Unaudited Financial Results (Quarterly)

2nd Quarter ended of Fiscal Year 2081/82

Condensed Consolidated Statement of Financial Position

For the quarter ended 29th Poush 2081

Amount In NPR

Particular	Group		Bank	
	This Quarter Ending	Ashad End 2081 (Audited)	This Quarter Ending	Ashad End 2081 (Audited)
Assets				
Cash and cash equivalent	4,667,362,340	13,140,926,093	4,626,203,932	13,072,489,091
Due from Nepal Rastra Bank	20,676,579,644	14,237,362,921	20,676,579,644	14,237,362,921
Placement with Bank and Financial Institutions	1,049,036,720	641,043,234	974,036,720	591,043,234
Derivative financial instruments	-	-	-	-
Other trading assets	517,801,600	466,650,478	360,287,910	319,682,584
Loan and advances to B/FIs	6,235,944,442	5,527,765,571	6,235,944,442	5,527,765,571
Loans and advances to customers	166,670,467,592	159,414,975,899	166,703,186,720	159,414,737,417
Investment securities	38,816,962,209	34,178,270,380	38,700,185,148	34,082,393,021
Current tax assets	66,082,419	4,987,441	71,854,502	1,657,283
Investment in subsidiaries	-	-	450,000,000	450,000,000
Investment in associates	-	-	-	-
Investment property	731,182,356	674,001,855	731,182,356	674,001,855
Property and equipment	1,389,013,775	1,413,451,044	1,373,833,294	1,395,433,175
Goodwill and Intangible assets	73,649,446	85,113,768	70,281,026	81,631,313
Deferred tax assets	204,113,660	247,581,098	204,833,896	248,728,752
Other assets	4,880,073,541	3,782,301,899	4,859,052,312	3,765,283,209
Total Assets	**245,978,269,743**	**233,814,431,681**	**246,037,461,900**	**233,862,209,426**
Liabilities				
Due to Bank and Financial Institutions	3,311,212,126	2,182,161,765	3,311,212,126	2,182,161,765
Due to Nepal Rastra Bank	-	-	-	-
Derivative financial instruments	34,978,444	1,888,161	34,978,444	1,888,161
Deposits from customers	207,573,496,864	196,897,160,122	207,894,499,830	197,197,071,124
Borrowing	1,104,800,000	1,070,000,000	1,104,800,000	1,070,000,000
Current Tax Liabilities	-	-	-	-
Provisions	38,309,702	36,443,214	38,309,702	36,443,214
Deferred tax liabilities	-	-	-	-
Other liabilities	3,005,213,133	3,207,510,176	2,874,599,183	3,073,480,040
Debt securities issued	9,379,441,000	9,377,516,000	9,379,441,000	9,377,516,000
Subordinated Liabilities	-	-	-	-
Total liabilities	**224,447,451,268**	**212,772,679,437**	**224,637,840,285**	**212,938,560,304**
Equity				
Share capital	13,581,525,414	13,581,525,414	13,581,525,414	13,581,525,414
Share premium	-	-	-	-
Retained earnings	1,896,150,138	1,535,962,971	1,799,639,920	1,447,337,257
Reserves	6,053,142,923	5,924,263,859	6,018,456,281	5,894,786,451
Total equity attributable to equity holders	**21,530,818,475**	**21,041,752,244**	**21,399,621,615**	**20,923,649,123**
Non-controlling interest				
Total Equity	**21,530,818,475**	**21,041,752,244**	**21,399,621,615**	**20,923,649,123**
Total Liabilities and Equity	**245,978,269,743**	**233,814,431,681**	**246,037,461,900**	**233,862,209,426**

Condensed Consolidated Statement of Profit or Loss

For the quarter ended 29th Poush 2081

Amount In NPR

Particular	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest income	4,375,265,027	8,832,752,324	5,225,509,945	10,807,870,507	4,375,134,453	8,830,755,922	5,222,467,476	10,801,777,078
Interest expense	2,817,937,148	5,950,498,528	3,722,160,700	7,772,622,505	2,820,717,275	5,956,323,992	3,727,639,830	7,785,084,590
Net interest income	**1,557,327,879**	**2,882,253,796**	**1,503,349,245**	**3,035,248,002**	**1,554,417,177**	**2,874,431,930**	**1,494,827,645**	**3,016,692,488**
Fee and commission income	388,017,756	738,563,802	301,563,103	625,002,312	358,244,621	672,935,381	281,996,382	573,581,121
Fee and commission expense	45,358,278	99,673,845	44,042,524	90,550,675	42,824,334	93,310,576	43,583,966	89,434,524
Net fee and commission income	**342,659,478**	**638,889,958**	**257,520,578**	**534,451,637**	**315,420,287**	**579,624,805**	**238,412,416**	**484,146,597**
Net interest, fee and commission income	**1,899,987,357**	**3,521,143,753**	**1,760,869,823**	**3,569,699,639**	**1,869,837,464**	**3,454,056,735**	**1,733,240,061**	**3,500,839,085**
Net trading income	101,445,971	317,597,426	149,996,553	300,233,747	109,030,941	297,090,774	150,612,258	304,612,930
Other operating income	116,986,511	240,545,918	105,351,734	144,589,040	143,574,427	263,643,631	105,351,734	178,857,216
Total operating income	**2,118,419,839**	**4,079,287,098**	**2,016,218,110**	**4,014,522,426**	**2,122,442,833**	**4,014,791,140**	**1,989,204,053**	**3,984,309,231**
Impairment charge/(reversal) for loans and other losses	198,786,276	761,952,733	302,369,671	845,070,292	198,786,276	761,952,733	302,369,671	845,070,292
Net operating income	**1,919,633,563**	**3,317,334,365**	**1,713,848,439**	**3,169,452,135**	**1,923,656,557**	**3,252,838,407**	**1,686,834,382**	**3,139,238,940**
Operating expense								
Personnel expenses	548,776,919	1,032,961,929	488,568,377	941,293,337	540,476,016	1,010,736,579	480,067,041	921,288,018
Other operating expenses	256,591,549	497,476,190	252,078,621	499,195,633	252,970,712	488,084,838	248,657,897	486,634,342
Depreciation & Amortization	54,243,621	106,859,554	53,642,607	105,414,929	53,296,538	104,999,636	52,322,120	103,131,068
Operating Profit	**1,060,021,474**	**1,680,036,691**	**919,558,834**	**1,623,548,235**	**1,076,913,291**	**1,649,017,354**	**905,787,324**	**1,628,185,513**
Non operating income	490,425	3,814,022	906,040	1,407,212	490,425	3,814,022	906,040	1,407,212
Non operating expense	2,063,106	3,392,417	6,934,444	55,115,617	2,063,106	3,392,417	6,934,444	55,115,617
Profit before income tax	**1,058,448,793**	**1,680,458,297**	**913,530,430**	**1,569,839,829**	**1,075,340,611**	**1,649,438,960**	**899,758,920**	**1,574,477,107**
Income tax expense								
Current Tax	240,634,022	426,726,546	247,241,174	447,681,193	234,296,357	408,864,213	244,054,151	435,862,393
Deferred Tax	44,464,418	47,434,252	(101,653)	(1,139,383)	48,263,459	48,263,459	-	-
Profit for the period	**773,350,354**	**1,206,297,499**	**666,390,909**	**1,123,298,019**	**792,780,795**	**1,192,311,288**	**655,704,769**	**1,138,614,714**
Condensed Consolidated Statement of Other Comprehensive Income								
Profit/(Loss) for the period	773,350,354	1,206,297,499	666,390,909	1,123,298,019	792,780,795	1,192,311,288	655,704,769	1,138,614,714
Other comprehensive income	3,080,547	(3,489,395)	32,567,485	(54,215,699)	1,802,661	(4,119,187)	28,048,400	(46,181,297)
Total Comprehensive Income	**776,430,901**	**1,202,808,103**	**698,958,394**	**1,069,082,320**	**794,583,457**	**1,188,192,101**	**683,753,169**	**1,092,433,417**
Basic earnings per share		17.81		16.59		17.61		16.81
Diluted earnings per share		17.81		16.59		17.61		16.81
Profit attributable to:								
Equity holders of the Bank	773,350,354	1,206,297,499	666,390,909	1,123,298,019	792,780,795	1,192,311,288	655,704,769	1,138,614,714
Non-controlling interest	-	-	-	-	-	-	-	-
Total	**773,350,354**	**1,206,297,499**	**666,390,909**	**1,123,298,019**	**792,780,795**	**1,192,311,288**	**655,704,769**	**1,138,614,714**

Ratios as per NRB Directive

Particular	Group		Bank	
	Current Year	Previous Year Corresponding	Current Year	Previous Year Corresponding
	Up to This Quarter (YTD)	Up to This Quarter (YTD)	Up to This Quarter (YTD)	Up to This Quarter (YTD)
Capital Fund to RWA (%)	13.01	13.64	13.01	13.64
Tier I Capital to RWA (%)	9.58	9.96	9.58	9.96
CET I Capital to RWA (%)	9.58	9.96	9.58	9.96
Gross Non Performing Loan (NPL) to Total Loan (%)	3.22	1.72	3.22	1.72
Net Non Performing Loan (NPL) to Total Loan (%)	1.51	0.75	1.51	0.75
Total Loan Loss Provision to Total NPL (%)	101.10	154.59	101.10	154.59
Monthly Cost of Funds (%)	5.28	7.56	5.28	7.56
Credit To Deposit Ratio (%)	79.68	78.13	79.68	78.13
Monthly Base Rate (%)	6.79	9.29	6.79	9.29
Interest Rate Spread (%)	4.00	4.00	4.00	4.00

Statement of Distributable Profit or Loss , For the quarter ended 29th Poush 2081 (As per NRB Regulation)

Amount In NPR

Particular	Bank	
	Current Year	Previous Year
	Upto this Qtr YTD	Corresponding Qtr YTD
Net profit or (loss) as per statement of profit or loss	**1,192,311,288**	**1,138,614,714**
Appropriations:		
a. General reserve	(238,463,000)	(227,723,000)
b. Foreign exchange fluctuation fund	(11,639,718)	(2,239,956)
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(11,923,113)	(11,386,147)
e. Employees' training fund	-	-
f. Investment Adjustment Reserve	(30,000,000)	-
g. Other		
Debenture redemption reserve	(135,100,046)	(135,471,200)
Profit or (loss) before regulatory adjustment	**765,185,412**	**761,794,410**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	182,043,297	(449,117,176)
b. Short loan loss provision in accounts (-)/reversal (+)	-	-
c. Short provision for possible losses on investment (-)/reversal (+)	-	-
d. Short loan loss provision on Non Banking Assets (-)/reversal (+)	60,711,710	(28,503,661)
e. Deferred tax assets recognized (-)/ reversal (+)	48,263,459	-
f. Goodwill recognized (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognized (-)/reversal (+)	-	-
h. Actuarial loss recognized (-)/reversal (+)	-	-
i. Other (+/-)	(10,703,642)	-
Net Profit for the Qtr ended Poush 2081 available for distribution	**1,045,500,235**	**284,173,573**
Opening retained earning as on Shrawan 1	1,447,337,257	2,215,038,700
Transfer from investment adjustment reserve	-	37,500,000
Transfer from corporate social responsibility fund	14,683,817	7,397,049
Transfer from fair value reserve	4,859,220	4,377,607
Reversal of deferred tax liability	2,082,237	-
Income tax paid on bargain purchase gain and share premium	-	(65,389,757)
Distribution		
Bonus Share issued	-	(1,121,410,355)
Cash Dividend paid	(714,822,846)	(710,226,558)
Total Distributable profit or (loss) as on qrt end date	**1,799,639,920**	**651,460,258**
Annualized Distributable Profit/Loss per share	19.14	10.44

- Above financials have been prepared in accordance with Nepal Financial Reporting Standards (NFRS), including the carve-outs as issued by the Institute of Chartered Accountants of Nepal.
- Figures are subject to change as per direction from supervisory authority and statutory auditor.
- Loans and advances include interest receivables and staff loans which are presented net of impairment loss.
- Entire accrued interest receivable on loans falling under stage 3 (i.e. overdue more than 90 days) as per NFRS 9 has been suspended as per Expected Credit Loss Related Guidelines, 2024 issued by NRB.
- Impairment loss on credit exposures has been measured and recognised as the higher of total Expected Credit Loss as per NFRS 9 and existing regulatory provisions as per NRB Directives in line with Expected Credit Loss Related Guidelines, 2024 issued by NRB.
- Personnel expenses include provision for employee bonus and amortization of prepayment amount of subsidized loans provided to the employees of the Bank.
- Loan service fees have not been considered while computing effective interest rate during the interim period.
- CD Ratio has been computed on the month's average balance.
- Actuarial valuation for employee benefits is done on annual basis only.
- Previous period figures have been regrouped and rearranged wherever necessary.
- The detailed interim report has been published in the Bank's website.

Related Party Disclosures:

- Group represents Sanima Bank Ltd. and its 100% subsidiaries Sanima Capital Ltd and Sanima Securities Ltd.
- All inter-company transactions are executed on arm's length basis. All inter-company transactions and outstanding balances amongst group companies have been eliminated in the above statements related to group.
- The Bank has Rs. 321.00 million as various deposits of its subsidiaries at this quarter end. The Bank paid net interest amount Rs. 5.96 million on such deposits during the reporting period. The Bank has also provided loan of Rs. 32.92 million to its subsidiaries at this quarter end. The Bank earned interest of Rs. 1.17 million on such loans during the reporting period.
- The Bank has entered into Service Level Agreements with Sanima Capital to provide operational and technical assistance for a fee of Rs. 2.18 million for the year 2024-25.
- The Bank has entered into Service Level Agreements with Sanima Securities to provide operational and technical assistance for a fee of Rs. 0.6 million for the year 2024-25.
- The Bank has appointed Sanima Capital as its share registrar.

धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को अनुसूची १४ बमोजिमको विवरण

(नियम ३६ को उपनियम (१) सँग सम्बन्धित)

१. वित्तीय विवरण

क) बैंकको आ.व. २०८१/८२ को दोस्रो त्रैमासको वित्तीय विवरण यसै साथ प्रकाशित गरिएको छ ।

ख) प्रमुख वित्तिय अनुपातहरू

प्रति शेयर आम्दानी (रू.)	१७.६१	प्रति शेयर कुल सम्पति (रू.)	१,८११.५६
मुल्य आम्दानी अनुपात	१६.५५	तरलता अनुपात (%)	२८.२७
प्रति शेयर नेटवर्थ (रू.)	१५७.५६		

२. व्यवस्थापकीय विश्लेषण

क) समुच्च आर्थिक प्रतिकुलताको वाबजुत बैंकको व्यवसायमा सन्तोषजनक वृद्धि भएको छ ।

ख) दिगो आर्थिक विकासको लागि बैंकले विश्वसनीय तवरबाट सदाझैं सरोकारवालाहरूको हितको संरक्षण गर्दै विशुद्व बैंकिङ सुविधा प्रदान गर्दै जानेछ ।

ग) समिक्षा अवधिमा बैंकको मौज्दात, नाफा वा नगद प्रवाहमा तात्विक असर पार्ने कुनै घटना, अवस्था आदि नभएको ।

३. कानुनी कारवाही सम्वन्धी विवरण

क) त्रैमासिक अवधिमा संगठित संस्थाले वा संस्था विरूद्ध कुनै मुद्दा दायर भएको भए ।
- यस त्रैमासमा बैंकको सामान्य व्यवसायिक कारोबार सम्बन्धी मुद्दा बाहेक व्यवसायमा तात्विक असर पर्ने गरी बैंकले वा बैंकको विरूद्ध कुनै मुद्दा दायर नभएको ।

ख) संगठित संस्थाको संस्थापक वा संचालकले संस्थापक वा संचालकको विरूद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा दायर मुद्दा ।
- यस सम्बन्धी कुनै जानकारी प्राप्त नभएको ।

ग) कुनै संस्थापक वा संचालक विरूद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको भए ।
- यस सम्बन्धी कुनै जानकारी प्राप्त नभएको ।

४. संगठित संस्थाको शेयर कारोवार सम्वन्धी विश्लेषण

क) धितोपत्र बजारमा सुचिकृत रहेको यस बैंकको शेयरको कारोबार मूल्य खुल्ला बजारले निर्धारण गर्ने भएकोले यस सम्बन्धमा व्यवस्थापनको धारणा तटष्थ रहेको छ ।

ख) समिक्षा अवधिमा शेयरको अधिकतम, न्यूनतम र अन्तिम मूल्य, कुल कारोवार भएको दिन र कुल कारोवार भएको संख्या र शेयर विवरण देहाय वमोजिम रहेको छ ।

अधिकतम मूल्य (रू.)	३५१.७०	कूल कारोवार दिन	५५
न्यूनतम मूल्य (रू.)	२९१.२०	कूल कारोवार संख्या	१५,२८४
पौष मसान्तको अन्तिम मूल्य (रू.)	२९१.४०	कूल कारोवार शेयर संख्या	४५,५७,८४२

५. समस्या तथा चुनौती

क) आन्तरिक समस्या तथा चुनौती
- ब्याज तथा गैरब्याज आम्दानीको वृद्धिमा चुनौती ।
- कर्जा असुलीमा चाप ।

ख) वाह्य समस्या र चुनौती
- कर्जाको माग तथा निक्षेप वृद्धिमा सन्तुलन नहुनु ।
- सूचना प्रविधिको क्षेत्रमा देखा परेका नयाँ किसिमका चुनौतीहरू ।
- राष्ट्रिय तथा अन्तर्राष्ट्रिय अर्थतन्त्रको संकुचनबाट उत्पन्न हुन सक्ने जोखिमहरू तथा असुलीमा चाप ।
- नीतिनिर्देशन तथा कानुनहरूमा हुने परिवर्तनले उत्पन्न हुनसक्ने सम्भावित चुनौतीहरू ।

ग) रणनीति
- निक्षेप तथा कर्जाको विविधिकरण ।
- आयआर्जन गर्ने नयाँ क्षेत्रहरू विस्तार तथा निक्षेप परिचालनमा जोड ।
- समय सापेक्ष प्रविधिमा आधारित नयाँ सेवाहरूको विकास ।
- पूँजीकोष वृद्धि ।
- निष्कृय कर्जा व्यवस्थापन ।
- कर्जा असुलीलाई विशेष प्राथमिकता ।
- समग्र जोखिम व्यवस्थापनको आधारभुत पक्षहरूको मजबुतीकरण ।

६. संस्थागत सुशासन

- बैंक तथा वित्तीय संस्था सम्वन्धि ऐन, २०७३, नेपाल राष्ट्र बैंकद्वारा जारी गरिएका निर्देशन तथा परिपत्रहरूको पूर्ण रूपमा पालना गरिएको छ । संस्थागत सुशासनलाई सदैव उच्च प्राथमिकतामा राख्दै आएको र संस्थागत सुशासन सम्बन्धी निर्देशन तथा परिपत्रहरूको अक्षरस पालना गरिएको छ ।
- बैंकको समग्र जोखिम व्यवस्थापन कार्यलाई मजबुत पार्न, संचालन जोखिम कम गर्न तथा आन्तरिक प्रकृयाहरूलाई व्यवस्थित गर्न जोखिम व्यवस्थापन समिति (Risk Management Committee) गठन गरिएको छ । आन्तरिक नियन्त्रण प्रणाली व्यवस्थित गर्न लेखापरीक्षण समिति (Audit Committee) गठन गरिएको छ जसले बाह्य तथा आन्तरिक लेखापरीक्षकबाट दिईएका सुझाव तथा निर्देशनहरूलाई कार्यान्वयन गराउनुका साथै आन्तरिक नियन्त्रण प्रणालीलाई अझ सुदृढ बनाउन व्यवस्थापनलाई सल्लाह र सुझावहरू दिदै आईरहेको छ । त्यस्तै सम्पति शुद्विकरण सम्बन्धी कार्यहरूको अनुपालनाको अवस्था विश्लेषण गर्न सम्पति शुद्विकरण समिति क्रियाशिल रहेको छ ।
- कारोवारलाई छिटो, छरितो, चुस्त तथा वैज्ञानिक बनाउन तथा अन्य आवश्यक रणनीति तय गर्न व्यवस्थापन समिति (MANCOM), कर्जा जोखिम व्यवस्थापन समिति (Credit Risk Management Committee), सम्पत्ति/दायित्व व्यवस्थापन समिति (ALCO) लगायतका विभिन्न समितिहरू क्रियासिल रहेका छन् ।
- नेपाल राष्ट्र बैंकको निर्देशन, स्थलगत निरिक्षण प्रतिवेदन, आन्तरिक तथा बाह्य लेखापरीक्षण प्रतिवेदनमा औल्याईएका सुझाव तथा निर्देशनहरूलाई यस बैंकले सदैव पालना गर्दै आएको छ । संस्थागत सुशासनको पूर्ण पालना गर्दै यसलाई अझ सुदृढ बनाउँदै लैजान यस बैंकको संचालक समिति र व्यवस्थापन प्रतिबद्ध रहेको छ ।

७. सत्यतथ्य सम्वन्धमा कार्यकारी प्रमुखको उद्घोषण

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्वन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै, म यो उद्घोष गर्दछु कि मैले जाने बुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य र पुर्ण छन् तथा लगानीकर्ताहरूलाई सुसुचित निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाईएको छैन ।