



N B Bank

नेपाल बङ्गलादेश बैंक लि.
Nepal Bangladesh Bank Ltd.

Head Office, Bijuli Bazar, New Baneshwor, Kathmandu
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UNAUDITED FINANCIAL RESULT (QUARTERLY) AT THE QUARTER ENDED ASHWIN 2069

Rs. in '000

S. No.	Particulars	This Quarter Ending	Previous Quarter Ending (Audited)	Corresponding Previous Year Ended
1.	Total Capital and Liabilities (1.1 to 1.7)	19,872,010	20,782,842	17,000,404
1.1	Paid-up Capital	2,009,396	2,009,396	2,009,396
1.2	Reserves and Surplus	1,005,776	944,571	235,840
1.3	Debiture and Bond	-	-	-
1.4	Borrowings	50,940	-	-
1.5	Deposits (a+b)	15,763,216	16,952,703	12,189,475
a.	Domestic Currency	15,469,246	16,696,746	11,834,282
b.	Foreign Currency	293,970	255,958	355,193
1.6	Income Tax Liabilities	31,873	-	5,163
1.7	Other Liabilities	1,010,811	876,172	2,560,531
2.	Total Assets (2.1 to 2.7)	19,872,010	20,782,842	17,000,404
2.1	Cash & Bank Balance	3,379,479	5,010,192	2,424,488
2.2	Money at call and short Notice	-	-	-
2.3	Investments	4,184,643	3,868,950	2,951,599
2.4	Loans & Advances (a+b+c+d+e+f)	11,503,394	10,943,161	10,600,623
a.	Real Estate Loan	785,840	808,080	912,937
1.	Residential Real Estate Loan (Except Personal Home Loan upto Rs 10 million)	136,490	138,900	50,735
2.	Business Complex & Residential Apartment Construction Loan	-	-	66,424
3.	Income generating Commercial Complex Loan	64,950	65,130	204,427
4.	Other Real Estate Loan (Including Land Purchase & Plotting)	584,400	604,050	591,352
b.	Personal Home Loan of Rs. 10 million or less	582,390	566,270	495,457
c.	Margin Type Loan	140	140	407
d.	Term Loan	557,097	502,050	1,585,690
e.	Overdraft Loan / TR Loan / WC Loan	7,045,140	6,403,661	5,023,929
f.	Others	2,532,787	2,662,960	2,582,203
2.5	Fixed Assets	233,665	227,990	307,560
2.6	Non Banking Assets	568	-	4,923
2.7	Other Assets	570,261	732,548	711,212
3.	Profit and Loss Account	Up to this Quarter	Up to Previous Quarter	Up to Corresponding Previous Year Quarter
3.1	Interest income	355,960	1,529,045	317,528
3.2	Interest Expense	265,510	1,037,815	233,570
	A. Net Interest Income (3.1-3.2)	90,450	491,230	83,959
3.3	Fees Commission and Discount	40,190	198,340	28,830
3.4	Other Operating Income	16,180	53,564	9,421
3.5	Foreign Exchange Gain/Loss (Net)	16,830	63,717	16,500
	B. Total Operating Income (A+3.3+3.4+3.5)	163,650	806,851	138,710
3.6	Staff Expenses	54,710	201,430	44,150
3.7	Other Operating Expenses	42,140	165,457	30,886
	C. Operating profit Before Provision (B-3.6-3.7)	66,800	439,964	63,674
3.8	Provision for Possible Loss	53,165	70,965	38,140
	D. Operating profit (C-3.8)	13,635	368,999	25,534
3.9	Non Operating Income/Expenses (Net)	(1,050)	74,580	(3,420)
3.10	Write Back of Provision for Possible Loss	40,000	1,364,306	30,141
	E. Profit From Regular Activities (D+3.9+3.10)	52,585	1,807,886	52,255
3.11	Extraordinary Income/Expenses (Net)	49,800	(775,179)	1,680
	F. Profit Before Bonus and Taxes (E+3.11)	102,385	1,032,707	53,935
3.12	Provision For Staff Bonus	9,308	93,882	4,903
3.13	Provision For Tax	31,873	129,354	17,109
	G. Net Profit/Loss (F-3.12-3.13)	61,205	809,470	31,923
4.	Ratios	At the End of This Quarter	At the End of Previous Quarter	At the End of Corresponding Previous Year Quarter
4.1	Capital Fund to RWA	11.92%	11.86%	10.14%
4.2	Non Performing Loan (NPL) to Total Loan	3.95%	4.29%	18.62%
4.3	Total Loan Loss Provision to total NPL	128.18%	130.61%	91.17%
4.4	Cost of Funds	6.74%	7.29%	7.88%
4.5	CD Ratio (Calculated as per NRB Directives)	65.21%	64.72%	78.22%
	Additional Information (Optional)			
	Average Yield (Local Currency)	12.38%	12.63%	9.67%
	Net Interest Spread (Local Currency)	5.64%	5.34%	1.79%
	Return on Equity (Annualised)	8.12%	27.40%	5.77%
	Return on Assets (Annualised)	1.23%	3.89%	0.75%
	Earning Per Share (Annualised) Rs.	12.18	40.28	6.35

Note: Unaudited financial figures are subject to change from Supervisory Authority and Statutory Auditor.

Quarterly Report - Ashwin End 2069 Securities Registration and Issuance Rules 2065 (Rule 22(2), Annex - 14)

- Major Indicators**
 - Earnings per share (Rs.) : 12.18
 - P/E Ratio of the Bank : 13.62
 - Net Worth per Share (Rs.) : 150.05
 - Assets per Share (Rs.) : 988.95
 - Liquidity Ratio(%) : 47.98
- Management Analysis**
 - There have been improvements in NPA level, sufficiency of capital adequacy requirement, liquidity position, recovery of bad loans etc. of the bank during this quarter.
 - Considering the trust of the customers, the bank plans to enhance its service standards, explore launching of new products and services, strengthening network etc.
 - There is no any past experience that will have effect on total deposits, income and liquidity of the Bank.
- Details Relating to Legal Actions**
 - Any law-suit filed by or against the body corporate:
Bank has filed some cases in DRT for the recovery of bad loan.
 - Law-suit filed by or against the promoter or director of body corporate involving violation of statutory regulations or criminal offences:
No such case on notice.
 - Law-suit filed against any promoter or director for economic offences:
No such case on notice till date except the process of filing law-suit against the then NSMBL's board directors.
- Analysis of Share Transactions during the Quarter**
 - Management view on share transaction of the organized institution happened at securities Market: Price and transactions of the bank's share are being determined by the open share market operations through a duly established Stock Exchange. Management's view on this is neutral.
 - Maximum, minimum and last share price of Organized Institution including total transacted number of shares and transacted day during the quarter: Maximum - Rs. 172; Minimum - Rs. 120; Last - Rs. 166, total transacted number of shares - 824,325 and transacted days - 63 respectively.
- Problem and Challenges**

The bank has considered the following domestic and international impediments as its problems and challenges:

 - The market is overcrowded with financial institutions further intensifying competition
 - Rise in inflation and slack in real estate business
 - Risk concentration on both asset and liability sides has increased owing to lack of adequate business sectors
 - Lack of Investment opportunities
 - Depressive global economy leading to slow down in remittance growth
 - Cost of fund is slightly high due to heavy portion of call deposits.
- Corporate Governance**
 - Procedural Manuals, Policies and internal circulars along with directive/circulars issued by NRB are strictly followed so as to mitigate corporate governance related issues.
 - Board of Directors is aware of effective corporate governance. Regular Board meeting are held where issues relating to corporate governance are addressed.
 - Audit committee meeting are held on regular basis to review Bank's financial condition, internal control and audit programme and recommend to the Board of Directors for action to be taken.
 - ALCO meets on a regular basis to manage assets and liabilities of the Bank effectively.
- Declaration of true and fair status by Chief Executive Officer**

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 is true, accurate and complete and there are no other matters concealed the omission of which shall adversely affect the informed investment decision by the investors.