कम्पनी दर्ता नं. १०८०/०६५/०६६ | पान नं. ३०३२८७३४०
इजाजतपत्र नं. ने.रा.बैंक / इ.प्रा. /"ख"/ ६२/०६५/०६६

044664

SHINE RESUNGA DEVELOPMENT BANK LTD.

शाइन रेसुङ्गा डेभलपमेण्ट बैंक लि.

नेपाल राष्ट्र बैंकबाट "ख" वर्गको इजाजतपत्रप्राप्त संस्था

च.नं. : शा.रे.डे.बैं.लि./२०८२/०८३/३२००

मिति : २०८३/०१/१५

श्री नेपाल धितोपत्र बोर्ड
खुमलटार, ललितपुर ।

बिषय : त्रैमासिक प्रतिवेदन पेश गरिएको सम्बन्धमा ।

महोदय,
उपरोक्त सम्बन्धमा यस शाइन रेसुङ्गा डेभलपमेण्ट बैंक लिमिटेडको २०८२ चैत्र मसान्तको धितोपत्र दर्ता तथा निष्काशन नियमावली २०७३ को नियम २६ को उपनियम १ को अनुसूची १४ सँग सम्बधित विवरण यसै पत्रसाथ सँलग्न गरी पठाइएको ब्यहोरा जानकारीको लागि अनुरोध गर्दछौं । साथै, उल्लेखित प्रतिवेदन मिति २०८३ वैशाख १५ गतेको राष्ट्रिय दैनिक पत्रिका "अभियान" मा प्रकाशन गरिएको ब्यहोरा समेत अनुरोध गर्दछौं ।

बोधार्थ
१. श्री नेपाल स्टक एक्सचेन्ज लिमिटेड
युएनआई शान्तिमार्ग
भद्रकाली, काठमाण्डौं ।

भवदीय,

.....
प्रकाश पौडेल
प्रमुख कार्यकारी अधिकृत

Disclosure as per Securities Registration and Issuance Regulation, 2073
Related to Rule 26(1) of Annexure 14
For 3rd Quarter of F/Y 2082-83

1. Financial Statement

Statement of Financial Position and Statement of Profit or Loss as per Nepal Financial Reporting Standard (NFRS) including key financial indicators and ratios along with this report. There has been no any related party transaction during the period.

Key Financial Indicators and Ratios:

Earnings per share	: NPR20.93 (Annualized)	P/E Ratio	: 19.73Times
Net Worth per share	: NPR 153.05	Net Asset Value per Share	: NPR 1,684.13
Liquidity Ratio	: 25.48%	Capital Adequacy Ratio	:13.12%

2. Management Analysis

a. Financial indicators during the period were at satisfactory level.

b. Major areas of focus;

- Maintaining quality of credit portfolio and managing non-performing loans
- Operational Efficiency
- Promotion of Digital Service
- Mitigating Cyber Security Risks
- Mitigating AML/CFT related Risks

c. As per the current statement, there is no situation which might have material effect on financial position.

3. Details relating to Legal Action

a. Except for the lawsuit in the normal course of business there are no material cases filed by or against the Institution.

b. No cases have been reported regarding filing by or filed against the promoter or director of Institution for non-compliance of prevailing laws or commission of criminal offence during the period.

c. Nocaseshave been filed against any promoter or director for financial crime.

4. Analysis of Stock Performance of Development Bank

a. Share price and transaction are determined as per open market competition.

b. Maximum, minimum and closing share price including total share transaction number and days of transaction during the period were;

Max. Share Price	: NPR 449.00	Min. Share Price	: NPR 395.10
Closing price of the Share	: NPR 413.00	Number of days traded	: 53 days
Total volume of trading of shares	: 2,672,555share		

(Source: website of Nepal Stock Exchange Limited)

5. Problems and Challenges

a. Internal

- Operational efficiency
- Quality of Risk Assets
- Limited avenues for fee based income

SHINE RESUNGA DEVELOPMENT BANK LTD.

b. **External**

- Slow demand of credit
- Credit recovery
- Cyber security and digital risks
- Geopolitical issues in Middle East

C. **Strategy**

- Maintaining operational and digital service efficiency
- Regular investment on skill enhancement of the HR and educate customer about financial literacyand digital risk
- Process automation of services internally as well as externally
- Improving Comprehensive risk management system for adequate mitigation of risks including AML/CFT Strategy.
- Efficient management of NPL and NBA

6. **Corporate Governance**

To meet the provision regarding Corporate Governance, Development Bank has strictly followed all the rules & regulation issued to BFIs through Unified Directives, Circulars, BAFIA, Companies Act, SEBON Rules & Regulation and all other rules/regulations issued to BFIs. Development Bank has setup different committees like Audit Committee, Risk Management Committee, Employee Services & Facilities Committee, and Money Laundering Prevention Committee which are active in their respective field and chaired by non-executive member of Board of Directors. Similarly, Recruitment Committee, Assets Liability Management Committee and Corporate Governance Cell and other relevant committees are formed at staff level and are active in their respective field. Issues raised &recommendations made by NRB, internal &external auditor have been followed up strictly & in effective manner for better performance of Development Bank.

7. **Declaration by CEO**

I, as at the date, hereby individually accept responsibility for the accuracy of the information and details contained in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report are true, accurate and complete. No material information for the investors has been concealed.

SHINE RESUNGA DEVELOPMENT BANK LTD.

SHINE RESUNGA DEVELOPMENT BANK LTD.

Head Office : Butwal-11, Kalikanagar, Rupandehi
Tel : 071-415502, 415503
E-mail: info@srdb.com.np, URL: www.srdb.com.np

Unaudited Financial Results (Quarterly)

For the Quarter ended 30th Chaitra 2082

Condensed Statement of Financial Position

For the Quarter ended 30th Chaitra 2082

Particulars	This Quarter Ending	Immediate Previous year Ending (Audited)
Assets	Amount in NPR	Amount in NPR
Cash and cash equivalent	4,264,458,059	2,117,894,019
Due from Nepal Rastra Bank	3,180,141,265	3,273,571,333
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	731,111,017	1,314,092,375
Loan and advances to Customers	62,194,833,893	56,907,122,137
Investment Securities	12,678,583,975	15,293,576,045
Current Tax Assets	60,601,219	114,086,111
Investment in Subsidiaries	-	-
Investment in Associates	-	-
Investment Property	199,300,995	151,994,995
Property & equipment	651,603,914	715,113,563
Goodwill and Intangible assets	135,393,112	136,856,902
Deferred tax assets	-	-
Other assets	480,306,868	328,899,066
Total Assets	**84,576,334,317**	**80,353,206,546**
Liabilities		
Due to Bank and Financial Institutions	328,128,620	725,979,531
Due to Nepal Rastra Bank	-	-
Derivative Financial Instruments	-	-
Deposit from customer	75,140,443,646	71,767,128,445
Borrowings	-	365,678
Current Tax Liabilities	-	-
Provisions	-	-
Deferred Tax Liabilities	27,735,772	26,957,042
Other Liabilities	393,666,402	449,067,315
Debt Securities Issued	1,000,000,000	-
Subordinated Liabilities	-	-
Total Liabilities	**76,889,974,440**	**72,969,498,011**
Equity		
Share Capital	5,021,972,730	4,875,701,680
Share Premium	-	-
Retained Earnings	470,942,187	668,505,485
Reserves	2,193,444,960	1,839,501,370
Total Equity Attributable to equity holders	**7,686,359,877**	**7,383,708,535**
Non-controlling interest	-	-
Total Equity	**7,686,359,877**	**7,383,708,535**
Total Liabilities and equity	**84,576,334,317**	**80,353,206,546**

Condensed Statement of Profit or Loss

For the Quarter ended 30th Chaitra 2082

Amount in NPR

Particulars	Current Year		Corresponding Previous Year (Un-audited)	
	This Quarter Ending	Upto This Quarter (YTD)	This Quarter Ending	Upto This Quarter (YTD)
Interest Income	1,529,657,488	4,472,969,441	1,508,929,531	4,752,605,531
Interest Expense	753,742,287	2,412,967,096	877,548,494	2,821,348,929
Net Interest income	**775,915,201**	**2,060,002,345**	**631,381,037**	**1,931,256,602**
Fees and commission income	89,055,953	255,169,971	66,002,123	231,255,493
Fees and commission expense	9,656,295	25,061,124	8,253,922	22,048,151
Net Fees and commission income	**79,399,658**	**230,108,847**	**57,748,201**	**209,207,342**
Net Interest, fee and commission income	**855,314,859**	**2,290,111,192**	**689,129,238**	**2,140,463,944**
Net trading income	-	-	-	-
Other operating income	1,554,978	27,678,374	2,464,317	29,214,690
Total operating income	**856,869,837**	**2,317,789,566**	**691,593,555**	**2,169,678,634**
Impairment charge/(reversal) for loans and other losses	15,785,288	330,412,240	180,246,282	676,949,153
Net operating income	**841,084,549**	**1,987,377,326**	**511,347,273**	**1,492,729,481**
Operating expense				
Personnel expenses	181,153,134	525,558,898	145,719,014	442,911,699
Other operating expenses	78,721,328	215,802,708	81,645,754	243,055,643
Depreciation & Amortisation	29,654,886	88,620,284	19,832,978	59,590,729
Operating profit	**551,555,201**	**1,157,395,436**	**264,149,527**	**747,171,410**
Non operating income	-	-	1,100,000	1,100,000
Non operating expense	2,806,689	31,103,328	3,226,786	11,150,283
Profit before income tax	**548,748,512**	**1,126,292,108**	**262,022,741**	**737,121,127**
Income Tax Expense				
Current Tax	164,624,554	337,887,632	78,864,889	223,106,710
Deferred Tax				
Profit/(loss) for the period	**384,123,958**	**788,404,476**	**183,157,852**	**514,014,417**

Statement of Other Comprehensive Income

Profit/(loss) for the period	384,123,958	788,404,476	183,157,852	514,014,417
Other Comprehensive Income	(60,189,067)	1,817,036	13,899,673	36,244,897
Total Comprehensive Income	**323,934,891**	**790,221,512**	**197,057,525**	**550,259,314**
Basic earnings per share (Annualized)		20.93		14.06
Diluted earnings per share (Annualized)		20.93		14.06
Profit attributable to:				
Equity holders of the Bank	323,934,891	790,221,512	197,057,525	550,259,314
Non-controlling interest	-		-	-
Total	**323,934,891**	**790,221,512**	**197,057,525**	**550,259,314**

Ratios as per NRB Directive

Particulars	Current Year		Previous Year Corresponding (Un-audited)	
	This Quarter Ending	Upto This Quarter (YTD)	This Quarter Ending	Upto This Quarter (YTD)
Capital fund to RWA		13.12%		12.59%
Tier 1 Capital to RWA		10.22%		11.24%
CET 1 Capital to RWA		10.22%		11.24%
Non-performing loan (NPL) to Total Loan		4.92%		4.76%
Total Loan loss provision to Total NPL		89.87%		82.83%
Cost of Funds		3.97%		5.09%
Credit to Deposit Ratio		85.75%		82.40%
Base Rate		5.81%		6.99%
Interest Rate Spread		4.09%		4.34%
Return on Equity as per NRB Directives (Annualized)		13.95%		9.72%
Return on Assets as per NRB Directives (Annualized)		1.27%		0.91%

Statement of Distributable Profit or Loss

As on 30th Chaitra 2082 (As per NRB Regulation)

Amount in NPR

Particulars	Current year	Previous Year Corresponding (Un-audited)
Net Profit or (loss) as per statement of profit or loss	**788,404,476**	**514,014,417**
Appropriations:		
a. General reserve	(157,680,895)	(102,802,883)
b. Foreign exchange fluctuation fund	(25,253)	-
c. Capital redemption reserve	-	-
d. Corporate social responsibility fund	(7,884,045)	(5,140,144)
e. Employees' training fund	-	-
f. Other	-	-
Profit or (loss) before regulatory adjustment	**622,814,283**	**406,071,390**
Regulatory adjustment :		
a. Interest Receivable(-)/ previous accured interest received(+)	(162,992,166)	(63,796,356)
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(+)	(23,544,196)	6,263,017
e. Deffered tax assets recognized (-)/ reversal(+)		-
f. Goodwill recognized (-)/ impairment of Goodwill (+)		
g. Bargain purchase gain recognized(-)/reversal(+)		
h. Actuarial loss recognized (-)/reversal(+)		
i. Other		
Net profit for the quarter end available for distribution	**436,277,921**	**348,538,051**
Opening Retained Earnings Shrawan 1, 2082	668,505,485	417,351,437
Distribution		
Bonus Share Issued	(146,271,050)	(142,010,729)
Cash Dividend Paid	(487,570,168)	(236,684,548)
Total Distributable Profit or (Loss) as on Quarter end Chaitra 30, 2082	**470,942,188**	**387,194,211**
Distributable Profit Per share (Annualized)	**12.50%**	**10.59%**

1. The above financial statements have been prepared in accordance with Nepal Financial Reporting Standards (NFRS) and in compliance with NRB directives in line with the Expected Credit Loss (ECL) Guideline and the Guidance note on Interest Income Recognition 2025, the Bank has de-recognized interest income accrued on loans and advances classified under Stage 3 For impairment of credit exposures, the Bank has applied the higher of the total ECL provision as per NFRS 9 and the existing regulatory provision as per the Unified Directives.
2. Previous year figures have been regrouped, rearranged and restated wherever necessary.
3. If the Statutory and Supervisory authority notify any remarks to change, the unaudited statement of financial position and statement of profit or loss could be changed accordingly.
4. Detail Interim Financial Reports are published in www.srdb.com.np

Disclosure as per Securities Registration and Issuance Regulation, 2073

Related to Rule 26(1) of Annexure 14

For 3rd Quarter of F/Y 2082/083

1. **Financial Statement:**
   Statement of Financial Position and Statement of Profit or Loss as per Nepal Financial Reporting Standard (NFRS) including key financial indicators and ratios along with this report. There has been no any related party transaction during the period.

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   b. Major areas of focus;
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   - Operational Efficiency
   - Promotion of Digital Service
   - Mitigating Cyber Security Risks
   - Mitigating AML/CFT related Risks

   c. As per the current statement, there is no situation which might have material effect on financial position.
3. **Details relating to Legal Action:**
   a. Except for the law suit in the normal course of business there are no material cases filed by or against the Institution.
   b. No cases have been reported regarding filing by or filed against the promoter or director of Institution for non-compliance of prevailing laws or commission of criminal offence during the period.
   c. No cases have been filed against any promoter or director for financial crime.
4. **Analysis of Stock Performance of Development Bank:**
   a. Share price and transaction are determined as per open market competition.
   b. Maximum, minimum and closing share price including total share transaction number and days of transaction during the period were;

Max. Share Price	: NPR 449.00	Min. Share Price	: NPR 395.10
Closing price of the Share	: NPR 413.00	Number of days traded	: 53 days
Total volume of trading of share	: 2,672,555 share		

   (source: website of Nepal Stock Exchange Limited)
5. **Problems and Challenges:**
   a. **Internal**
   - Operational efficiency.
   - Quality of Risk Assets.
   - Limited avenues for fee based income.

   b. **External**
   - Slow demand for credit.
   - Credit recovery.
   - Cyber security and digital risks.
   - Geopolitical issues in Middle East.

   c. **Strategy**
   - Maintaining operational and digital service efficiency.
   - Regular investment on skill enhancement of the HR and educate customer about financial literacy and digital risk.
   - Process automation of services internally as well as externally.
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   - Efficient management of NPL and NBA.
6. **Corporate Governance:**
   To meet the provision regarding Corporate Governance, Development Bank has strictly followed all the rules & regulation issued to BFIs through Unified Directives, Circulars, BAFIA, Companies Act, SEBON Rules & Regulation and all other rules/regulations issued to BFIs. Development Bank has setup different committees like Audit Committee, Risk Management Committee, Employee Services & Facilities Committee, and Money Laundering Prevention Committee which are active in their respective field and chaired by non-executive member of Board of Directors. Similarly, Recruitment Committee, Assets Liability Management Committee and Corporate Governance Cell and other relevant committees are formed at staff level and are active in their respective field. Issues raised & recommendations made by NRB, internal & external auditor have been followed up strictly & in effective manner for better performance of Development Bank.
7. **Declaration by CEO:**
   I, as the CEO, hereby individually accept responsibility for the accuracy of the information and details contained in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report are true, accurate and complete. No material information for the investors has been concealed.