१२०२००२	बर्दिबास	०४४-५५०७००	पालुडाटा	०६४-४०००५०
भरतपुर, चितवन	०५६-५२४४२२	आँबुखैरेनी	०६५-५४०४६६	इलाम	०२७-५२०५१२	आरुधाट	९८५११५६१४६
बद्दिघाट	०७८-५८०७६०	सिमरा	०५३-५२०७४२	अमरसिंह चोक	०६१-४३४५७	दिमुवा	०६७-४१००४०
रामपुर, चितवन	०५६-५९२५०५	भोजपुर	०२९-४२०७६४	पाँचखाल	०११-४९११६६	कालाबज्जर	०२५-४१००५२
गोपीगञ्ज	०७८-६२११७८	बाह्रविसे	०११-४८९२५९	ताराखोला	०६८-६२००९७	कुरिन्टार	०५६-४१०१२०
परासी	०७८-५२००७७	सिन्धुली	०४७-५२०७२०	हतुवागाडी	०२९-४१२०८५	अद्यौचोक	०५६-५६२००८
महादेववेशी, धादिङ	०१०-२०३७८२	दुलेगौडा	०६५-५७०३२८	नवदुर्गा	९८४८७६२५००	अत्तिरिया	०९९-५५०९३२
जनकपुर	०४१-५२७३५१	लुम्बिनी	०७१-५८०२९४	मुखियापट्टी	०४१-६९३६८८	बाँकापाटन	
इटहरी	०२५-५८२९२५	फिदिम	०२४-५२१७४	सन्दकपुर	९७४९६९२८९८	वरहथावा	
जलेश्वर	०४४-५२०८७५	चन्द्रनिगाहपुर	०५५-५४०८१५	नासोड	०६१-६२०६२२	बैलवास	०४६-५७५२४२
लहान	०३३-५६१७९०	मनाड	०६६-४४०९६७	लोधेकर	९८५७६२०४२६	धकदही	०४१-४११५१३
पर्थी	०२१-५५५८४२	अछाम	९८४४०२४८८३९	दामोदर कुण्ड		हरिचोक	०६१-४१२५१३
बेलबारी	०२१-५४६४१४	रुकुम	०८८-४१३०५५	लोमनथाड	०६८-६२००९७	लाडटाड	०१-६९२४०३०
राजविराज	०३१-५२३४९८	मंथली	०४८-५४०२३५	थासाड	०६८-६२०२२८	मलडवा	०४६-५२१७४५५

एक्स्टेन्सन काउन्टर कार्यालयहरू:
काउन्टर कार्यालयहरू:

त्रिभुवन अन्तर्राष्ट्रीय	
विमानस्थल, FCY काउन्टर	९८४१४१८१८०७
कालिमाटी काउन्टर	९८५१२३२३००

आयल निगमगा:

अमलेखगञ्ज डिपो, वारा	९८४४८५८५३८४९
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यातायात कार्यालय:

विराटनगर यातायात	९८४२३३४३८४
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आन्तरिक राजश्व कार्यालयहरू:

आन्तरिक राजश्व कार्यालय, दमक	९८४१६७१५५०
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