



NMB BANK
एनएमबि बैंक

समृद्ध नेपालको लागि



30th
**ANNUAL
REPORT**
2024/25

Current Board of Directors



Manoj Kumar Goyal
Chairman
(On Behalf of Promoter Shareholder)



**Sharmila Sanjiv
Hardi Prakash**
Director
(On Behalf of FMO, Promoter Shareholder)



Thakur Jang Thapa
Director
(On Behalf of Employees' Provident Fund,
Promoter Shareholder)



Uttam Bhlon
Director
(On Behalf of Public Shareholder)



Harischandra Subedi
Director
(On Behalf of Public Shareholder)



Sirish Kumar Murarka
Director
(On Behalf of Public Shareholder)



Bandana Pathak
Independent Director



Pramod Kumar Dahal
Company Secretary



REPRESENTATIVE (PROXY) FORM

The Board of Directors
NMB Bank Ltd.,
Babarmahal, Kathmandu.

Date:

Subject: **Appointment of Representative**

Dear Sir,

I/We, resident of district
.....rural/metro/sub-metro/municipality ward number being
a Shareholder of NMB Bank Ltd. hereby appoint Mr./Ms. resident of
.....districtrural / metro / sub-metro / municipality ward
number as my/our proxy to represent/vote on my/our behalf at the 30th Annual General Meeting being held on
Thursday, 8 January, 2026.

Appointed Representative:

Signature Specimen:

Shareholder No. / Demat Account No.:

- Applicant:**
- Signature:**
- Full Name:**
- Address:**
- Shareholder Number:**
- Demat Account Number:**
- Share Quantity:**

P.S. This application must be submitted to the registered office of the Bank at least 48 hours prior to the commencement of Annual General Meeting. The representative (proxy) form shall be cancelled in case more than one representative name is found to be mentioned.

Admission Card

NMB Bank Limited
Babarmahal, Kathmandu

Issued to attend the 30th Annual General Meeting

Shareholders Name: Share Quantity:

Shareholder/Demat Account Number: Shareholder's Signature:

Company Secretary

(Note: Shareholder's representative is requested to bring this admission card for attending the meeting)



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NOTICE ABOUT 30TH ANNUAL GENERAL MEETING

The 500th Board Meeting of the Bank held on 14th December 2025, has decided to conduct 30th Annual General Meeting (AGM) in the following date, venue and time to discuss and decide upon the following agenda. This notice is published to inform all our esteemed shareholders regarding the AGM as per Clause 67 of Company Act, 2006.

1. Date, Venue and Time of the Annual General Meeting

Date : Thursday, 8th January, 2026
 Venue : Tribhuvan Army Officer's Club, Tundikhel, Kathmandu
 Time : 10:00 A.M.

2. Agenda of the Meeting

A. General Agenda

- i. To approve the annual report of FY 2024/25 presented by the Board of Directors;
- ii. To approve the Auditor's report for FY 2024/25 including Statement of Financial Position, Statement of Profit & Loss and Other Comprehensive Income, Statement of Changes in Equity, Cash Flow Statement and other financial reports (including consolidated financial details of subsidiary companies- NMB Capital Limited, NMB Laghubitta Bittiya Sanstha Limited, and N.M.B. Securities Limited);
- iii. To appoint and decide upon the remuneration of the Auditor for fiscal year 2025/26 in accordance with the Company Act 2006, Clause 111 and Bank and Financial Institution Act 2016, Clause 63, (existing Auditor M/S. S.A.R. Associates, Chartered Accountants is eligible for reappointment);
- iv. To approve the distribution of 5 percent cash dividend (including tax on cash dividend) amounting NPR 918,335,297.96 of the existing paid-up capital of NPR 18,366,705,959.24 as proposed by the Board of Directors.

B. Special Agenda

- i. To approve the increment in the Bank's issued capital from existing 21,366,705,959.24 (in words: Rupees Twenty-One Billion Three Hundred Sixty-Six Million Seven Hundred Five Thousand Nine Hundred Fifty-Nine and 24/100 only) to NPR 22,285,041,257.20 (in words: Nepalese Rupees Twenty-Two Billion Two Hundred Eighty-Five Million Forty-One Thousand Two Hundred Fifty-Seven and 20/100 only);
- ii. To approve the distribution of 5 percent bonus share amounting NPR 918,335,297.96 of existing paid-up capital of NPR 18,366,705,959.24 to adjust the effect of proposed increment in issued capital;
- iii. To approve the amendment in Section 6 (b), and (c) of the Memorandum of Association of the Bank with respect to the increment of its issued capital and paid-up capital after the issuance of bonus shares;
- iv. To amend Clause 32(1)(b) of the Article of Association of the Bank to increase the allowance of Directors;
- v. To authorize the Board of Directors or provide power of attorney to the designated authority appointed by the Board to execute or facilitate tasks related to amending the Bank's Memorandum of Association and Articles of Association, including record keeping, making minor changes, document certification, registration, and obtaining acknowledgement of the record.

C. Miscellaneous

By Order
 Company Secretary



Additional Information about AGM

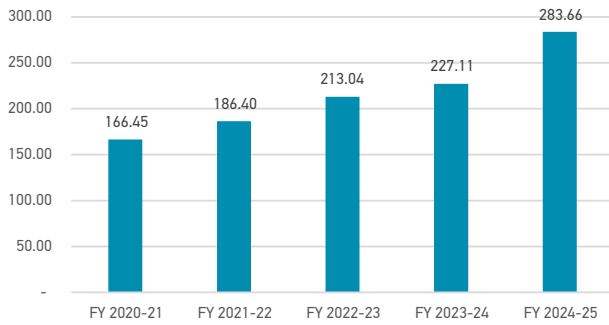
- i. Share register shall remain closed on 24th December 2025 for the purpose of this AGM. Shareholders registered in the shareholders' register book because of the transactions conducted in Nepal Stock Exchange before 24 December 2025 can participate/cast vote in the AGM, and are entitled to receive bonus share and cash dividend;
- ii. The annual summary of financial statement is published herewith for the information of the shareholders. In addition, the annual summary of financial statement and all the proposals to be presented at the AGM are also placed on the Bank's website www.nmb.com.np;
- iii. Shareholders interested in participating in the AGM are required to bring along one original share certificate or Demat account proof and an identify card with a photograph showing their identity or a copy thereof;
- iv. Shareholders attending the AGM must be present and sign the attendance register at the venue of the meeting. Shareholder attendance register shall be made available from 9:00 A.M. onwards;
- v. Shareholders willing to nominate proxy to attend the AGM, shall register proxy form at the Bank's head office Babarmahal, Kathmandu, at least 48 hours before the commencement of the meeting;
- vi. Only existing shareholder of the Bank entitled to vote shall be nominated proxy;
- vii. In case of minor or physically/mentally challenged shareholders, person registered as their guardian in the shareholder register book shall be entitled to take part or appoint a proxy in the AGM. In case of joint shareholdings, only the unanimously selected representative or the partner whose name appears first in the serial order of the shareholder register book shall attend the AGM,
- viii. Any issue or query raised in the AGM shall be responded by the Chairman or any other dignitaries as permitted by the Chairman;
- ix. If any shareholder has any query regarding the Bank, they are requested to send it in writing to the Bank's registered office at least 7 days before the meeting. However, such query shall not be tabled for discussion as agenda in the AGM;
- x. The shareholders participating in the AGM are requested to carry only the documents related to the meeting and avoid carrying bags or other materials.



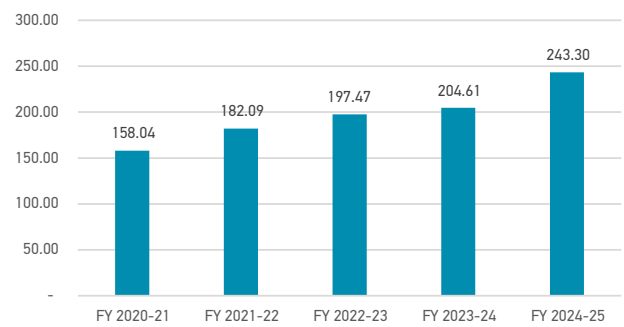
Financial Highlights



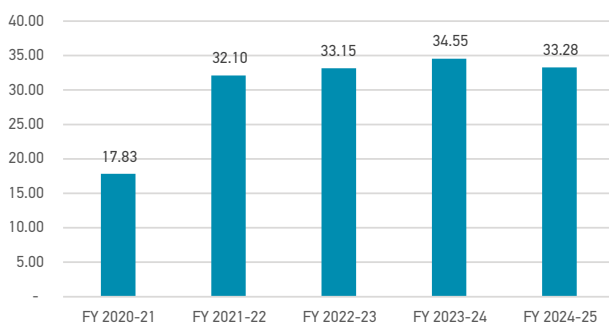
Deposit (NPR In Billion)



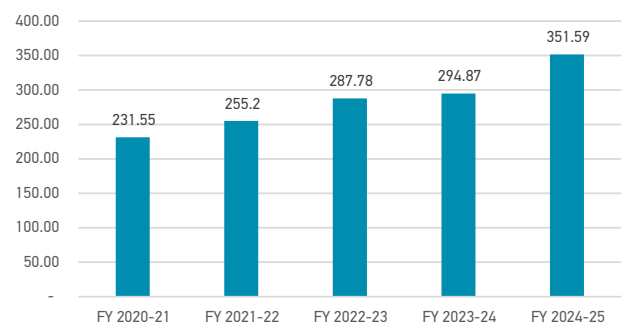
Loan and Advances (NPR Billion)



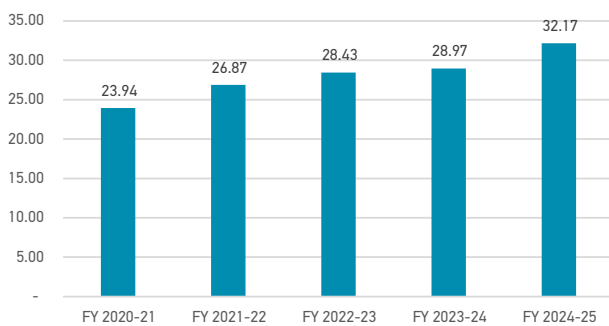
Investment (NPR Billion)



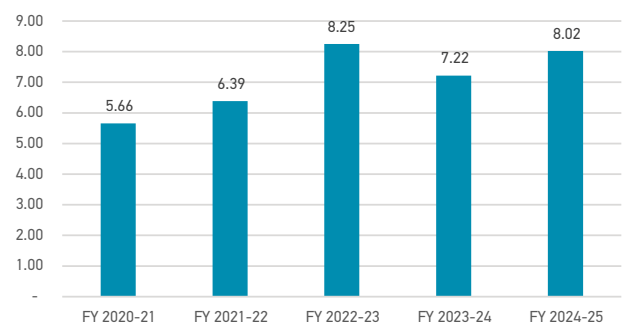
Total Assets (NPRBillion)



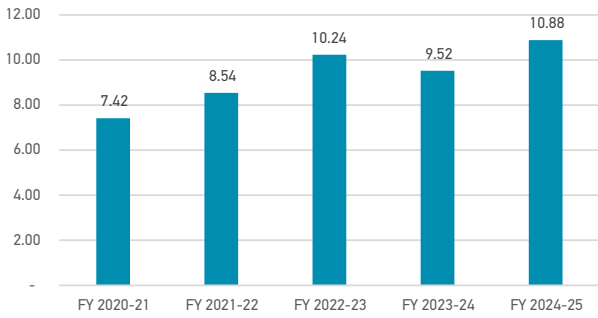
Total Shareholder's Fund (NPRBillion)



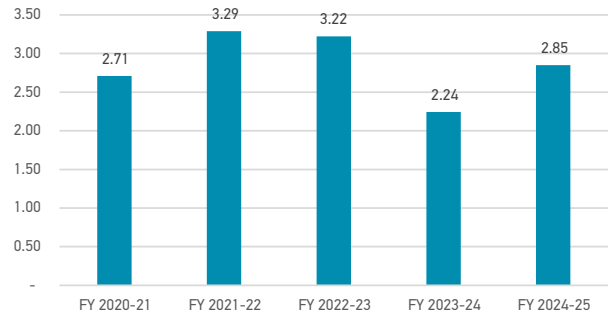
Net Interest Income (NPR. In Billion)



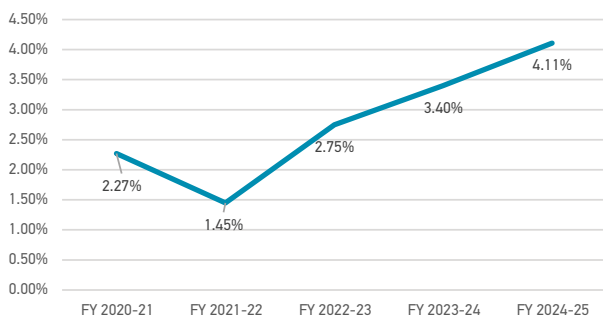
Total Operating Income (NPR Billion)



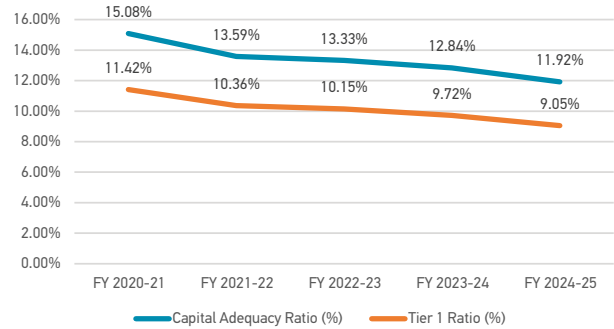
Net Profit (NPR Billion)



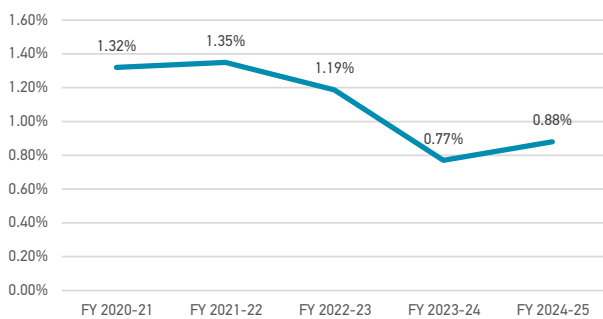
Non Performing Loan (%)



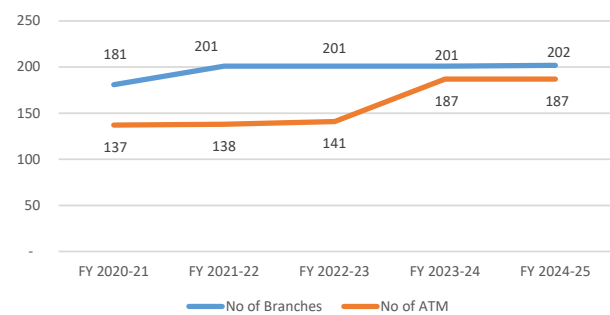
Capital Adequacy and Tier 1 Ratio



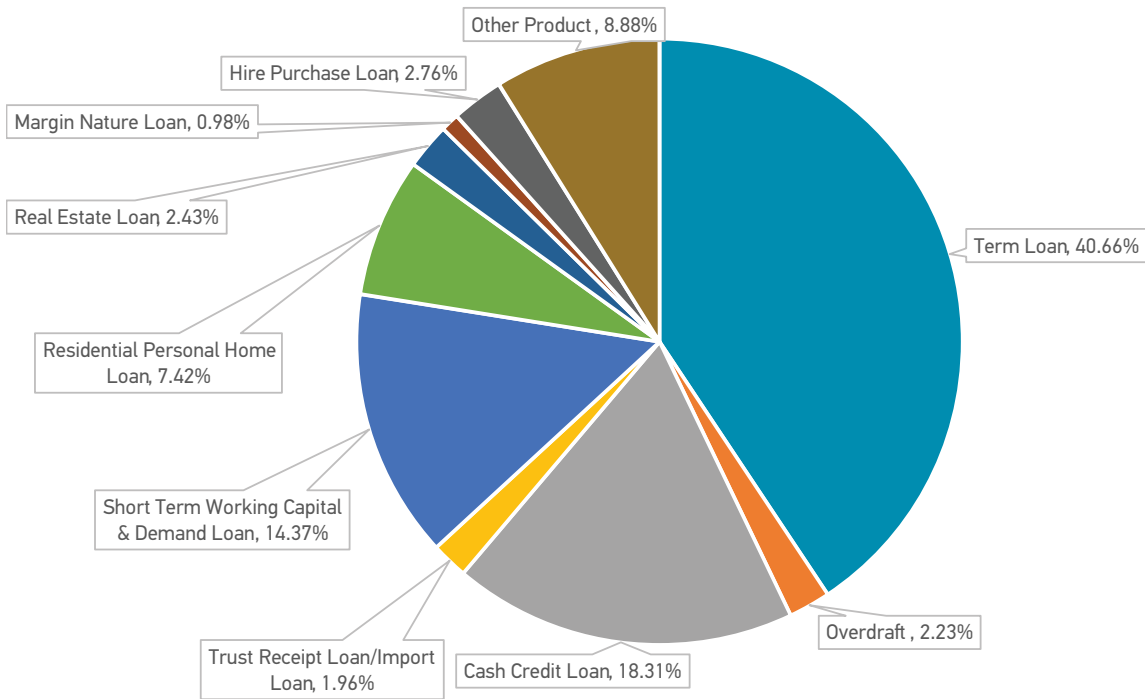
Return on Assets (%)



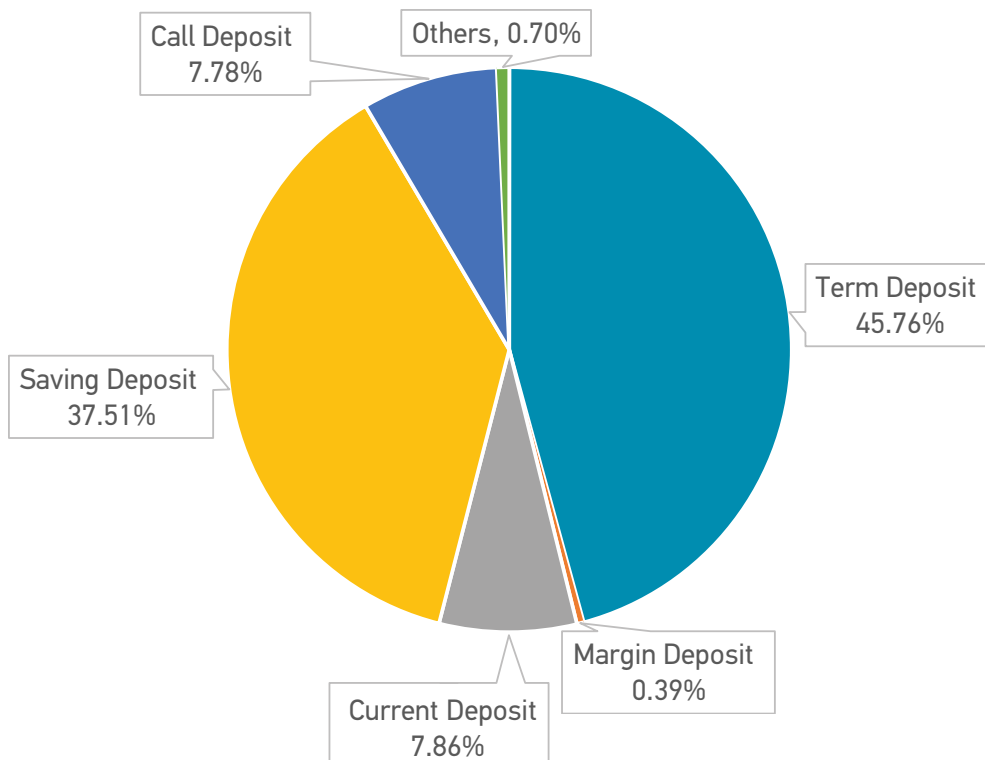
No of Branches/ATM



Loan Mix FYE 2025



Deposit Mix FYE 2025



CHAIRMAN'S STATEMENT

Respected shareholders of NMB Bank Limited, representatives of regulatory offices, statutory auditors, legal advisors, members of the NMB Board of Directors, staff, and ladies and gentlemen, I would like to extend my warm greetings and heartfelt welcome on behalf of the Board of Directors and in my personal capacity to the 30th Annual General Meeting of the Bank.

Established in 1995 A.D. and having commenced banking operations from 19th December 1996, NMB Bank Limited has now completed 30 years of its journey. Overcoming various ups and downs, the Bank, over the years, successfully established itself as a strong and capable institution within the banking sector. Although the country faced significant challenges in the past such as the devastating earthquake, the COVID-19 pandemic, and the subsequent economic slowdown, which adversely affected the overall economy as well as the Bank's loan recovery and business expansion over the past few years, the continued trust, support, and confidence of shareholders, customers, and stakeholders have enabled us to stand today as a resilient bank in the banking industry.

In this context, we have presented a proposal before this General Meeting to distribute a 10% dividend from the distributable amount based on the financial statements of FY 2024/25. With the continued cooperation, goodwill, and trust of all shareholders, customers, and stakeholders, we are confident that the Bank will continue to grow stronger in the future.

During the review year FY 2024/25, although inflation remained within the target range, foreign exchange reserves continued to increase, and adequate liquidity prevailed in the market, the economy did not witness significant improvement. This was mainly due to low capital expenditure, general pessimism in the market, problems observed in the cooperative sector, and pressure on government revenue. The construction and productive sectors recorded negative growth, and the private sector remained reluctant to undertake new investments. As a result, the prevailing economic challenges appear to have a longer economic cycle, making business expansion for banks increasingly challenging. Additionally, factors such as declining investor confidence have constrained credit demand and slowed loan recovery in the banking sector.

In the current fiscal year as well, the continued slowdown in real estate transactions and declining property valuations indicate that overall economic activity has not yet recovered significantly. However, despite the persistence of past challenges, we remain optimistic that gradual improvement will take place. Since all the key indicators of the Bank remain within the standards prescribed by regulatory authority, the Bank is confident of its ability to expand business and distribute appropriate dividends to shareholders in the future.

The Bank has placed digital banking expansion as a key priority and is advancing its operations accordingly. I would like to assure you that these services will be expanded further in an even more effective manner. Guided by the slogan "For a Prosperous Nepal," the Bank has adopted a strategy to maintain balanced growth in deposits and credit, improve loan quality, and expand investments in priority sectors such as agriculture, renewable energy, and small and medium enterprises. With a strong focus on environmental protection and sustainable development, the Bank continues to align its investment strategy with country's priority sectors. I assure you that we are moving forward with full integrity and commitment to achieve the Bank's stated objectives.

I would like to express my sincere gratitude to our respected shareholders for their continued interest, suggestions, and guidance toward the Bank's growth, progress, and prosperity. Likewise, I extend heartfelt thanks to regulatory bodies including the Government of Nepal, Nepal Rastra Bank, Office of the Company Registrar, Securities Board of Nepal, Nepal Stock Exchange Limited, CDS and Clearing Limited, the media, customers, and all Banks and Financial Institutions, and Organizations that have supported the Bank directly or indirectly.

I would also like to specially acknowledge Mr. Sunil K.C., who served the Bank continuously for 17 years, including 8 years as Chief Executive Officer, and successfully completed his tenure during the review year. I sincerely thank him for his leadership and valuable contribution to the Bank.

At the same time, I express my confidence that Mr. Govind Ghimire, who has been appointed as the Chief Executive Officer during the review year, will lead the Bank to even greater heights.

Finally, I once again extend my heartfelt appreciation to all our esteemed shareholders, regulatory bodies, the media, customers, banks and financial institutions, other organizations, members of the Board of Directors, and our employee colleagues for their relentless support and cooperation toward the Bank's growth and prosperity.

Thank you.

Manoj Kumar Goyal
Chairman

Date: 8 January, 2026



DIRECTOR'S REPORT

Respected Shareholders,

On behalf of the Board of Directors, I extend a warm welcome and heartfelt greeting to all esteemed shareholders, representatives from various regulatory authorities, representatives from institutional shareholders, auditors, legal advisors, members of the Board Committee, representative from the Bank's share registrar NMB Capital, Bank staff and distinguished attendees for your gracious presence in the 30th Annual General meeting of NMB Bank Limited.

I trust that you have already received the Annual Report of the Bank including Consolidated Statement of Financial Positions, Consolidated Statement of Comprehensive Income, Consolidated Statement of Cash Flow and Consolidated Statement of Changes in Equity for the FY 2024/25. I now, with the permission of this revered Annual General Meeting, would like to present the directors report pursuant to the Company Act, 2006, Clause 109 (4), comprising of the Bank's financial progress, summary of the country's economy, and the achievements of the Bank during the review period.

1. Key Financial Performance for the Fiscal Year 2024/25

Deposit Collection: During the review year, the Bank's deposit grew by 24.90% from NPR 227.10 Billion to NPR 283.65 Billion in which the share of institutional deposit remained at 37.99%. Of the Bank's total deposit portfolio including foreign currency deposit during the review period, the composition of current deposits, fixed deposits, savings deposits, call deposits, and other deposits remained at 7.86%, 45.76%, 37.51%, 7.78%, and 1.09% respectively. The Bank has managed to mobilize institutional deposit within the threshold as prescribed by Nepal Rastra Bank.

Loans and Advances: During the fiscal year 2024/25, the Bank grew its risk assets portfolio from NPR 204.60 Billion to NPR 243.30 Billion thereby managing a growth of 18.91% as compared to FY 2023/24. During the review period, the composition of loans disbursed by the Bank remained as following:

S.N.	Description	As on Mid-July 2025 (in Percentage)
1	Term Loan	40.66%
2	Overdraft	2.23%
3	Cash Credit	18.31%
4	Trust Receipt/Import Loan	1.96%
5	Demand and Other Working Capital Loan	14.37%
6	Individual Housing Loan	7.42%
7	Real Estate Loan	2.43%
8	Margin Lending	0.98%
9	Hire Purchase Loan	2.76%
10	Other Loan*	8.88%

*Other loan includes Education Loan, Credit Card, Marginalized Sector Loan

As per the Unified Directive issued by Nepal Rastra Bank, under the provisions for credit disbursement in designated sectors, the Bank's total credit portfolio during the review period comprised 13.05% in the Energy sector, 12.04% in Agriculture sector, and 6.86% in Micro, Cottage, Small and Medium Industries.

Investment: The Bank investment decreased by 3.66% from NPR 34.54 Billion in fiscal year 2023/24 to NPR 33.28 Billion during the review fiscal year 2024/25. The Bank's investment includes NPR 3.09 Billion in institutional shares (including investment in subsidiary companies), NPR 27.01 Billion in bonds and treasury bills issued by the Government of Nepal, and NPR 3.16 Billion in Agriculture Bond.

Operating Expenses: During the fiscal year 2024/25, Other Operating Expenses (including fee and commission expenses) decreased by 2.76% and reached NPR 1.74 Billion from NPR 1.78 Billion in the fiscal year 2023/24. The staff expenses (excluding bonus and NFRS adjustments) during the review period increased by 9.30% from NPR 2.20 Billion to NPR 2.40 Billion. The increase in operating expenses however, remained within the pre-approved budget.

Income: The Total Operating Income of the Bank increased by 14.37% i.e. from NPR 9.52 Billion to NPR 10.88 Billion in the review year. During this period, the Bank's net profit increased by 27.19% to NPR 2.85 Billion from NPR 2.24 Billion. The Bank during the review period witnessed an increase of 11.14% in the Net Interest Income whereby it



earned NPR 8.02 Billion as compared to NPR 7.22 Billion in the last fiscal year. Foreign Exchange Income increased by 43.74% to NPR 493.90 Million.

Capital Fund, Credit Deposit Ratio, Base Rate and Liquidity Ratio: The Bank maintained a sound Capital Fund during the review fiscal year with its Capital Adequacy Ratio remaining at 11.92%, and Tier-I Capital Ratio remaining at 9.05%; above the stipulated requirement of at least 11% and 8.50% respectively by Nepal Rastra Bank. Likewise, the Credit to Deposit (CD) Ratio was efficiently managed and remained at 82.65%. Liquidity ratio of 26.86% also remained within the prescribed limit. Base rate of the Bank at the end of the review fiscal year was 6.22%. The Bank has been adhering to the provisions prescribed by regulatory directives.

Non-Performing Asset (NPA): During the review year, significant stress was observed in market cash flow along with sluggish economic activity and changes in international scenarios. The heightened market challenges to interest collection and recovery raised the Bank's NPA from 3.40% in the FY 23/24 to 4.11% by the end of the review year. The Bank has been specially focusing on debt recovery efforts and credit risk management, thus expects to reduce the NPA.

Debentures: The details of the debentures issued by the Bank as of review period is per the following:

Particulars	Issued Date	Maturity Date	Interest Rate	Value (NPR in Million)
NMB Energy Bond II 2037	24 May 2022	24 May 2037	4.00%	2,727
NMB Energy Bond I 2036	3 June 2021	2 June 2036	4.00%	1,500
NMB Debenture 2034	13 April 2023	13 April 2034	10.75%	4,000
NMB Debenture 2031	25 May 2021	25 May 2031	8.50%	2,000
NMB Debenture 2029	12 April 2019	12 April 2029	10.00%	1,685

The Bank's key financial performance during the review period: (figures in thousand)

S.N.	Particulars	Fiscal Year 2024/25	Fiscal Year 2023/24	Incremental Volume	Percentage change
1	Total Deposit	283,655,925	227,105,772	56,550,153	24.90%
2	Total Loans and Advances	243,300,111	204,608,308	38,691,803	18.91%
3	Total Investment (Including Subsidiaries)	33,281,233	34,545,284	(1,264,051)	(3.66%)
4	Paid-Up Capital	18,366,706	18,366,706	-	0.00%
5	Capital Adequacy Ratio	11.92%	12.84%	(0.92%)	(7.17%)
6	Tier-I Capital Ratio	9.05%	9.72%	(0.67%)	(6.89%)
7	Non-Performing Loan	4.11%	3.40%	0.71%	20.88%

S.N.	Particulars	Fiscal Year 2024/25	Fiscal Year 2023/24	Incremental Volume	Percentage change
1	Net Interest Income	8,020,894	7,216,743	804,151	11.14%
2	Commission and Discount and Other Operating Income	2,745,127	2,251,219	493,908	21.94%
3	Foreign Exchange Income	493,975	343,651	150,323	43.74%
4	Gross Operating Income	10,884,518	9,517,058	1,367,460	14.37%
5	Gross Operating Expenses (including staff expenses)	4,138,968	3,983,627	155,341	3.90%
6	Operating Profit	4,739,988	3,253,098	1,486,891	45.71%
7	Net Profit	2,854,638	2,244,395	610,243	27.19%

Bank's Jurisdiction and Branch Network: The Bank has been providing banking facilities and services to its customers through 202 branches, 9 extension counters and 187 ATMs across the country. The number of branches located in each province are as follows:

Koshi Province	:	30 branches
Madhesh Province	:	27 branches
Bagmati Province	:	51 branches
Gandaki Province	:	38 branches
Lumbini Province	:	32 branches
Karnali Province	:	04 branches
Sudur Paschim Province	:	20 branches



Representative Office outside Nepal and its progress:

The Representative office established at Wisma Straits Trading Building, Lebuah Pasar Besar, Kuala Lumpur, Malaysia, had been operating as the Bank's contact point. However, with the increasing adoption of electronic banking transactions and the expansion of digital services, including Video-KYC, the services previously delivered through the said representative office can now be effectively provided through these electronic channels. Furthermore, as the operational expenses of the representative office cannot be reasonably justified nor recovered through related business activities, the Bank has obtained approval from Nepal Rastra Bank for the closure of the office. The representative office shall be closed upon receipt of the required approval from the Central Bank of Malaysia.

2. Impact of Domestic and World Economic Outlook On Bank's Performance

According to the International Monetary Fund (IMF) World Economic Outlook published in October 2025, global economic growth rate remained at 3.3% in 2024, and is projected to moderate to 3.2% in 2025 and further to 3.1% in 2026. Advanced Economies are expected to grow by 1.6% in 2025, while Emerging and Developing Economies are projected to record a relatively higher growth rate of 4.2%. The IMF further estimates that consumer inflation in 2025 will stand at 2.5% in Advanced Economies and 5.3% in Emerging and Developing Economies. In comparison, consumer inflation in 2024 remained at 2.6% and 7.9% respectively in Advanced Economies and Emerging and Developed Economies.

Domestically, Nepal's Central Bureau of Statistics has estimated the real GDP growth rate at 3.99% at basic prices and 4.61% at producer prices for the fiscal year 2024/25. During the review year, output from the agricultural sector expanded by 3.28%, while the non-agricultural sector expanded by 4.28%. Nepal's gross domestic product reached NPR 6107 Billion at current prices, with per capita income rising to NPR 203 Thousand, and annual average consumer inflation recorded at of 4.06% in FY 2024/25.

Similarly, total merchandise exports surged by 81.8% to NPR 277 Billion, while total merchandise imports increased by 13.3% to NPR 1,804 Billion, resulting in a trade deficit of NPR 1,527 Billion, which accounts for approximately 25% of the gross domestic product.

By the end of FY 2024/25, the current account recorded a surplus of NPR 409.20 Billion, while the balance of payments remained in surplus at NPR 594.54 Billion. As of Mid-July 2025, total foreign exchange reserves stood at NPR 2,677.68 Billion equivalent to USD 19.50 Billion. In fiscal year 2024/25, the Government of Nepal collected NPR 1,196.19 Billion as revenue, including other receipts, while total government expenditure amounted to NPR 1,523.11 Billion.

Deposits at Banks and Financial Institutions grew by 12.6%, while credit to the private sector expanded by 8.4%. As of Mid-July 2025, the total assets/liabilities of commercial banks increased by 12% to NPR 8,095.38 Billion, while development banks grew by 5.1% to NPR 753.55 Billion, finance companies by 3.4% to 175.72 Billion and microfinance financial institutions by 9.7% to 607.56 Billion.

Source: Nepal Rastra Bank

Overall, despite the presence of adequate liquidity in the banking sector, credit expansion remained constrained, mainly due to challenges in loan recovery, a sluggish real estate sector with declining property valuations, subdued economic activities, and the lingering impact of past structural and financial stress.

3. The Board of Directors' opinion on the achievements of current fiscal year and future plans:

Following are the main financial highlights of the Bank as on Mid October 2025 for the running fiscal year 2025/26:

S.N.	Particulars	NPR (in Thousand)
1	Total Deposit	293,949,977
2	Total Loans and Advances	249,506,374
3	Total Investment (Including Subsidiaries)	32,034,249
4	Net Interest Income	2,487,253
5	Commission, Discount and other Operating Income	888,246
6	Foreign Exchange Income	151,073
7	Total Operating Income	3,444,924
8	Total Operating Expenses (including staff expenses)	1,183,507
9	Operating Profit	1,498,463



S.N.	Particulars	NPR (in Thousand)
10	Net Profit	915,983
11	Paid-Up Capital	18,366,706
12	Reserves and Funds	14,563,684
13	Capital Adequacy Ratio	12.07%
14	Tier-I Capital Ratio	9.01%
15	Non-Performing Loan	4.58%

Future Plans:

- With the core slogan “For a Prosperous Nepal”, the Bank has been focusing on sustainable banking, increasing its investment in sustainable sectors, and will continue to do so.
- Keeping environmental and social risks in mind, the Bank will prioritize expanding its business in key sectors. Additionally, it will also align its operations and businesses to reduce greenhouse gas emissions and move towards carbon-neutrality.
- Expanding customer-friendly and efficient digital banking services shall continue to remain a top priority for the Bank.
- Strategies have been adopted to increase the size of energy agriculture, and medium, small and micro enterprises loan portfolio while continuing to improve the quality of credit.
- Efforts will be made to achieve balanced growth in deposits and credit investment.
- The process of issuing perpetual non-cumulative preference shares in line with the directives of Nepal Rastra Bank has been advanced.
- The Bank has been conducting various programs under corporate social responsibility, which will continue in the future.
- The performance of the Bank in the running fiscal year considering the overall current market situation seems to be in a positive direction. The Bank is always determined to devise and implement futuristic strategies and plans for strengthening and building capability in all fronts.

4. Industrial and Professional Relations:

On the foundation of transparency and professionalism, the Bank has developed an amiable and professional relationships with all its stakeholders. The Bank firmly believes that such relationships will be pivotal for its sustainable future growth and success.

5. Changes in the Board of Directors:

During the review fiscal year, Mr. Thakur Jang Thapa replaced Mr. Jeevan Kumar Katwal as the Director of the Board representing the Bank’s promoter shareholder M/s. Employees’ Provident Fund as per the decision made in the Board meeting held on 6 December, 2024.

6. Significant Issues Affecting Business:

The major risks and challenges that holds the potential to significantly impact the Bank’s operations are as follows:

- Impact on the real estate and microfinance sectors arising from problems observed in the cooperative sector, and the resulting or potential challenges stemming therefrom.
- Impact on business expansion and credit growth due to reduced capital expenditure, which has led to constraints in the expansion of the construction and industrial sectors.
- Challenges in debt recovery due to the prevailing economic, social, and political conditions.
- Potential impact arising from uncertainty caused by youth movements and the subsequent formation of a government primarily focused on conducting elections
- Impact on the Bank’s income due to changes in international politics and global conflicts.
- Risks inherent in the credit facilities and the non-fund-based services provided the Bank.
- Challenges in managing interest rates on deposits and loans due to excess liquidity in the banking system.



- Impacts of the appreciation of the U.S. Dollar observed during the review year, including its effects on various sectors and the potential foreign exchange risks arising from fluctuations in exchange rates during foreign currency transactions.
- Possible risks arising from changes in the nation's economic, monetary and fiscal policies.
- Potential adverse impact on the Nepalese market due to slowdown in the global economic and financial sectors, leading to associated risks for the Bank.

7. Significant Observation in the Audit Report and Subsequent Response from the Board:

Apart from minor discrepancies, there were no significant issues that could materially impact the Bank's business.

8. Recommended Amount for Dividend Payment:

Based on the financial statement for the FY 2024/25, 10% dividend to be distributed as 5% bonus shares and 5% cash dividend (including tax provisions on cash dividend and bonus share) has been recommended.

9. Details of Shares Forfeited by the Bank:

No shares were forfeited during the review year.

10. Performance of the Company and its Subsidiaries, and Review of the Existing Status:

The performance progress of the Bank is mentioned in the first section whereas the performance of its subsidiaries- namely NMB Capital, NMB Labhubitta Bittiya Sanstha and NMB Securities are mentioned in section 25(a) of the Director's report

11. Major Changes made by the Company and its Subsidiaries Resulting to Significant Changes in the Company's Business:

As of the fiscal year end (Mid-July 2025), the summary of balances, investments, and loans/borrowings with NMB Capital Ltd., NMB Labhubitta Bittiya Sanstha Ltd., and NMB Securities Ltd. are as follows:

S.N.	Description	NMB Capital Ltd. (NPR in thousands)	NMB Microfinance (NPR in thousands)	N.M.B. Securities Ltd. (NPR in thousands)
1	Investment	400,000	172,488	200,000
2	Call, Current, and Fixed Deposit	2,358,106	15,520	18,582
3	Loans & Advances	-	1,680,306	-
4	Interest Expenses on Deposit	17,213	-	2,490
5	Loan Interest Income	-	149,305	-
6	Office Rental by NMB Securities Ltd.	-	-	1,100
7	Payment of Management Fee to NMB Bank	-	1,246	-
8	Payment against Share Registrar Works of NMB Bank	1,100	-	-
9	Debenture Trustee Fee Payment to NMB Capital Ltd.	450	-	-
10	NMB Sulav Investment Fund-2 Dividend Payment to NMB Bank	17,094	-	-
11	NMB-50 Dividend Payment to NMB Bank	26,553	-	-
12	Dividend Payment by NMB Capital Ltd. to NMB Bank	64,600	-	-

12. Information provided by the Basic Shareholders to the Bank:

During the review fiscal year 2024/25, no additional information was received except for the matters required to be regularly reported as per prevailing laws.



13. Details of Share Ownership of the Directors and Officials and the Information Received by the Company in relation to their share transactions during the review period:

During the review year, none of the directors and officials were involved in the trading of the company's shares. The details of their prior share ownership are listed below:

S.N.	Name	Designation	Share Ownership
1.	Mr. Manoj Kumar Goyal	Chairman	63,863
2.	Ms. Sharmila Sanjiv Hardi Prakash (representative of FMO, Netherlands)	Director	-
3.	Mr. Thakur Jang Thapa (representative of Employees Provident Fund)	Director	1,855
4.	Mr. Uttam Bhlon	Director	221,971
5.	Mr. Harischandra Subedi	Director	2,850
6.	Mr. Sirish Kumar Murarka	Director	41,145
7.	Ms. Bandana Pathak	Director	-
8.	Mr. Govind Ghimire	Chief Executive Officer	-
9.	Mr. Sudesh Upadhyaya	Senior Deputy Chief Executive Officer	5,837
10.	Mr. Pramod Kumar Dahal	Chief Officer – Service, Operations and Support, and Company Secretary	406
11.	Mr. Navin Man Manadhar	Chief Risk Officer	-
12.	Mr. Shreejesh Ghimire	Chief Transformation Officer and International Business	1,715
13.	Mr. Krishna Dutta Bhattarai	Chief Retail and Other Deposits	-
14.	Mr. Dinesh Dulal	Chief Sustainable Energy Banking	-

14. Information on the Directors relatives' involvement in the Bank's contracts:

No information has been received so far regarding the personal interests of any Directors or their close relatives in company-related agreements.

15. Details of own shares purchased by the Bank:

None.

16. Internal control system:

The Bank's Board of Directors has formulated and implemented the necessary policies and procedures for risk management in compliance with prevailing laws and the directives issued from time to time by Nepal Rastra Bank. The Bank's business strategies and other key policies required for its operations have been approved and implemented by the Board of Directors, and risk management activities have been carried out by the Bank's management in accordance with these approved policies.

To strengthen the internal control system and to manage existing and potential risks effectively – thereby ensuring the Bank's sound and robust operations and safeguarding the interests of investors, the Board of Directors, in compliance with prevailing laws and directives issued by Nepal Rastra Bank, has constituted four Board-level committees: the Audit Committee, Risk Management Committee, Asset Laundering Prevention Laundering Committee, and Human Resources Service Committee. These committees regularly hold detailed discussions on various risks, and the outcomes of such discussions are reported to the Board of Directors.

At the management level, committees such as the Executive Management Committee, Credit Risk Management Committee, Asset and Liability Committee, Human Resources Recruitment Committee, Information and Technology Committee, and Corporate Governance Committee, among others, have been carrying out various activities related to the Bank's risk management.

The internal control system and its effectiveness have been given special priority at the Board level and are being continuously strengthened. To manage all types of risks within the Bank, including credit risk, a Risk Management Department has been established at the management level. This department independently undertakes effective risk control activities and periodically reviews actions taken in the area of risk control.



In addition, functional departments have been operating in compliance with prevailing laws, directives issued by Nepal Rastra Bank, and the Bank's policies and procedures, while the Audit Department has been monitoring such compliance to ensure sound institutional governance. The Bank has also been providing various types of training to its employees to strengthen the internal control system and enhance risk management capabilities.

Risk Management:

To enhance operational efficiency through proper risk management, the Bank has developed and implemented a robust risk management framework for the identification, measurement, monitoring, management, control, and reporting of risks faced by the institution. To address the key inherent fundamental risks (material risk) within the Bank, the Board of Directors has approved and implemented a Risk Management Framework, which is subject to continuous annual review.

The Board of Directors has been defining the Bank's risk appetite and acceptable risk limits and formulating risk strategies accordingly. For effective risk management, the Board has classified the Bank's risks into credit risk, operational risk, liquidity risk, interest rate risk, foreign exchange risk, and other risks. These risks are being managed efficiently by the Bank.

In addition to the management-level committees, the following committees have been formed at the Board level to strengthen the Bank's risk management and internal control system:

Committees formed at the level of Board of Directors

Audit Committee:

Details related to the Audit Committee are mentioned under Point No. 18.

Risk Management Committee:

A risk management committee has been formed under the coordination of a Non-Executive Director. The Coordinator of the Audit Committee serves as an ex-officio member of the Risk Management Committee. The Head of the Compliance Department and the Chief Operating Officer serve as members, while the Chief Risk Officer acts as the Member Secretary.

The committee convenes meetings to discuss risks identified by the management-level risk committee, the Bank's quarterly risk management reports, major changes in directives issued by Nepal Rastra Bank, immediate impacts on the Bank's strategy arising from changes in monetary policy, and key issues such as capital adequacy, liquidity position, credit-to-deposit ratio, and the Bank's risk-bearing capacity. Each quarter, discussions are held on stress testing related to potential risks, and the outcomes are submitted to the Board of Directors for information and review.

During the review year, the Risk Management held 8 meetings, and expenses amounting to NPR 128,000 were incurred as meeting allowances during this period.

Human Resources (HR) Service Committee:

A Human Resources Service Committee has been formed under the coordination of one Non-Executive Director, with another Non-Executive Director as a member. The Chief Executive Officer, and the Chief of Finance Department serve as members of the committee, while the Chief of Human Resources Department acts as the Member Secretary.

This committee deliberates on matters related to the Employee Service Benefits Regulations, other employee-related policies, succession planning, salary and allowances, and the organizational structure, among others. During the review year, the committee held 7 meetings, and an amount of NPR 224,000 was incurred as meeting allowances during the period.

Assets Laundering Prevention Committee:

An Asset Laundering Prevention Committee has been formed under the coordination of one Non-Executive Director, with the Head of the Compliance Department, and the Chief Risk Officer as members, and the AML Manager serving as the member secretary.

The committee discusses on matters related to laws on anti-money laundering, directives issued by Nepal Rastra Bank, compliance with the Bank's AML policy, and measures for identifying and controlling potential risks arising from AML-related issues. During the review year, the committee held 7 meetings, incurring a total expense of NPR 112,000 as meeting allowances.



17. Details of Total Management Expenditure of the last Fiscal Year:

During the review fiscal year, the Bank incurred management expenses amounting to NPR 4.14 Billion under staff expenses and office operating expenses, excluding NFRS adjustments and bonuses.

18. List of Audit Committee members, their remuneration, allowances and facilities, details of the work done by the Committee and the details of any suggestions made by the Committee:

In accordance with the directives of Nepal Rastra Bank, the Bank has constituted an Audit Committee under the coordination of one Non-Executive Director, with one additional Non-Executive Director as a member and the Chief of the Internal Audit Department as member secretary. The committee is structured as follows:

Mr. Uttam Bhlon (Director)	- Coordinator
Mr. Thakur Jang Thapa (Director)	- Member
Mr. Ranjan Pandey (Chief-Internal Audit Department)	- Member Secretary

The Audit Committee has been carrying out its responsibilities within the scope prescribed by Nepal Rastra Bank. The committee reviews and deliberates on audit reports received from auditors and provides necessary directions for improvements. It ensures that risk areas identified during audits are adequately addressed in audit reports. Audit reports are reviewed and periodically submitted to the Board of Directors, and the committee regularly provides recommendations to the Board.

During the review year, the Audit Committee held 5 meetings, incurring NPR 48,000 as meeting allowances. No meeting allowance is provided to the Member Secretary.

For all the above-mentioned Board-level committees, an allowance of NPR 16,000 per meeting is provided to the committee members.

19. Details of any payments yet to be made to the Directors, Chairman, Chief Executive Officer, Basic Shareholders or their close relatives or their associated companies:

None

20. Details of remuneration to the Directors, Chief Executive Officer and Senior Management Staff:

Detailed in Note number 37 of additional disclosures of this report.

21. Information of Undeclared Dividend by the shareholders:

As of the Mid-July 2025, the dividends payable to shareholders but not yet claim amounted to NPR 2,310,695 held by the Bank and NPR 160,408,723 held with the share registrar, NMB Capital Ltd., totalling NPR 162,719,418. Unclaimed dividends upto the fiscal year 2017/18 have been deposited in the Investor Protection Fund. The Bank publishes annual notices in national daily newspapers to inform shareholders regarding dividend collection.

22. Details of Fixed Assets purchased/sold pursuant to Clause 141 of the Company Act 2006:

No such purchase or sale of assets occurred during the review year.

23. Details of the transactions with related companies pursuant to Clause 175 of Company Act 2006:

Detailed under Point number 11 of this report.

24. Any other information to be disclosed in the Director's Report as per Company Act 2006 and prevailing law:

Required information has been provided in the relevant section of this Annual Report.



25. Other Essential Information:

(A). Subsidiary Companies and its Progress

NMB Capital Ltd.

NMB Capital Ltd. has been established as a wholly owned subsidiary of the Bank, with an investment of NPR 400 Million from NMB Bank Ltd. The company provides services such as issue management, underwriting, share registry, portfolio management, depository services, fund management, depository participant services, and corporate advisory services.

As of the end of the fiscal year 2024/25 (mid-July 2025), the company earned NPR 326.2 Million and achieved a profit after operating expenses and tax of NPR 122.50 Million. Based on the financial statements for FY 2024/25, the subsidiary's Board of Directors approved the distribution of a 17% cash dividend (including tax) to the promoter shareholder.

During the review year, the company successfully completed one Further Public Offering (FPO), one close-ended mutual fund issue, and one debenture issue. It also entered into agreements for five Initial Public Offerings (IPOs), and two Right Share issues.

The company has been serving as Fund Manager and Depository for 'NMB-50', 'NMB Saral Bachat Fund-E', and 'NMB Sulav Investment Fund-2', and 'NMB Hybrid Fund L-2'.

For the current year, the company has planned 11 IPOs, 1 Perpetual Non-Cumulative Preference Share issue, 2 Right Shares issues, 1 FPO, and 1 Mutual Fund Scheme issuance. By the end of the review year, the company was providing share registry services to 20 companies

NMB Capital Limited		
STATEMENT OF FINANCIAL POSITION		
	16 July 2025 (NPR)	15 July 2024 (NPR)
Assets		
Cash and Cash Equivalents	15,614,031,054	580,224,707
Investment Securities measured at Fair Value through P/L	140,516,593	202,634,444
Investment in Equity measured at Fair Value through OCI	315,187,304	110,956,489
Investment Securities measured at Amortized Cost	250,000,000	313,868,011
Other Financial Assets	56,075,603	31,963,404
Other Assets	32,840,774	42,200,644
Property, Plant & Equipment	26,982,833	30,033,046
Intangible Assets	260,561	592,169
Current Tax Assets	439,947	3,562,784
Deferred Tax Assets	-	-
Total Assets	16,436,334,669	1,316,035,697
Liabilities		
Due to Public	15,506,566,697	441,736,511
Other Financial Liabilities	100,382,872	120,368,216
Other Liabilities	45,224,763	33,705,883
Current Tax Liabilities	-	-
Deferred Tax Liabilities	861,890	1,746,781
Other Provisions	18,106,954	16,477,294
Total Liabilities	15,671,143,176	614,034,685
Equity		
Share Capital	400,000,000	400,000,000
Retained Earnings	299,643,244	255,282,907



Other Reserves	65,548,249	46,718,106
Total Equity	765,191,493	702,001,013
Total Liabilities and Equity	16,436,334,669	1,316,035,697

NMB Capital Limited STATEMENT OF PROFIT OR LOSS

	16 July 2025 (NPR)	15 July 2024 (NPR)
Income from Merchant Banking Activities		
Income from Mutual Fund operations	89,431,527	72,585,560
Interest Income	109,674,778	77,090,254
Other Operational Income	27,685,083	45,633,799
Net gain/(loss) on financial investments Held for Trading	54,746,913	56,719,038
Total Income	44,687,090	11,190,911
	326,225,391	263,219,562
Expense		
Personnel Expense	80,975,787	67,571,035
Interest Expense	3,647,300	3,873,031
Depreciation on Property and Equipment	7,776,841	7,396,426
Amortization of Intangible Assets	331,608	448,480
Depreciation on Right of Use Asset	4,912,271	4,960,185
Other Operating Expenses	49,200,748	39,110,089
Total Expenses	146,844,555	123,359,245
Profit Before Tax from Continuing Operations	179,380,836	139,860,318
Income Tax Expense	5,7015,001	40,375,406
Deferred Income / (Expense) Tax	177,380	(6,806,915)
Profit for the Year	122,543,215	92,677,996

NMB Laghubitta Bittiya Sanstha Ltd.

NMB Laghubitta Bittiya Sanstha Ltd., a microfinance subsidiary of NMB Bank, has a paid-up capital of NPR 721,449,149, with ownership divided as follows: 51% by NMB Bank, 19% by other institutional founders, and 30% by the general public. The institution's head office is located in Ward No. 8, New Road, Pokhara Metropolitan City, Kaski.

As of the end of mid-July 2025, the microfinance institution operated 148 branches and sub-branches across 68 districts. The total loan disbursed amounted to NPR 6.96 billion, while total deposits stood at NPR 1.56 billion.

NMB Laghubitta Bittiya Sanstha Limited Balance Sheet

	16 July 2025 (NPR)	15 July 2024 (NPR)
Assets		
Cash and Cash Equivalent	222,306,296	351,939,429
Statutory Balance and Due from Nepal Rastra Bank	30,000,000	24,500,000
Placement with Bank & Financial Institutions	40,000,000	40,000,000
Derivative Financial Instruments	-	-
Other Trading Assets	-	-
Loans and Advances to MFIs & Cooperative	-	-
Loans and Advances to Customers	6,740,051,544	5,316,104,154
Investment Securities	1,195,691	2,000,000
Current Tax Assets	2,017,333	3,611,536
Investment Property	-	-
Property and Equipment	80,943,289	103,468,470
Goodwill and Intangible Assets	3,459,906	3,141,442



Deferred Tax Assets	12,180,387	-
Other Assets	17,345,473	17,258,024
Total Assets	7,149,499,920	5,862,023,056
Liabilities		
Due to Bank and Financial Institutions	-	-
Due to Nepal Rastra Bank	-	-
Derivative Financial Instruments	-	-
Deposit from Customers	1,567,726,762	1,333,476,327
Borrowings	4,334,499,067	3,390,827,914
Current Tax Liabilities	-	-
Provisions	6,174,203	6,209,231
Deferred Tax Liabilities	-	749,446
Other Liabilities	242,888,054	196,446,528
Debt Securities Issued	-	-
Subordinated Liabilities	-	-
Total Liabilities	6,151,288,086	4,927,709,445
Equity		
Share Capital	721,449,149	721,449,149
Share Premium	72,972,961	72,972,961
Retained Earnings	(26,145,464)	(63,105,941)
Reserves	229,935,188	202,997,442
Total Equity	998,211,834	934,313,611
Total Liabilities and Equity	7,149,499,920	5,862,023,056

NMB Laghubitta Bittiya Sanstha Ltd.

Profit and Loss Account

	16 July 2025 (NPR)	15 July 2024 (NPR)
Interest Income	798,593,840	646,794,152
Interest Expenses	(361,021,080)	(377,676,989)
Net Interest Income	437,572,760	269,117,164
Fee and Commission Income	58,871,037	41,389,105
Fee and Commission Expense	-	-
Net Fee and Commission Income	58,871,037	41,389,105
Net Interest, Fee, and Commission Income	496,443,797	310,506,269
Net Trading Income	-	-
Other Operating Income	-	-
Total Operating Income	496,443,797	310,506,269
Impairment (Charge)/Reversal for Loans and other Losses	(44,892,289)	(11,093,081)
Net Operating Income	451,551,508	299,413,188
Operating Expense		
Personnel Expense	(265,648,278)	(233,002,551)
Other Operating Expense	(93,101,850)	(89,245,272)
Depreciation & Amortization	(31,585,248)	(30,429,354)
Operating Profit	61,216,132	(53,263,990)
Non-Operating Income	3,682,252	-
Non-Operating Expense	-	(4,032,176)
Profit Before Income Tax	64,898,384	(57,296,166)



Income Tax Expense		
Current Tax	(6,679,154)	-
Deferred Tax	12,688,540	4,379,851
Profit for the Year	70,907,770	(52,916,315)

NOTE: The above details are presented on the basis of the Balance Sheet and Profit and Loss Statements prepared by the management of NMB Laghubitta Bittiya Sanstha Ltd. These figures are subject to revision as may be required following adjustments or modifications by the external auditor and/or the Nepal Rastra Bank.

N.M.B. Securities Ltd.

NMB Securities Limited, a wholly-owned subsidiary of NMB Bank, has a paid-up capital of NPR 200 Million. This subsidiary obtained approval from the Securities Board of Nepal to operate as a limited securities broker and acquired membership of the Nepal Stock Exchange on August 26, 2023. The company officially commenced its operations from September 27, 2023.

NMB Securities Limited.		
Balance Sheet		
	16 July 2025 (NPR)	15 July 2024 (NPR)
Non-Current Assets		
Property, Plant & Equipment	2,158,359	2,522,027
Goodwill and Intangible Assets	500,967	659,167
Deferred Tax Asset	-	-
Right to Use Property	-	1,007,948
Current Assets	-	-
Stock in Hand	-	-
Accrued Income Receivables	129,762,000	40,782,171
Current Tax Assets	7,707,694	2,595,032
Cash and Cash Equivalent	54,478,736	75,139,243
Advance Payments and Deposits	98,053,382	103,848,032
Total Assets	292,661,137	226,553,621
Liabilities		
Non-Current Liabilities		
Lease Liability	-	1,050,859
Current Liabilities		
Liabilities & Provisions	-	-
Trade & Other Payable	-	-
Current Tax Liabilities	6,604,859	1,548,288
Employee Benefits	-	-
Provision	3,073,969	695,099
Deferred Tax Liability	42,557	141,766
Other Liabilities	63,030,396	18,388,100
Total Liabilities	72,751,780	21,824,112
Equity		
Share Capital	200,000,000	200,000,000
Retained Earnings	19,909,357	4,729,509
Total Equity	219,909,357	204,729,509
Total Equity & Liabilities	292,661,137	226,553,621



N.M.B. Securities Limited		
Profit and Loss Account		
	16 July 2025 (NPR)	15 July 2024 (NPR)
Income		
Revenue from Operation	42,203,013	10,728,980
Other Income	2,970,410	9,491,484
Total Income	45,173,423	20,220,464
Direct Expense	9,150,598	5,352,709
Personnel Expense	5,447,522	3,489,491
Operating Expense	4,296,223	3,870,573
Depreciation	399,347	398,104
Amortization	158,200	131,833
Depreciation – Lease Assets	1,007,948	1,007,948
Interest – Lease Liability	49,301	135,123
Provision for Staff Bonus	2,409,500	516,096
Profit Before Income Tax	21,685,498	5,160,959
Income Tax Expense	6,505,650	1,627,187
Current Tax	6,604,859	1,548,288
Deferred Tax	(99,209)	78,899
Profit for the Year	15,179,848	3,533,772

(B). Corporate Social Responsibility:

In accordance with the directives issued by Nepal Rastra Bank, the Bank has allocated the prescribed amount under its corporate social responsibility (CSR) initiatives and, during the review year, expended the same within the regulatory framework on various activities related to education, health, environment, financial literacy and customer protection, heritage conservation, disaster management, and other related sectors. To ensure the effective implementation and management of CSR activities, the Bank has constituted a CSR Committee under the coordination of the Chief Executive Officer. During the review year, the Bank incurred a total expenditure of NPR 24.7 Million under CSR.

(C). Human Resources:

Considering the requiring of committed and competent employees for the successful implementation of the Bank's future plans and overall institutional development, the Bank has placed special emphasis on human resource development and management. In today's competitive environment, the Bank recognizes that only through effective human resource development and management can customer satisfaction be ensured and a strong market presence maintained. Accordingly, the Bank has focused on enhancing employee capacity and efficient workforce management.

The Bank has been conducting both internal and external training programs to support employees' career development. During the review, the majority of employees participated in internal training programs. Additionally, 47 employees were provided opportunities to participate in 15 overseas training and seminars.

As of the review year, the total number of employees stood at 1,929, comprising 762 female employees and 1,167 male employees. Currently, the number of employees with more than 15 years of service is 165, those with more than 10 years of service is 289, and those with more than 5 years of service has reached 886.

(D). Arrangements for Grievance Handling:

For addressing service-related inconveniences faced by customers and handling public grievances, the Bank has designated Senior Deputy Chief Executive Officer Mr. Sudesh Upadhyay, who is also a member of the Bank's management team, as the Grievance Handling Officer. In addition, an online grievance portal has been made available on the Bank's website for customer complaints.

During the review year, a total of 735 issues and complaints were received through branch offices, head-office, hotline, and call centre. Except for complaints related to loan recovery and those requiring resolution through legal procedure, all other grievances were resolved in a timely manner.



(E). Corporate Governance:

Effective corporate governance has remained critically important not only for the development of the banking sector but also for the overall economy. Banks and financial institutions mobilize funds received from depositors and invest them by extending credit to customers in need, thereby contributing to economic growth. Financial stability and sound business operations are the core pillars of economic health. Weaknesses in corporate governance within banks that plays a vital role in the financial system can expose risks not only to the banking sector but also to the overall economy; therefore, this area has been given due importance.

At NMB Bank, corporate governance is strengthened through Board-level committees including the Audit Committee, Risk Management Committee, Human Resources Service Committee, and Asset Laundering Prevention Committee. In addition to these, a separate Corporate Governance Committee has been formed at the management level under the coordination of the Chief Executive Officer. These committees are actively engaged in enhancing effective corporate governance within the Bank.

Measures Taken by Management to Enhance Corporate Governance:

- Implementation of the policies approved by the Board of Directors.
- Active functioning of various management-level committees (such as Asset and Liability Committee, Human Resources Recruitment Committee, Credit Risk Management Committee, etc.).
- Regular internal audits conducted by internal auditors to strengthen the internal control system, with Audit Committee meetings held regularly to review audit reports and ensure timely implementation of recommendations.
- Regular meetings of the Risk Management Committee, where matters such as stress testing, adequacy of policies and regulations, and overall risk exposure are discussed, and management acts in accordance with the directions received
- Emphasis on customer identification procedures to strengthen anti-money laundering measures, with periodic discussions on AML-related issues in the Assets Laundering Prevention Committee.
- Formulation and implementation of various internal policies, rules and guidelines to streamline banking operations and minimize operational risks.
- Compliance with directives issued by regulatory authorities including Nepal Rastra Bank, Securities Board of Nepal, Office of the Company Registrar, and Nepal Stock Exchange Ltd.
- Formation of a Corporate Governance Committee to institutionalize good governance within the Bank, with decisions taken in committee meeting implemented accordingly. The CEO has been assigned primary responsibility for maintaining corporate governance within the Bank.

(F). Board of Directors Meeting and Conduct:

In accordance with the prevailing laws and the Bank’s regulations, the meetings of the Board of Directors are held regularly. During the review year, 22 board meetings were conducted. Meeting allowances of NPR 18,000 per meeting for the Chairman and NPR 16,000 per meeting for other Board members were provided. Furthermore, all Board members have been complying with the code of conduct as stipulated under Clause 1 of Directive No. 6 of the Unified Directive 2023 issued by Nepal Rastra Bank.

(G). Management Team:

The Bank’s management team is led by the Chief Executive Officer, Mr. Govind Ghimire. With extensive banking experience Mr. Ghimire is supported by the following officials in the management team:

- | | |
|------------------------|--|
| Mr. Sudesh Upadhyaya | Senior Deputy Chief Executive Officer |
| Mr. Pramod Kumar Dahal | Chief Officer – Service, Operations and Support, and Company Secretary |



Mr. Navin Man Manadhar	Chief Risk Officer
Mr. Shreejesh Ghimire	Chief Transformation Officer and International Business
Mr. Krishna Dutta Bhattarai	Chief Retail and Other Deposits
Mr. Dinesh Dulal	Chief Sustainable Energy Banking

(Note: Until 22nd April 2025, Mr. Sunil K.C. had been leading the Bank Management Team as Chief Executive Officer. Following the completion of his tenure, Mr. Govind Ghimire assumed leadership as Chief Executive Officer)

Acknowledgment:

Respected shareholders, representatives of various institutions, auditors, legal advisors, institutional representatives attending this General Meeting on behalf of shareholders, Nepal Rastra Bank, Securities Board of Nepal, Nepal Stock Exchange Ltd., CDS and Clearing Limited, all stakeholders associated with the Bank, valued customers, Bank management, employees, and all distinguished guests present in this prestigious meeting – on behalf of the Board of Directors, I would like to extend our sincere gratitude to all of you and look forward to your continued support in the days ahead.

Thank You.

On behalf of Board of Directors,

Manoj Kumar Goyal

Chairman

Date: Thursday, 8 January, 2026



FY 2024/25
**ANNEX-15 OF SECURITIES REGISTRATION
 AND ISSUE REGULATION, 2016**
 (DETAILS RELATED TO CLAUSE 26.2)

1. Director’s Report:

Director’s report is included in the annual report of FY 2024/25.

2. Auditor’s Report:

Auditor’s report is included in the annual report of FY 2024/25.

3. Audited Financial Statements:

Audited financial statements are included in the annual report of FY 2024/25.

4. State of Legal Proceedings:

As per the following, if any case has been filed, details such as the filing date, subject matter, the name of the promoter or director involved in the case, and potential legal remedies must be included:

- i. If any lawsuit was filed by or against the organization during the quarterly period:
 In the fiscal year 2024/25, the Bank filed a total of 100 cases related to loan recovery, income tax and matters concerning Bank assets. Additionally, 71 cases were filed against the Bank. Altogether, a total of 171 cases were filed in various courts.
- ii. If any lawsuit was filed by or against the promoter or director of the organization for disobeying the prevailing rules or committing a criminal offense:
 Not in the information of this Bank.
- iii. If any lawsuit has been file against promoter or director for financial offence:
 Not in the information of this Bank.

5. Analysis of organization’s share transactions and progress:

- i. Management’s perception regarding the trading of organization’s shares in the securities market:
 The fluctuations in share trading are determined by the open market and are in line with the values and norms of the same.
- ii. The maximum, minimum and final value of the Bank’s shares in each quarter of the previous financial year as well as the total number and days of transactions.

	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Maximum Value	300	288	273	273
Minimum Value	214	235.1	230	231
Last Value	280	238.8	251.13	269.72
Number of Transactions	43,126	13,634	15,323	14,107
Days of Transactions	57	55	56	63

6. Problems and Challenges:

- i. Internal Problems and Challenges: The Bank has faces internal issues and challenges such as continuous increase in operating expenses, rising costs related to infrastructure and technology development, control and management of non-performing loans, narrowing of the interest rate spread, difficulties in attracting and retaining skilled and experienced human resources, and the need to manage increasing operational risks associated with increasing transactions.
- ii. External Problems and Challenges: The Bank identifies external challenges like difficulties in loan recovery due to sluggish economic activities in the country, challenges in promoting sustainable investments along with the implementation of environmental and social guidelines and climate risk management, security risks arising from the use of technology, and risk that may emerge from contractions in the national and international



economies. Despite increase in investable funds, credit expansion has not progressed as expected. In such circumstances, there is a risk that sustainable business growth and loan recovery may be adversely affected, which could ultimately impact the Bank's overall income.

- iii. **Strategies Adopted by Management:** The Bank has been enhancing its loan recovery mechanisms through digitization and has established separate regional-level staff mechanisms for monitoring and supervising the recovery of non-performing loans. The Bank has continued efforts to automate various service delivery processes and has adopted cost-efficiency measures within internal systems to achieve targeted objectives. Special emphasis has been placed on improving credit quality and increasing lending to productive sectors such as energy, agriculture, and retail. The Bank has been consistently adopting appropriate risk management strategies, developing new technology-based services in line with changing times, and strengthening its human resources through career development initiatives, technical skill enhancement, and training programs to ensure a competent and capable workforce.

7. Corporate Governance

Details of steps taken by management to enhance corporate governance:

- i. Implementation of the policies approved by the Board of Directors.
- ii. Active functioning of various management-level committees (such as Asset and Liability Committee, Human Resources Recruitment Committee, Credit Risk Management Committee, etc.).
- iii. Regular internal audits conducted by internal auditors to strengthen the internal control system, with Audit Committee meetings held regularly to review audit reports and ensure timely implementation of recommendations.
- iv. Regular meetings of the Risk Management Committee, where matters such as stress testing, adequacy of policies and regulations, and overall risk exposure are discussed, and management acts in accordance with the directions received.
- v. Emphasis on customer identification procedures to strengthen anti-money laundering measures, with periodic discussions on AML-related issues in the Assets Laundering Prevention Committee.
- vi. Formulation and implementation of various internal policies, rules and guidelines to streamline banking operations and minimize operational risks.
- vii. Compliance with directives issued by regulatory authorities including Nepal Rastra Bank, Securities Board of Nepal, Office of the Company Registrar, and Nepal Stock Exchange Ltd.
- viii. Formation of a Corporate Governance Committee to institutionalize good governance within the Bank, with decisions taken in committee meeting implemented accordingly. The CEO has been assigned primary responsibility for maintaining corporate governance within the Bank.



CEO'S MESSAGE

NMB Bank has consistently upheld a culture of nurturing leadership from within, reflecting its strong emphasis on succession planning, institutional memory, innovation and stability in governance, while also maintaining its distinct identity as a prudent, forward-looking, and respected institution in the eyes of regulators and stakeholders. In keeping with this tradition, I am honored to lead NMB as the Chief Executive Officer and express my sincere appreciation to the Board of Directors for entrusting me with this responsibility.

I acknowledge with gratitude the contributions of my predecessors whose vision, discipline, and commitment laid a strong foundation for the Bank. Their leadership enabled NMB to steer through complex economic cycles and emerge as a resilient and respected institution within the Nepalese banking sector. I am privileged to build upon this foundation as we move forward, preserving continuity while reinforcing the Bank's unique positioning built on strong governance, responsible banking, and long-term value creation.

The review year remained challenging for the overall economy and the banking sector. External factors such as subdued economic activity, stress in certain segments of the financial system, sluggish real estate and construction sectors, pressures on loan recovery, and global economic and geopolitical uncertainties continued to influence business sentiment and credit demand. Despite adequate liquidity in the system, these factors constrained credit expansion and impacted asset quality across the sector.

In this environment, the Bank remained focused on prudence, resilience, and disciplined execution. We strengthened risk management practices, intensified recovery and monitoring mechanisms, and maintained close alignment with regulatory guidance. At the same time, the Bank continued to support productive sectors of the economy while preserving balance sheet strength and financial stability, thereby reinforcing its distinct role as a responsible and resilient financial institution.

Looking ahead, the Bank's strategic direction is clear and focused on creating a distinctive and sustainable market position. We are placing strong emphasis on operational efficiency and cost discipline, ensuring that resources are deployed with sound judgement, contextual financial acumen, and strategic prioritization to optimize outcomes and support long-term value creation and sustainable growth. Digital transformation remains a key priority, not only to enhance customer experience but also to improve internal processes, strengthen controls, and increase productivity. Technology will continue to be leveraged as an enabler of efficiency, transparency, scalability and competitive differentiation.

Equally important is our focus on people. The success of the Bank depends on the collective efforts of our management team and staff across all levels. I am supported by a capable and experienced management team, and together with our dedicated employees, we are committed to executing the Bank's strategy with accountability and professionalism. Continuous capacity building, leadership development, GESI-responsive human resource practices, and a culture of performance and integrity will remain central to our approach. Alongside this, climate consciousness and sustainability considerations are being increasingly integrated into our operations and financing decisions to support long-term, responsible growth.

Despite external challenges, the Bank remains resilient, well capitalized, and compliant with regulatory requirements. We are confident in our ability to adapt to changing conditions, manage risks proactively, and pursue sustainable growth while safeguarding the interests of depositors, shareholders, and other stakeholders. Our strategic priorities will continue to align towards reinforcing resilience, strengthening partnerships, and creating a distinctive and trusted bank.

I extend my heartfelt gratitude to the Chairman and Board of Directors for their guidance, to our regulators for their oversight, and to our customers, shareholders, and stakeholders including FMO, Employees Provident Fund, Yong Lian Realty Malaysia, and our DFI partners for their continued trust and confidence. The commitment, professionalism, and dedication of our staff remain central to the Bank's progress, and together, through strengthened partnerships and shared purpose, NMB will continue to move forward with resilience, responsibility, and confidence.

Thank you.

Govind Ghimire
CEO



CONSOLIDATED FINANCIAL STATEMENTS



Independent Auditor’s Report

To the Shareholders of NMB Bank Limited

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the NMB Bank Limited (the “Bank”) and its subsidiary (the “Group”), which comprise the consolidated statement of financial position as at Ashadh 32, 2082 (July 16, 2025), and the 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 notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements presents fairly, in all material respects, the consolidated financial position of the Group as at Ashadh 32, 2082 (July 16, 2025), and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

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 *Auditors Responsibilities for the Audit of the Consolidated Financial Statements* section of our Report. We are independent of the Group in accordance with the *ICAN’s Handbook of Code of Ethics for Professional Accountants* together with the ethical requirements that are relevant to our audit of the financial statements in Nepal, and we have fulfilled our other ethical responsibilities in accordance with these requirements and ICAN’s Handbook of Code of Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. N	Key Audit Matters	Auditor’s Response
1.	<p>Interest Recognition</p> <p>The interest income of the bank has to be recognized on an accrual basis and following the Guidance Note on Interest Income Recognition, 2025 issued by NRB read with the Carve-Out Alternatives provided for Bank and Financial Institutions (BFIs) under NFRS – 9 issued by the Institute of Chartered Accountants of Nepal (ICAN) dated 2082.05.09. Though accrual basis of income recognition is prescribed in general, the guidelines require interest income on Stage 3 (with overdue of more than 3 months) or Purchased or Originated Credit to be recognized on cash basis whereas for Impaired Financial Assets, interest should be recognized on Coupon interest rate applied on principal outstanding. Given the lack of system capability to suspend recognition of income on the basis of overdue status of loan on regular basis, manual intervention will be required in interest recognition process and hence create risk of improper application of the guidance note. This may, in turn, have an effect on recognition of interest income by the bank.</p> <p>Thus, we have considered it as a Key Audit Matter.</p>	<p>Our audit approach regarding verification of process of interest recognition included:</p> <ul style="list-style-type: none"> a. Obtaining clear understanding of the process of accrual of interest income on loans and advances in the Core Banking Software of the bank. b. Test check of the interest income booking with manual computation.



<p>2.</p>	<p>Investment Valuation, Identification, and Impairment</p> <p>Investment of the bank comprises of investment in government bonds, T-bills, development bonds and investment in quoted and unquoted equity instruments. The valuation of the aforesaid securities has been done in compliance with NFRS 9 and NRB Directive no. 8. The investment in the government and NRB bonds and T-bills should be recognized on reporting date on Amortized cost basis whereas other investments in equity instruments, other than those held for trading, should be valued at Fair Value through Other Comprehensive Income.</p> <p>Given the varieties of treatments recommended for valuation of investment based on nature of cash flow, the business model adopted, complexity of calculations and the significance of amount involved in such investments, same has been considered as Key Audit Matter.</p>	<p>Our audit approach regarding verification of process of investment valuation, identification and impairment included:</p> <ol style="list-style-type: none"> Review of the investment of the bank and its valuation having reference to NFRS issued by the Accounting Standard Board of Nepal and NRB Directive 4 read with 8. We assessed the nature of expected cash flow of the investments as well as the business model adopted by the management based on available evidence/circumstances and ensured that classification of investment is commensurate with nature of cash flow and management intention of holding the investment. For the investment valuation that are done at amortized cost, we checked the EIR and amortization schedule on test basis. For the investment valued through OCI for quoted investment, we ensured that fair valuation has been done at the closing transaction rate in NEPSE as on 16.07.2025 and for the unquoted investment the fair value has been taken on the basis of latest audited financial statements.
<p>3.</p>	<p>Impairment of Loans and Advances</p> <p>As per NRB Directive 4 read with NFRS 9- Expected Credit Loss Related Guidelines, 2024 issued by NRB and the Carve-Out Alternatives provided for Bank and Financial Institutions (BFIs) under NFRS – 9 issued by the Institute of Chartered Accountants of Nepal (ICAN) dated 2082.05.09, bank shall measure impairment loss on loans and advances as the higher of:</p> <ul style="list-style-type: none"> ▪ Amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provisioning; and ▪ Amount determined as per para 5.5. of NFRS 9 <p>As per the norms prescribed by NRB, provision at prescribed rate should be created on loans and advances based on overdue status of loans and advances as well as utilization status of the facility, status of security, borrower’s whereabouts etc.</p> <p>As per NFRS 9, impairment of loans and advances should be determined following an expected credit loss impairment model. Under the model, impairment is calculated as probability weighted estimate of credit losses (i.e present value of all cash shortfalls) over the expected life of the financial instrument. The guidelines issued by NRB provide a standardized methodology for ECL calculation, covering asset classification (Stage 1, 2, 3), estimation of probability of default (PD), loss given default (LGD), exposure at default (EAD) and incorporation of forward-looking information. NRB also prescribed a uniform reporting format for submission of ECL data to ensure consistency and regulatory compliance.</p> <p>Given the fact that impairment of loans and advances</p>	<p>Our audit approach regarding verification of impairment of loans and advances included:</p> <ol style="list-style-type: none"> Review of the overdue status of loans and advances by obtaining data from the system and matched the same with the NRB 2.2 report. Sample credit files were reviewed, among other things, from the perspective of utilization of loans and advances for intended purpose by way of scrutiny of financial statements, account movement, account turnover etc. Assessment of appropriateness of parameters used for grouping the portfolios. Review of appropriateness of historical data and assumptions including economic factors used for staging the portfolio, determination of probability of default as well as loss given default. Assessment of appropriateness of historical recovery data as well as assessment of realizable value of collateral securities, along with defined haircuts, also formed part of or audit with reference to determination of loss given default.



	<p>under expected credit loss model require assessment of future cash flows as well as historical loss experiences of portfolios. Further, impairment of loans and advances under NRB norms for loan loss provisioning will require assessment of overdue status of loans and advances and proper utilization of loan for intended purpose. Hence, assessment of availability and accuracy of required data for calculating impairment of loans and advances under expected credit loss model as well as reasonableness of the assumptions and economic factors used is regarded as Key Audit Matter. Also, assessment of availability and accuracy of required data for calculating impairment of loans and advances under NRB provisioning norms is regarded as Key Audit Matter.</p>	
<p>4.</p>	<p>Information Technology General Controls</p> <p>IT controls with respect to recording of transactions, generating various reports in compliance with NRB guidelines and other compliances to regulators is an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems.</p> <p>We have considered this as Key Audit Matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management, shareholders and regulators</p>	<p>Our audit approach regarding Information technology of the bank is based upon the Information Technology Guidelines 2012 issued by NRB and it included:</p> <ol style="list-style-type: none"> Understanding the coding system adopted by the bank for various categories of customers. Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the bank Checking of the user requirements for any changes in the regulations/ policy of the bank Reviewed the reports generated by the system on sample basis. We verified the interest income and expense booking regarding loan and deposit on test basis with the CBS of the bank. We relied on the IT audit conducted by the bank. We verified the provisioning of the loan and advances based on ageing on the test check basis as on 16.07.2025

Information Other than Consolidated Financial Statements and Auditor’s Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Management Report, Report of the Director’s Report and Chairman’s Statement but does not include the consolidated financial statements and our auditor’s report thereon. Such information is expected to be made available to us after the date of this auditor’s report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.



Responsibility of 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 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 Group 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 high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatement can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated 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 risk of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtained 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 purposes 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 the management,
- Conclude on the appropriateness of the 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 consolidated financial statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate 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.

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

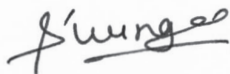



From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor’s report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the requirements of Banks and Financial Institutions Act, 2073 and Company Act, 2063

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; the returns received from the branch offices of the bank, though the statements are independently not audited, were adequate for the purpose of the audit; the consolidated financial statements including the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows including a summary of significant accounting policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of the Company Act, 2063, and they are in agreement with the books of accounts of the Bank; and the accounts and records of the bank are properly maintained in accordance with the prevailing laws.

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 Bank was conducted satisfactorily, and the Bank’s transactions were found to be within the scope of its authority. 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 Bank has acted contrary to the provisions of law or caused loss or damage to the Bank or committed any misappropriation of the funds of bank.

Sunir Kumar Dhungel
Managing Partner

Place: Kathmandu, Nepal
Date: November 23, 2025

UDIN: 251123CA00109nbbdp



NMB Bank Limited

Consolidated Statement of Financial Position

As on 32 Asar, 2082 (16 July, 2025)

Particulars	Note	Group		NMB	
		As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Assets					
Cash and cash equivalent	4.1	46,995,817,426	23,398,372,753	33,385,654,314	22,570,602,707
Due from Nepal Rastra Bank	4.2	16,519,122,616	14,734,991,269	16,489,122,616	14,710,491,269
Placement with Bank and Financial Institutions	4.3	10,304,420,143	3,035,765,321	10,264,420,143	3,035,765,321
Derivative financial instruments	4.4	8,681,415,598	7,583,922,347	8,681,415,598	7,583,922,347
Other trading assets	4.5	140,516,593	202,634,444	-	-
Loan and advances to B/FIs	4.6	8,816,813,302	5,906,200,260	10,497,119,302	8,130,436,626
Loans and advances to customers	4.7	235,196,355,390	199,620,289,976	228,456,303,846	194,304,185,821
Investment securities	4.8	33,075,128,179	34,258,620,564	32,508,745,183	33,772,796,064
Current tax assets	4.9	170,347,236	154,806,741	166,787,121	145,037,389
Investment in subsidiaries	4.10	-	-	772,487,600	772,487,600
Investment in associates	4.11	-	-	-	-
Investment property	4.12	1,784,192,730	851,436,700	1,784,192,730	851,436,700
Property and equipment	4.13	3,910,761,988	3,913,651,778	3,800,677,507	3,758,590,533
Goodwill and Intangible assets	4.14	131,395,452	153,021,541	127,174,017	148,628,163
Deferred tax assets	4.15	327,751,031	422,895,272	316,475,091	424,642,054
Other assets	4.16	4,543,322,947	4,749,226,326	4,341,932,137	4,659,139,126
Total Assets		370,597,360,630	298,985,835,292	351,592,507,206	294,868,161,721
	Note	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Liabilities					
Due to Bank and Financial Institutions	4.17	6,029,457,168	3,163,179,932	6,029,457,168	3,163,179,932
Due to Nepal Rastra Bank	4.18	-	-	-	-
Derivative financial instruments	4.19	8,695,559,581	7,710,799,737	8,695,559,581	7,710,799,737
Deposits from customers	4.20	280,117,506,616	225,051,686,864	280,926,467,853	223,942,591,903
Borrowing	4.21	6,641,693,122	12,719,247,849	3,987,500,055	11,552,656,301
Current Tax Liabilities	4.9	-	-	-	-
Provisions	4.22	6,174,203	6,209,231	-	-
Deferred tax liabilities	4.15	-	2,496,226	-	-
Other liabilities	4.23	23,336,967,773	7,971,833,600	7,394,345,466	7,145,422,295
Debt securities issued	4.24	12,384,568,926	12,382,000,301	12,384,568,926	12,382,000,301
Subordinated Liabilities	4.25	-	-	-	-
Total liabilities		337,211,927,389	269,007,453,741	319,417,899,049	265,896,650,469
Equity					
Share capital	4.26	18,366,705,959	18,366,705,959	18,366,705,959	18,366,705,959
Share premium		37,216,210	37,216,210	-	-
Retained earnings		2,401,028,064	318,825,491	1,901,381,344	(93,840,782)
Reserves	4.27	12,091,359,209	10,796,616,202	11,906,520,854	10,698,646,074
Total equity attributable to equity holders		32,896,309,442	29,519,363,863	32,174,608,156	28,971,511,251
Non-controlling interest		489,123,799	459,017,689	-	-
Total equity		33,385,433,241	29,978,381,551	32,174,608,156	28,971,511,251
Total liabilities and equity		370,597,360,630	298,985,835,292	351,592,507,206	294,868,161,721
Contingent liabilities and commitment	4.28	225,750,812,264	201,008,217,586	225,750,812,264	201,008,217,586
Net Assets Value per share		178.39	159.89	174.49	156.93

As per our attached report of even date

Govind Ghimire
CEO

Manoj Kumar Goyal
Chairman

Sharmila Sanjiv Hardi Prakash
Director

Sunir Kumar Dhungel
Managing Partner
For, S.A.R Associates
Chartered Accountants

Thakur Jang Thapa
Director

Uttam Bhlon
Director

Harischandra Subedi
Director

Sirish Kumar Murarka
Director

Bandana Pathak
Independent Director

Sudesh Upadhyaya
Sr. DCEO

Mridul Parajuli
Chief - Finance & Planning

Date: 21 November, 2025

Place: NMB Bhawan, Babarmahal, Kathmandu



NMB Bank Limited

Consolidated Statement of Profit or Loss

For the year ended 32 Asar, 2082 (16 July, 2025)

Particulars	Note	Group		NMB	
		Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Interest income	4.29	22,928,186,748	26,289,301,423	22,267,952,343	25,682,542,888
Interest expense	4.30	14,442,718,729	18,715,264,852	14,247,058,349	18,465,800,355
Net interest income		8,485,468,020	7,574,036,571	8,020,893,994	7,216,742,533
Fee and commission income	4.31	2,773,344,041	2,201,096,412	2,426,661,053	1,987,207,424
Fee and commission expense	4.32	242,074,632	193,314,755	242,074,632	193,314,755
Net fee and commission income		2,531,269,409	2,007,781,657	2,184,586,421	1,793,892,670
Net interest, fee and commission income		11,016,737,428	9,581,818,227	10,205,480,415	9,010,635,203
Net trading income	4.33	405,258,032	253,170,157	360,570,942	242,411,149
Other operating income	4.34	322,821,749	203,590,427	318,466,228	264,011,431
Total operating income		11,744,817,209	10,038,578,812	10,884,517,585	9,517,057,783
Impairment charge/(reversal) for loans and other losses	4.35	1,683,062,521	2,049,059,957	1,638,170,232	2,037,966,876
Net operating income		10,061,754,688	7,989,518,855	9,246,347,353	7,479,090,907
Operating expense					
Personnel expenses	4.36	3,367,243,213	2,939,004,747	3,012,762,127	2,634,448,065
Other operating expenses	4.37	1,261,475,705	1,259,869,947	1,109,003,642	1,133,473,119
Depreciation & Amortisation	4.38	430,764,898	485,012,706	384,593,178	458,071,858
Operating Profit		5,002,270,873	3,305,631,454	4,739,988,406	3,253,097,865
Non operating income	4.39	7,633,230	3,442,011	3,950,977	3,442,011
Non operating expense	4.40	658,746,389	25,022,823	658,746,389	20,990,648
Profit before income tax		4,351,157,714	3,284,050,642	4,085,192,995	3,235,549,228
Income tax expense	4.41				
Current Tax		1,342,026,067	1,067,653,827	1,271,727,053	1,025,730,134
Deferred Tax expense/(Income)		(54,137,544)	(23,310,546)	(41,172,415)	(34,576,210)
Profit for the period		3,063,269,190	2,239,707,361	2,854,638,357	2,244,395,304
Profit attributable to:					
Equity holders of the Bank		3,028,524,383	2,264,432,336	2,854,638,357	2,244,395,304
Non-controlling interest		34,744,807	(24,724,974)	-	-
Profit for the period		3,063,269,190	2,239,707,362	2,854,638,357	2,244,395,304
Earnings per share					
Basic earnings per share (BEPS)		16.68	12.19	15.54	12.22
Diluted earnings per share (DEPS)		16.68	12.19	15.54	12.22

As per our attached report of even date

Govind Ghimire
CEO

Manoj Kumar Goyal
Chairman

Sharmila Sanjiv Hardi Prakash
Director

Sunir Kumar Dhungel
Managing Partner
For, S.A.R Associates
Chartered Accountants

Thakur Jang Thapa
Director

Uttam Bhlon
Director

Harischandra Subedi
Director

Sirish Kumar Murarka
Director

Bandana Pathak
Independent Director

Sudesh Upadhyaya
Sr. DCEO

Mridul Parajuli
Chief - Finance & Planning

Date: 21 November, 2025

Place: NMB Bhawan, Babarmahal, Kathmandu



NMB Bank Limited

Consolidated Statement of Other Comprehensive Income

For the year ended 32 Asar, 2082 (16 July, 2025)

Particulars	Note	Group		NMB	
		Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Profit for the year		3,063,269,190	2,239,707,362	2,854,638,357	2,244,395,304
Other comprehensive income, net of income tax					
a) Items that will not be reclassified to profit or loss					
- Gains/(losses) from investments in equity instruments measured at fair value		692,568,190	276,002,309	680,503,911	274,229,670
- Gains/(losses) on revaluation		-	-	-	-
- Actuarial gains/(losses) on defined benefit plans		(187,625,033)	(85,804,462)	(182,705,985)	(79,745,712)
- Income tax relating to above items		(151,482,947)	(57,059,354)	(149,339,378)	(58,345,187)
Net other comprehensive income that will not be reclassified to profit or loss		353,460,210	133,138,493	348,458,548	136,138,770
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 equited method		-	-	-	-
Other comprehensive income for the period, net of income tax		353,460,210	133,138,493	348,458,548	136,138,770
Total comprehensive income for the period		3,416,729,400	2,372,845,855	3,203,096,905	2,380,534,074
Total comprehensive income attributable to:					
Equity holders of the Bank		3,382,260,471	2,397,570,829	3,203,096,905	2,380,534,074
Non-controlling interest		34,468,929	(24,724,974)	-	-
Total comprehensive income for the period		3,416,729,400	2,372,845,855	3,203,096,905	2,380,534,074

As per our attached report of even date

Govind Ghimire
CEO

Manoj Kumar Goyal
Chairman

Sharmila Sanjiv Hardi Prakash
Director

Sunir Kumar Dhungel
Managing Partner
For, S.A.R Associates
Chartered Accountants

Thakur Jang Thapa
Director

Uttam Bhlon
Director

Harischandra Subedi
Director

Sirish Kumar Murarka
Director

Bandana Pathak
Independent Director

Sudesh Upadhyaya
Sr. DCEO

Mridul Parajuli
Chief - Finance & Planning

Date: 21 November, 2025

Place: NMB Bhawan, Babarmahal, Kathmandu



NMB Bank Limited
 Consolidated Statement of changes in equity
 For the year ended 31 Asar, 2024 (16 July 2025)

NMB

Attributable to equity holders of the Bank

Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserve	Total	Non-controlling interest	Total equity
Balance at 16 July 2023	18,366,705,959	-	4,961,230,955	156,976,329	2,425,505,705	150,740,985	-	1,140,830,240	1,232,431,226	28,434,421,397	-	28,434,421,397
Adjustment/Restatements	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-	-	(1,843,444,221)	-	(1,843,444,221)	-	(1,843,444,221)
Adjusted/Restated balance at 17 July 2023	18,366,705,959	-	4,961,230,955	156,976,329	2,425,505,705	150,740,985	-	(702,613,981)	1,232,431,226	24,590,977,176	-	24,590,977,176
Comprehensive income for the year 2023-24	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	2,244,395,304	-	2,244,395,304	-	2,244,395,304
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) from Investment in Equity Instrument measured at Fair Value	-	-	-	-	-	191,960,769	-	-	-	191,960,769	-	191,960,769
Gain/(Loss) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial Gain/(Loss) on defined benefit plans	-	-	-	-	-	-	-	-	(55,821,998)	(55,821,998)	-	(55,821,998)
Gain/(Loss) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Gain/(Loss) (arising from translating Financial Assets of Foreign Operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	191,960,769	-	2,244,395,304	(55,821,998)	2,380,534,074	-	2,380,534,074
Transfer to reserve during the year	-	-	448,879,061	25,309,999	597,108,648	-	-	(1,635,622,105)	564,324,398	-	-	-
General Reserve Fund	-	-	448,879,061	-	-	-	-	(448,879,061)	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	(25,309,999)	-	-	-	-
Exchange Fluctuation Fund	-	-	-	25,309,999	-	-	-	-	-	-	-	-
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	13,136,952	(13,136,952)	-	-	-
Staff Skill Development Fund	-	-	-	-	-	-	-	(10,794,971)	10,794,971	-	-	-
Regulatory Reserve	-	-	-	-	597,108,648	-	-	(597,108,648)	-	-	-	-



Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserve	Total	Non-controlling interest	Total equity
NMB Staff Relief Fund	-	-	-	-	-	-	-	-	-	-	-	-
Debtenture Redemption Reserve	-	-	-	-	-	-	-	(566,666,379)	566,666,379	-	-	-
Transfer from reserve during the year	-	-	-	-	-	-	-	-	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
NMB Staff Relief Fund	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners, directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Goodwill Recognition	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 15 July 2024	18,366,705,959	-	5,410,110,015	182,286,327	3,022,614,353	342,701,754	-	(93,840,782)	1,740,933,625	28,971,511,251	-	28,971,511,251
Balance at 15 July 2024	18,366,705,959	-	5,410,110,015	182,286,327	3,022,614,353	342,701,754	-	(93,840,782)	1,740,933,625	28,971,511,251	-	28,971,511,251
Adjustment/Restatement	-	-	-	-	-	-	-	-	-	-	-	-
Prior Period Adjustments	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted/Restated balance at 16 July 2024	18,366,705,959	-	5,410,110,015	182,286,327	3,022,614,353	342,701,754	-	(93,840,782)	1,740,933,625	28,971,511,251	-	28,971,511,251
Comprehensive income for the year 2024-25	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	2,854,638,357	-	2,854,638,357	-	2,854,638,357
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) from Investment in Equity Instrument measured at Fair Value	-	-	-	-	-	476,352,737	-	-	-	476,352,737	-	476,352,737
Gain/(Loss) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial Gain/(Loss) on defined benefit plans	-	-	-	-	-	-	-	-	(127,894,190)	(127,894,190)	-	(127,894,190)
Gain/(Loss) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-



Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserve	Total	Non-controlling interest	Total equity
Exchange Gain/(Loss) (arising from translating Financial Assets of Foreign Operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	47,635,737	-	2,854,638,357	(127,894,190)	3,203,096,905	-	3,203,096,905
Transfer to reserve during the year	-	-	570,927,671	33,350,897	-	-	-	(883,895,068)	279,616,500	-	-	-
General Reserve Fund	-	-	570,927,671	-	-	-	-	(570,927,671)	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	(20,000,000)	20,000,000	-	-	-
Exchange Fluctuation Fund	-	-	-	33,350,897	-	-	-	(33,350,897)	-	-	-	-
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	(3,835,186)	3,835,186	-	-	-
Customer Protection Fund	-	-	-	-	-	-	-	-	-	-	-	-
Deferred Tax Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Staff Skill Development Fund	-	-	-	-	-	-	-	(18,480,014)	18,480,014	-	-	-
NMB Staff Relief Fund	-	-	-	-	-	-	-	(237,301,300)	237,301,300	-	-	-
Debt Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from reserve during the year	-	-	-	-	(24,478,837)	-	-	24,478,837	-	-	-	-
Fair Value Reserve - Sale of Investment	-	-	-	-	-	-	-	-	-	-	-	-
Debt Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
NMB Staff Relief Fund	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	(24,478,837)	-	-	24,478,837	-	-	-	-
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Transactions with owners, directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions	-	-	-	-	-	-	-	-	-	-	-	-
Balance at 16 July 2025	18,366,705,959	-	5,981,037,687	215,637,225	2,998,135,515	819,054,491	-	1,901,381,344	1,892,655,935	32,174,608,156	-	32,174,608,156



NMB Bank Limited
 Consolidated Statement of changes in equity
 For the year ended 32 Asar, 2082 (16 July 2025)
 Group
 Attributable to equity holders of the Group

Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserve	Total	Non-controlling interest	Total equity
Balance at 16 July 2023	18,366,705,959	37,216,210	5,023,919,100	156,976,329	2,471,873,634	157,501,570	-	1,612,243,465	1,254,266,351	29,080,702,619	502,620,187	29,583,322,806
Adjustment/Restatement	-	-	-	-	-	(5731,568)	-	(1,834,374,328)	(42,773,727)	(1,882,879,622)	(16,426,684)	(1,899,306,307)
Prior Period Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted/Restated balance at 17 July 2023	18,366,705,959	37,216,210	5,023,919,100	156,976,329	2,471,873,634	151,770,002	-	(222,130,863)	1,211,492,624	27,197,822,996	486,193,503	27,684,016,500
Comprehensive income for the year 2023-24	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	2,264,432,336	-	2,264,432,336	(24,724,974)	2,239,707,362
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) from Investment in Equity Instrument measured at Fair Value	-	-	-	-	-	193,201,616	-	-	-	193,201,616	-	193,201,616
Gain/(Loss) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial Gain/(Loss) on defined benefit plans	-	-	-	-	-	-	-	-	(60,063,123)	(60,063,123)	-	(60,063,123)
Gain/(Loss) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Gain/(Loss) (arising from translating Financial Assets of Foreign Operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	193,201,616	-	2,264,432,336	(60,063,123)	2,397,570,829	(24,724,974)	2,372,845,855
Transfer to reserves during the year	-	-	448,879,061	25,309,999	602,611,077	-	-	(1,655,473,983)	570,645,883	(8,029,963)	(2,450,840)	(10,480,803)
General Reserve Fund	-	-	448,879,061	-	-	-	-	(448,879,061)	-	-	-	-
Debt Redemption Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Fluctuation Fund	-	-	-	25,309,999	-	-	-	(25,309,999)	-	-	-	-
Actuary Adjustment - NMBCL	-	-	-	-	-	-	-	-	4,241,125	4,241,125	-	4,241,125
Customer Protection Fund	-	-	-	-	-	-	-	(696,394)	696,394	-	669,085	669,085
Regulatory Reserve	-	-	-	-	602,611,077	-	-	(602,611,077)	-	-	(3,617,709)	(3,617,709)
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	21,115	(12,292,203)	(12,271,088)	(20,287)	(12,291,375)
Staff Skill Development Fund	-	-	-	-	-	-	-	(11,334,188)	11,334,188	-	518,071	518,071
NMB Staff Relief Fund	-	-	-	-	-	-	-	(566,666,379)	566,666,379	-	-	-
Transfer from reserves during the year	-	-	-	-	-	-	-	-	-	-	-	-



Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earnings	Other reserve	Total	Non-controlling interest	Total equity
Transactions with owners, directly recognised in equity	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Transfer from Merger	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Bonus issue of NIMBMF	-	-	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	(68,000,000)	-	(68,000,000)	-	(68,000,000)
Others	-	-	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions	-	-	-	-	-	-	-	(68,000,000)	-	(68,000,000)	-	(68,000,000)
Balance at 15 July 2024	18,366,705,959	37,216,210	5,672,798,161	182,286,327	3,074,684,711	344,971,619	-	318,825,491	1,722,075,384	29,519,365,863	459,017,689	29,978,383,551
Balance at 15 July 2024	18,366,705,959	37,216,210	5,672,798,161	182,286,327	3,074,684,711	344,971,619	-	318,825,491	1,722,075,384	29,519,365,863	459,017,689	29,978,383,551
Adjustment/Restatement	-	-	(1,751,009)	-	9,532,449	-	-	13,611,594	41,432,220	62,825,264	(17,370,821)	45,454,443
Prior Period Taxes	-	-	-	-	-	-	-	-	-	-	-	-
Adjusted/Restated balance at 16 July 2024	18,366,705,959	37,216,210	5,471,047,152	182,286,327	3,084,017,160	344,971,619	-	332,437,085	1,763,507,613	29,582,189,126	441,646,868	30,023,835,994
Comprehensive income for the year 2024-25	-	-	-	-	-	-	-	-	-	-	-	-
Profit for the year	-	-	-	-	-	-	-	3,028,524,383	-	3,028,524,383	34,744,807	3,063,269,190
Other comprehensive income, net of tax	-	-	-	-	-	-	-	-	-	-	-	-
Gain/(Loss) from Investment in Equity Instrument measured at Fair Value	-	-	-	-	-	485,073,611	-	-	-	485,073,611	(275,878)	484,797,733
Gain/(Loss) on revaluation	-	-	-	-	-	-	-	-	-	-	-	-
Actuarial Gain/(Loss) on defined benefit plans	-	-	-	-	-	-	-	-	(131,337,523)	(131,337,523)	-	(131,337,523)
Gain/(Loss) on Cash Flow Hedge	-	-	-	-	-	-	-	-	-	-	-	-
Exchange Gain/(Loss) (arising from translating Financial Assets of Foreign Operation)	-	-	-	-	-	-	-	-	-	-	-	-
Total comprehensive income for the year	-	-	-	-	-	485,073,611	-	3,028,524,383	(131,337,523)	3,382,260,471	34,466,929	3,416,727,400
Transfer to reserve during the year	-	-	579,678,249	33,350,897	-	-	-	(894,926,950)	279,793,245	(2,104,559)	6,297,409	4,193,950
General Reserve Fund	-	-	579,678,249	-	-	-	-	(579,678,249)	-	-	6,968,961	6,968,961
Investment Adjustment Reserve	-	-	-	-	-	-	-	(20,000,000)	20,000,000	-	-	-
Exchange Fluctuation Fund	-	-	-	33,350,897	-	-	-	(33,350,897)	-	-	-	-
Customer Protection Fund	-	-	-	-	-	-	-	(652,444)	562,444	-	52,172	52,172



Particulars	Share Capital	Share premium	General reserve	Exchange equalisation reserve	Regulatory reserve	Fair value reserve	Revaluation Reserve	Retained earning	Other reserve	Total	Non-controlling interest	Total equity
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	5,574,046	5,046,399	10,620,445	342,548	10,962,993
NMB Staff Relief Fund	-	-	-	-	-	-	-	-	-	-	-	-
Staff Skill Development Fund	-	-	-	-	-	-	-	18,480,014	16,903,101	35,383,115	(1,515,073)	33,868,042
Debt Redemption Reserve	-	-	-	-	-	-	-	(237,301,300)	237,301,300	-	-	-
Transfer from reserve during the year	-	-	-	-	(4,116,888)	(355,587)	-	4,116,888	3,445,334	3,067,747	7,789,682	10,877,429
Fair Value Reserve - Sale of Investment	-	-	-	-	-	-	-	-	-	-	-	-
Regulatory Reserve	-	-	-	-	(4,116,888)	-	-	4,116,888	-	-	7,789,682	7,789,682
Fair Value Adjustment- NMBCL	-	-	-	-	-	(355,587)	-	-	3,443,334	3,087,747	-	3,087,747
Corporate Social Responsibility Fund	-	-	-	-	-	-	-	-	-	-	-	-
Customer Protection Fund	-	-	-	-	-	-	-	-	-	-	-	-
Investment Adjustment Reserve	-	-	-	-	-	-	-	-	-	-	-	-
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	(68,000,000)	-	(68,000,000)	-	(68,000,000)
Others	-	-	-	-	-	-	-	(1,123,342)	-	(1,123,342)	(1,079,289)	(2,202,631)
Total contributions by and distributions	-	-	-	-	-	-	-	(69,123,342)	-	(69,123,342)	(1,079,289)	(70,202,631)
Balance at 16 July 2025	18,346,705,959	37,216,210	6,050,725,401	215,637,225	3,079,900,273	829,689,642	-	2,401,028,064	1,915,406,669	32,896,309,442	489,123,799	33,385,433,241

As per our attached report of even date

Govind Ghimire CEO	Manoj Kumar Goyal Chairman	Sharmila Sanjiv Hardi Prakash Director	Sunir Kumar Dhungel Managing Partner For, S.A.R Associates Chartered Accountants
Thakur Jang Thapa Director	Uttam Bhlon Director	Harischandra Subedi Director	Sirish Kumar Murarka Director
Bandana Pathak Independent Director	Sudesh Upadhyaya Sr. DCEO	Mridul Parajuli Chief - Finance & Planning	

Date: 21 November, 2025
Place: NMB Bhawan, Babarmahal, Kathmandu



NMB Bank Limited

Consolidated Statement of Cash Flows

For the year ended 32 Asar, 2082 (16 July, 2025)

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest received	20,949,194,418	22,658,933,244	20,211,465,812	22,570,768,334
Fees and other income received	3,087,911,102	2,155,877,024	2,463,700,893	1,984,145,010
Dividend received	-	-	-	-
Receipts from other operating activities	419,847,344	210,988,830	419,847,344	210,988,830
Interest paid	(14,554,489,685)	(17,785,614,488)	(14,554,489,685)	(17,785,614,488)
Commission and fees paid	(239,944,376)	(311,223,796)	(239,944,376)	(193,314,755)
Cash payment to employees	(2,647,519,906)	(2,252,116,625)	(2,361,276,574)	(2,199,368,347)
Other expense paid	(1,714,055,760)	(1,624,983,022)	(1,560,048,997)	(1,687,924,738)
Operating cash flows before changes in operating assets and liabilities	5,300,943,138	3,051,861,167	4,379,254,418	2,899,679,846
(Increase)/Decrease in operating assets				
Due from Nepal Rastra Bank	(1,784,131,347)	349,009,614	(1,778,631,347)	349,009,614
Placement with bank and financial institutions	(7,228,654,822)	(2,279,919,135)	(7,228,654,822)	(2,279,919,135)
Other trading assets	-	24,750,000	-	24,750,000
Loan and advances to bank and financial institutions	(3,418,839,295)	(1,027,454,030)	(3,418,839,295)	(1,027,454,030)
Loans and advances to customers	(36,736,360,240)	(6,114,941,086)	(35,311,682,035)	(6,114,941,086)
Other assets	(52,491,860)	(4,260,515,677)	89,334,602	(3,699,540,000)
Total	(49,220,477,564)	(13,309,070,314)	(47,648,472,896)	(12,748,094,637)
Increase/(Decrease) in operating liabilities				
Due to bank and financial institutions	2,866,277,289	425,922,475	2,866,277,289	425,922,475
Due to Nepal Rastra Bank	-	(337,036,069)	-	(337,036,069)
Deposit from customers	54,925,020,332	13,896,380,948	56,983,875,897	13,637,904,703
Borrowings	(6,621,485,094)	(3,262,247,078)	(7,565,156,246)	(3,262,247,078)
Other liabilities	15,198,278,484	(2,406,897,783)	530,316,888	(2,775,229,756)
Net cash flow from operating activities before tax paid	66,368,091,012	8,316,122,493	52,815,313,828	7,689,314,275
Income taxes paid	(1,256,395,979)	(2,900,791,146)	(1,248,753,681)	(2,893,400,146)
Net cash flow from operating activities	21,192,160,607	(4,841,877,800)	8,297,341,669	(5,052,500,663)
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of investment securities	(1,252,283,711,405)	(322,345,340,015)	(1,252,070,165,083)	(322,184,034,347)
Receipts from sale of investment securities	1,252,941,679,970	323,270,057,540	1,252,901,679,970	323,270,057,540
Purchase of property and equipment	(126,804,733)	(316,847,236)	(120,497,410)	(316,608,202)
Receipt from the sale of property and equipment	324,415,542	26,365,000	324,415,542	26,365,000
Purchase of intangible assets	(13,515,106)	(22,492,730)	(11,705,896)	(21,019,000)
Receipt from the sale of intangible assets	(331,608)	-	-	-
Purchase of investment properties	(932,756,030)	(241,814,000)	(932,756,030)	(241,814,000)
Receipt from the sale of investment properties	15,650,000	88,085,000	15,650,000	88,085,000
Investment in subsidiaries, associates & joint ventures	-	-	-	-
Interest received	2,211,857,048	2,875,120,480	2,211,857,048	2,875,120,480



Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Dividend received	65,828,208	67,430,968	65,828,208	67,430,968
Net cash used in investing activities	2,202,311,886	3,400,565,008	2,384,306,349	3,563,583,440
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipt from issue of debt securities	-	-	-	-
Repayment of debt securities	-	-	-	-
Receipt from issue of subordinated liabilities	-	-	-	-
Repayment of subordinated liabilities	-	-	-	-
Receipt from issue of shares	-	-	-	-
Dividends paid	-	-	-	-
Interest paid	-	-	-	-
Other receipt/payment	69,568,591	26,598,951	-	-
Net cash from financing activities	69,568,591	26,598,951	-	-
Net increase (decrease) in cash and cash equivalents	23,464,041,084	(1,414,713,841)	10,681,648,017	(1,488,917,222)
Cash and cash equivalents at the beginning of the year	23,398,372,753	24,711,846,600	22,570,602,707	23,958,279,935
Cash and cash equivalents acquired from the merger	-	-	-	-
Effect of exchange rate fluctuations on cash and cash equivalents held	133,403,589	101,239,994	133,403,589	101,239,994
Cash and cash equivalents at the end of the year	46,995,817,426	23,398,372,753	33,385,654,314	22,570,602,707

As per our attached report of even date

Govind Ghimire
CEO

Manoj Kumar Goyal
Chairman

Sharmila Sanjiv Hardi Prakash
Director

Sunir Kumar Dhungel
Managing Partner
For, S.A.R Associates
Chartered Accountants

Thakur Jang Thapa
Director

Uttam Bhlon
Director

Harischandra Subedi
Director

Sirish Kumar Murarka
Director

Bandana Pathak
Independent Director

Sudesh Upadhyaya
Sr. DCEO

Mridul Parajuli
Chief - Finance & Planning

Date: 21 November, 2025

Place: NMB Bhawan, Babarmahal, Kathmandu



NMB Bank Limited

Statement of distributable profit or loss

For the year ended 32 Asar, 2082 (16 July, 2025)

Particulars	As at 32 Asar 2082	As at 31 Asar 2081
Net Profit or Loss as per Statement of profit or loss	2,854,638,357	2,244,395,304
1. Appropriations:		
a. General Reserve	(570,927,671)	(448,879,061)
b. Capital (Debenture) Redemption Reserve	(237,301,300)	(566,666,379)
c. Exchange Fluctuation Fund	(33,350,897)	(25,309,999)
d. Corporate Social Responsibility Fund	(3,835,186)	13,136,952
e. Employees' Training Fund	(18,480,014)	(10,794,971)
f. Other	(20,000,000)	-
Profit or (Loss) before regulatory adjustment	1,970,743,289	1,205,881,847
Regulatory Adjustment:		
a. Interest receivable (-)/previous accrued interest received (+)	593,012,331	(409,861,056)
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 (+)	(351,587,601)	(96,849,383)
e. Deferred tax assets recognised (-)/ reversal (+)	(41,172,415)	(34,576,210)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(127,894,190)	(55,821,998)
i. Other	(47,879,289)	-
Net Profit for the quarter ended Asadh 32, 2082 available for distribution	1,995,222,126	608,773,199
Opening Retained Earning as on Shrawan 1, 2081	(93,840,782)	1,140,830,240
Adjustment (+/-)	-	-
Payment of Tax on Premium of FPO and Swap Surplus/Bargain Purchase Gain due to Merger and Acquisitions	-	(1,843,444,221)
Distribution:		
Bonus shares issued	-	-
Cash Dividend Paid	-	-
Total Distributable profit or (loss) as on quarter ended Asadh 32,2082	1,901,381,344	(93,840,782)
Annualised Distributable Profit/Loss per share	10.35	(0.51)



NMB Bank Limited

Notes to Consolidated Financial Statements

For the year ended 32 Asar 2082

Cash and cash equivalent

4.1

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Cash in hand	3,617,094,639	5,013,166,263	3,610,158,069	5,006,769,438
Balances with B/FIs	15,590,315,140	2,489,290,933	2,142,483,455	1,979,322,539
Money at call and short notice	592,649,366	690,335,249	437,254,509	378,930,423
Other	27,195,758,281	15,205,580,307	27,195,758,281	15,205,580,307
Total	46,995,817,426	23,398,372,753	33,385,654,314	22,570,602,707

The fair value of cash is the carrying amount. Cash and cash equivalent comprise the total amount of cash-in-hand, balances with other bank and financial institutions, money at call and short notice, treasury bills and placements having original maturity of three months or less than three months (included in others).

Cash at vault is adequately insured for physical and financial risks. The amount of cash at vault is maintained on the basis of the regulatory, liquidity and business requirements. Cash held in FCY is subject to risk of changes in the foreign exchange rates. These are closely monitored, and risks, if identified, are promptly managed. The income on these assets is credited to statement of profit or loss under interest income.

Due from Nepal Rastra Bank

4.2

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Statutory balances with NRB	13,660,949,225	11,412,187,743	13,630,949,225	11,387,687,743
Securities purchased under resale agreement	-	-	-	-
Other deposit and receivable from NRB	2,858,173,391	3,322,803,526	2,858,173,391	3,322,803,526
Total	16,519,122,616	14,734,991,269	16,489,122,616	14,710,491,269

The fair value of balance with the central bank and other deposits at NRB is the carrying amount.

Balance with the central bank is principally maintained as a part of the regulatory cash reserve ratio required by the central bank. There are regulatory and liquidity restrictions placed on the level of balance with the central bank. The other receivable from NRB is receivable of Li.Ka Accounts of Government bodies. Due from Nepal Rastra Bank is subsequently also measured at amortised cost.

Placements with Bank and Financial Institutions

4.3

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Placement with domestic B/FIs	727,664,236	-	687,664,236	-
Placement with foreign B/FIs	9,576,755,907	3,035,765,321	9,576,755,907	3,035,765,321
Less: Allowances for impairment	-	-	-	-
Total	10,304,420,143	3,035,765,321	10,264,420,143	3,035,765,321

These assets are measured at amortised costs. Risks associated with these assets are regularly assessed. These are interest bearing advances and the income on these assets is credited to statement of profit or loss under interest income.

Derivative financial instruments

4.4

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Held for trading				
Interest rate swap	-	-	-	-
Currency swap	247,200,894	1,848,038,195	247,200,894	1,848,038,195
Forward exchange contract	7,656,116,452	5,314,528,361	7,656,116,452	5,314,528,361
Others	778,098,253	421,355,791	778,098,253	421,355,791
Held for risk management				
Interest rate swap	-	-	-	-
Currency swap	-	-	-	-
Forward exchange contract	-	-	-	-
Other	-	-	-	-
Total	8,681,415,598	7,583,922,347	8,681,415,598	7,583,922,347

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices etc. All derivatives are initially recognised and subsequently measured at fair value, with all trading gains or losses recognised in the Statement of Profit or Loss under Net trading Income. Fair value is determined using the forward market rates ruling on the reporting date.



Other trading assets
4.5

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Treasury bills	-	-	-	-
Government bonds	-	-	-	-
NRB Bonds	-	-	-	-
Domestic Corporate bonds	-	-	-	-
Equities	140,516,593	202,634,444	-	-
Other	-	-	-	-
Total	140,516,593	202,634,444	-	-
Pledged	-	-	-	-
Non-pledged	140,516,593	202,634,444	-	-

Citizens Saving Certificates (CSCs) are purchased by the bank under Market Maker Procedure, 2070 issued by the Nepal Rastra Bank. These instruments are purchased and sold by the bank under market procedure without any intention to hold it till maturity. The fair value of these CSCs generally approximates the carrying amount. There is no balance as on FYE 2082.

Loan and advances to B/FIs
4.6

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Loans to microfinance institutions	8,939,564,440	6,004,343,938	10,619,870,440	8,228,580,304
Other	-	-	-	-
Less: Allowances for impairment	122,751,138	98,143,678	122,751,138	98,143,678
Total	8,816,813,302	5,906,200,260	10,497,119,302	8,130,436,626

Loan and advances given to microfinance financial institutions (Including deprived sector lending) is presented under this head after providing required impairment allowances. These assets are subsequently measured at amortised costs. Risks associated with these assets are regularly assessed. These are interest bearing advances and the income on these assets is credited to statement of profit or loss under interest income.

4.6.1: Allowances for impairment

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Balance at Shrawan 1	98,143,678	92,965,415	98,143,678	92,965,415
Impairment loss for the year:	-	-	-	-
Charge for the year	24,607,460	5,178,263	24,607,460	5,178,263
Recoveries/reversal	-	-	-	-
Amount written off	-	-	-	-
Transfer from Merger	-	-	-	-
Balance at Asar end	122,751,138	98,143,678	122,751,138	98,143,678

Loans and advances to customers
4.7

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Loan and advances measured at amortized cost	245,189,102,927	207,953,543,908	238,169,020,217	202,402,300,877
Less: Impairment allowances				
Collective impairment	3,669,763,522	3,948,991,863	3,563,000,664	3,901,360,275
Individual impairment	6,322,984,015	4,384,262,069	6,149,715,707	4,196,754,781
Net amount	235,196,355,390	199,620,289,976	228,456,303,846	194,304,185,821
Loan and advances measured at FVTPL	-	-	-	-
Total	235,196,355,390	199,620,289,976	228,456,303,846	194,304,185,821

The sum of the outstanding amount of all loans and advances extended to the customers other than BFIs, bills purchased and discounted and amortized cost of staff loans; less the amount of impairment allowances and interest suspense is presented under this head.



4.7.1: Analysis of loan and advances - By Product

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Product				
Term loans	98,915,947,997	85,564,302,083	98,915,947,997	85,564,302,083
Overdraft	49,970,576,144	48,004,782,065	49,970,576,144	48,004,782,065
Trust receipt/Import loans	4,756,835,816	2,541,417,599	4,756,835,816	2,541,417,599
Demand and other working capital loans	34,961,751,828	24,733,525,996	34,961,751,828	24,733,525,996
Personal residential loans	18,052,921,600	15,273,495,871	18,052,921,600	15,273,495,871
Real estate loans	5,917,249,527	4,788,470,313	5,917,249,527	4,788,470,313
Margin lending loans	2,393,264,630	980,836,607	2,393,264,630	980,836,607
Hire purchase loans	6,717,681,824	5,849,295,262	6,717,681,824	5,849,295,262
Deprived sector loans	8,387,035,053	7,866,226,934	1,374,602,728	2,364,200,384
Bills purchased	354,106,671	97,132,750	354,106,671	97,132,750
Staff loans	2,304,136,808	2,360,866,674	2,296,486,423	2,355,286,136
Other	9,315,147,199	6,232,209,355	9,315,147,199	6,232,209,355
Sub total	242,046,655,096	204,292,561,509	235,026,572,386	198,784,954,422
Interest receivable	3,142,447,832	3,660,982,398	3,142,447,832	3,617,346,455
Grand total	245,189,102,927	207,953,543,908	238,169,020,217	202,402,300,877

4.7.2: Analysis of loan and advances - By Currency

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Nepalese rupee	240,960,855,909	204,359,748,501	233,940,773,199	198,808,505,470
Indian rupee	-	-	-	-
United State dollar	4,222,773,518	3,586,969,319	4,222,773,518	3,586,969,319
Great Britain pound	-	-	-	-
Euro	5,473,500	6,826,088	5,473,500	6,826,088
Japanese yen	-	-	-	-
Chinese yuan	-	-	-	-
Other	-	-	-	-
Total	245,189,102,927	207,953,543,908	238,169,020,217	202,402,300,877

4.7.3: Analysis of loan and advances - By Collateral

Loans and advances to customers are backed by collateral securities to mitigate the default risk. The type of the collaterals corresponding to the loans and advances to customers are given in the table below.

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Secured				
Movable/immovable assets	236,782,045,363	201,366,687,351	236,514,275,790	201,366,687,351
Gold and silver	681,475	1,157,449	681,475	1,157,449
Guarantee of domestic B/FIs	-	-	-	-
Government guarantee	87,066,674	87,066,674	87,066,674	87,066,674
Guarantee of international rated bank	-	-	-	-
Collateral of export document	-	-	-	-
Collateral of fixed deposit receipt	1,566,996,278	947,389,402	1,566,996,278	947,389,402
Collateral of Government securities	-	-	-	-
Counter guarantee	5,657,827,033	4,241,397,851	-	-
Personal guarantee	-	-	-	-
Other collateral	1,086,835,718	1,304,264,641	-	-
Subtotal	245,181,452,542	207,947,963,369	238,169,020,217	202,402,300,876
Unsecured	7,650,386	5,580,538	-	-
Grant Total	245,189,102,927	207,953,543,907	238,169,020,217	202,402,300,876



4.7.4: Allowances for impairment

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Specific allowances for impairment				
Balance at Shrawan 1	4,384,262,069	3,289,184,473	4,196,754,781	3,066,034,469
Impairment loss for the year:	-	-	-	-
Charge for the year	1,938,721,946	1,095,077,596	1,952,960,926	1,130,720,312
Recoveries/(reversal) during the year	-	-	-	-
Write-offs	-	-	-	-
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement (Transfer from Merger and Acquisitions)	-	-	-	-
Balance at Asar end	6,322,984,015	4,384,262,069	6,149,715,707	4,196,754,781
Collective allowances for impairment				
Balance at Shrawan 1	3,948,991,863	3,014,787,792	3,901,360,275	2,999,291,974
Impairment loss for the year:	-	-	-	-
Charge/(reversal) for the year	(279,228,341)	934,204,071	(338,359,610)	902,068,300
Exchange rate variance on foreign currency impairment	-	-	-	-
Other movement (Transfer from Merger and Acquisitions)	-	-	-	-
Balance at Asar end	3,669,763,522	3,948,991,863	3,563,000,664	3,901,360,275
Total allowances for impairment	9,992,747,537	8,333,253,932	9,712,716,371	8,098,115,055

Investment securities
4.8

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Investment securities measured at amortized cost	30,434,640,423	32,701,262,807	30,184,640,423	32,328,394,796
Investment in equity measured at FVTOCI	2,640,487,756	1,557,357,757	2,324,104,760	1,444,401,268
Total	33,075,128,179	34,258,620,564	32,508,745,183	33,772,796,064

The Investments made by Bank in financial instruments has been presented under this account head in three categories i.e. investment securities designated at fair value through profit or loss, investment securities measured at amortized cost and investment in equity measured at fair value through other comprehensive income. The Treasury Bill with maturity greater than 91 days has been presented under Investment Securities.

4.8.1: Investment securities measured at amortized cost

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Debt securities	3,168,188,805	3,167,848,435	3,168,188,805	3,167,848,435
Government bonds	19,451,401,301	18,520,852,685	19,451,401,301	18,520,852,685
Government treasury bills	7,565,050,318	10,639,693,676	7,565,050,318	10,639,693,676
Nepal Rastra Bank bonds	-	-	-	-
Nepal Rastra Bank deposits instruments	-	-	-	-
Other Investments	250,000,000	372,868,011	-	-
Less: specific allowances for impairment	-	-	-	-
Total	30,434,640,423	32,701,262,807	30,184,640,423	32,328,394,796

The investment on debt securities include investment on agricultural bond issued by Agriculture Development Bank Limited which is also included in productive sector lending requirement as per NRB Directive.

4.8.2: Investment in equity measured at fair value through other comprehensive income

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Equity instruments				
Quoted equity securities	2,485,015,267	1,497,055,366	2,169,827,963	1,386,098,877
Unquoted equity securities	155,472,488	60,302,391	154,276,797	58,302,391
Total	2,640,487,756	1,557,357,757	2,324,104,760	1,444,401,268



NMB Bank Limited

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For the year ended 31 Asar 2082

4.8.3: Information relating to investment in equities

Particulars	Group				NMB			
	As on 32 Asar 2082		As on 31 Asar 2081		As on 32 Asar 2082		As on 31 Asar 2081	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Investment in quoted equity - Units of NMB Only								
Citizen Mutual Fund-1 (57,605 Units)	-	-	576,048	555,312	-	-	576,048	555,312
NIBL Samridhdi Fund II (500,000 Units)	-	-	5,000,000	4,125,000	-	-	5,000,000	4,125,000
Prabhu Smart Fund	480,500	573,500	-	-	-	-	-	-
Sunrise BlueChip Fund (2,000,000 Units)	20,000,000	20,000,000	20,000,000	16,540,000	20,000,000	20,000,000	20,000,000	16,540,000
Prabhu Select Fund (1,000,000 Units)	10,000,000	11,290,000	10,500,000	10,270,500	10,000,000	11,290,000	10,000,000	9,790,000
Kumari Equity Fund (500,000 Units)	5,000,000	4,975,000	5,000,000	4,830,000	5,000,000	4,975,000	5,000,000	4,830,000
Kumari Sunaulo Lagani	2,368,000	2,462,000	2,000,000	2,368,000	-	-	-	-
NMB 50 (17,701,670 Units)	189,566,700	202,593,352	189,516,700	190,274,767	177,016,700	189,230,852	177,016,700	177,724,767
RBB Mutual Fund-1 (2,000,000 Units)	20,000,000	19,920,000	20,500,000	16,795,000	20,000,000	19,920,000	20,000,000	16,320,000
Mega Mutual Fund-1 (436,340 Units)	4,363,400	4,180,137	4,363,400	3,368,545	4,363,400	4,180,137	4,363,400	3,368,545
NMB Saral Bachat Fund -E (29,927,189 Units)	512,755,214	578,397,204	300,000,003	344,246,011	279,999,996	335,184,517	279,999,996	291,490,821
Kumari Dhanabridhdi Yojana (300,000 Units)	4,934,000	5,025,000	5,000,000	4,835,000	3,000,000	3,015,000	3,000,000	2,901,000
Global IME Balance Fund I (300,000 Units)	4,820,000	5,455,000	5,000,000	4,550,000	3,000,000	3,273,000	3,000,000	2,730,000
Nmb Sulav Investment Fund II (17,094,000 Units)	183,263,299	206,821,284	183,189,800	184,288,939	170,940,000	192,991,260	170,940,000	171,965,640
Sanima Growth Fund (300,000 Units)	4,014,000	4,128,000	4,000,000	4,056,000	3,000,000	3,096,000	3,000,000	3,042,000
NIBL Growth Fund (500,000 Units)	7,128,000	6,902,000	7,000,000	7,448,000	5,000,000	4,930,000	5,000,000	5,320,000
Sunrise Focused Equity Fund (5,000,000 Units)	50,824,000	51,204,000	51,000,000	42,024,000	50,000,000	50,200,000	50,000,000	41,200,000
RBB Mutual Fund-2 (500,000 Units)	5,475,000	5,544,000	5,000,000	4,750,000	5,000,000	5,040,000	5,000,000	4,750,000
Citizens Super 30 (300,000 Units)	3,000,000	3,024,000	3,000,000	3,000,000	3,000,000	3,024,000	3,000,000	3,000,000
Laxmi Value Fund – II (500,000 Units)	5,000,000	5,060,000	5,000,000	4,620,000	5,000,000	5,060,000	5,000,000	4,620,000
Himalayan 80-20 (1,000,000 Units)	12,497,500	14,500,000	12,500,000	12,487,500	10,000,000	11,600,000	10,000,000	9,990,000
NIBL Stable Fund	1,000,000	989,000	1,000,000	1,000,000	-	-	-	-
Siddhartha Investment Growth Scheme 3 (300,000 Units)	4,890,000	5,220,000	5,000,000	4,725,000	3,000,000	3,132,000	3,000,000	2,835,000
NIC Asia Flexi Cap Fund	925,000	1,015,000	1,000,000	925,000	-	-	-	-
NMB Hybrid Fund -II (19,107,760 Units)	204,733,000	185,488,098	-	-	191,077,600	173,116,306	-	-
MBL Equity Fund (5,000,000 Units)	5,000,000	4,965,000	-	-	5,000,000	4,965,000	-	-
NIBL Samridhdi Fund - II (5,000,000 Units)	5,000,000	4,415,000	-	-	5,000,000	4,415,000	-	-



Particulars	Group				NMB			
	As on 32 Asar 2082		As on 31 Asar 2081		As on 32 Asar 2082		As on 31 Asar 2081	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Reliable Samriddhi Yojana (5,00,000 Units)	5,000,000	4,965,000	-	-	5,000,000	4,965,000	-	-
Nepal Warehousing Company Ltd. (200,000 Units)	20,000,000	92,239,000	20,000,000	20,000,000	20,000,000	92,239,000	20,000,000	20,000,000
Barun Hydro Power Company Limited (1 Units)	-	418	-	296	-	418	-	296
Sanima Mai Hydro Power Limited (1 Units)	-	627	-	340	-	627	-	340
CEDB Hydro Fund Ltd. - Promoter Shares (147,718 Units)	10,000,000	390,269,479	10,000,000	154,239,720	10,000,000	390,269,479	10,000,000	154,239,720
Shiva Shree Hydropower Ltd - Promoter Shares (100,000 Units)	-	-	10,000,000	17,900,000	-	-	10,000,000	17,900,000
Ngadi Group Power Limited (2 Units)	-	797	-	682	-	797	-	682
Ridi Power Company Limited (28 Units)	-	7,225	-	5,334	-	7,225	-	5,334
Chilime Hydro Power Company Limited (1 Units)	-	533	-	465	-	533	-	465
Sagarmatha Lumbini Insurance Company Limited (57,306 Units)	4,016,713	20,804,657	4,016,713	15,472,620	4,016,713	20,804,657	4,016,713	15,472,620
NLG Insurance Company Limited (8 Units)	-	3,117	-	1,408	-	3,117	-	1,408
IGI Prudential Insurance Co. Ltd. (180 Units)	-	-	-	100,440	-	-	-	100,440
National Life Insurance Co. Ltd. (1 Units)	-	624	-	595	-	624	-	595
Nepal Insurance Co. Ltd. (1 Units)	-	645	-	880	-	645	-	880
Prabhu Mahalaxmi Life Insurance Ltd. - Promoter Shares (891,000 Units)	75,000,000	269,883,900	75,000,000	206,550,000	75,000,000	269,883,900	75,000,000	206,550,000
Mero Micro Finance Bittiya Sanstha Ltd. (156,854 Units)	5,846,286	132,781,617	3,177,643	55,512,100	5,846,286	132,781,617	3,177,643	55,512,100
NIC Asia Laghubittiya Sanstha Ltd. - Promoter Shares (64,860 Units)	5,375,000	22,188,606	5,375,000	32,702,412	5,375,000	22,188,606	5,375,000	32,702,412
Mero Microfinance Bittiya Sanstha Ltd. Promoter Shares (434,736 Units)	16,203,991	184,008,533	18,872,635	106,448,938	16,203,991	184,008,533	18,872,635	106,448,938
Nerudu Mirmire Laghubitta Bittya Sanstha Limited (44 Units)	-	-	-	31,689	-	-	-	31,689
Global IME Laghubitta Bittiya Sanstha Ltd. (1 Units)	-	1,321	-	1,365	-	1,321	-	1,365
Vijaya laghubitta Bittiya Sanstha Ltd. (7 Units)	-	6,203	-	7,280	-	6,203	-	7,280
Laxmi laghubitya bittya sanstha (2 Units)	-	2,242	-	2,448	-	2,242	-	2,448
National Micro Finance Bittya Sansstha LTD. (5 Units)	-	7,000	-	7,045	-	7,000	-	7,045
Mithila Laghubitta Bittya sanstha Ltd. (11 Units)	-	17,587	-	13,791	-	17,587	-	13,791
Suryodaya Womi Laghubitta Bittiya Sanstha Limited (1 Units)	-	760	-	945	-	760	-	945
Samudayak Laghubitta Bittaya Sanstha Ltd.	13,678,800	13,678,800	11,000,000	15,972,000	-	-	-	-
Total	1,422,158,403	2,485,015,267	1,002,587,941	1,497,055,366	1,119,839,686	2,169,827,963	929,338,134	1,386,098,877



Particulars	Group				NMB			
	As on 32 Asar 2082		As on 31 Asar 2081		As on 32 Asar 2082		As on 31 Asar 2081	
	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value	Cost	Fair Value
Investment in unquoted equity - Units of NMB Only								
Nepal Stock Exchange Limited (1,432 Units)	5,000	1,021,288	5,000	143,200	5,000	1,021,288	5,000	143,200
Nepal Clearing House Limited (420,709 Units)	5,268,200	99,954,665	5,268,200	35,353,691	5,268,200	99,954,665	5,268,200	35,353,691
Credit Information Bureau Limited (28,055 Units)	216,000	21,655,561	216,000	2,805,500	216,000	21,655,561	216,000	2,805,500
Nepal Finsoft Company Ltd.	1,195,691	1,195,691	2,000,000	2,000,000	-	-	-	-
Nepal Power Exchange Limited (200,000 Units)	20,000,000	21,529,689	20,000,000	20,000,000	20,000,000	21,529,689	20,000,000	20,000,000
Swift Share Investment-EUR	6,198,029	7,479,967	-	-	6,198,029	7,479,967	-	-
National Banking Institute Limited (25,000 Units)	2,500,000	2,635,627	-	-	2,500,000	2,635,627		
Total	35,382,920	155,472,488	27,489,200	60,302,391	34,187,229	154,276,797	25,489,200	58,302,391
Grand Total	1,457,541,323	2,640,487,756	1,030,077,141	1,557,357,757	1,154,026,916	2,324,104,760	954,827,334	1,444,401,268

The face value of Mutual Fund is NPR 10 and face value of ordinary and promoter shares are NPR 100 per unit. Unless specified, type of shares are ordinary shares and mentioned units are of NMB Bank Ltd..

Treasury bills, Government bonds and USD Bonds have been classified as financial assets held to maturity instrument as the Bank has intention and capacity to hold these instruments until their maturity. These instruments are carried at amortised costs. These instruments are issued by the government. Bank considers that the fixed return on these bonds adequately compensates for associated risks. Interest accrued on Development Bonds and T-Bills are shown as part of the Investments. The unlisted share are valued at face value and last available transaction price has been considered for listed promoter shares.

None of the equity investments result in control or significant influence over the invested entities. These investments have been classified as available for sale assets. The movement in fair value of these instruments has been adjusted through other comprehensive income.

The Bank has invested NPR 177,016,700 in NMB 50, NPR. 279,999,996 in NMB Saral Bachat Fund -E, NPR 170,940,000 in NMB Sulav Investment Fund II and NPR 191,077,600 in NMB Hybrid Fund -II as Seed Capital. For both Mutual Funds, the Bank is the Fund Sponsor while the Bank's Subsidiary NMB Capital Limited is the Fund Manager. These investment have been made as per the requirement of "Mutual Fund Regulation 2067" issued by the Securities Board of Nepal (SEBON) to invest seed money by the Fund Sponsor/Manager. The cumulative net change in the fair value of financial assets measured at FVTOCI is recognized under fair value reserve heading.



NMB Bank Limited

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For the year ended 32 Asar 2082

Current tax assets

4.9

The advance deposited by the bank less tax liabilities are presented under this head:

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
Current tax assets				
Current year income tax assets	1,617,892,932	1,167,163,818	1,248,753,681	1,125,819,899
Tax assets of prior periods	145,037,389	53,748,463	145,037,389	44,947,624
Total Current tax Assets	1,762,930,321	1,220,912,281	1,393,791,070	1,170,767,523
Current tax liabilities				
Current year income tax liabilities	1,592,583,085	1,067,653,828	1,227,003,949	1,025,730,134
Tax liabilities of prior periods	-	-	-	-
Total Current tax Liabilities	1,592,583,085	1,067,653,828	1,227,003,949	1,025,730,134

The movement of Advance tax as of Asar end 2082 is given below:

Particulars	Amount (NPR)
A. Advance Income Tax carried forward from previous year	145,037,389
B. Advance Tax Instalments FY 2081/82	1,230,000,000
C. Tax Withheld by Withholder FY 2081/82	18,753,681
D. Deposit for tax cases	-
E. Provision for Income tax for FY 2081/82	1,227,003,949
Net Advance Tax Asset/(Liability) (A+B+C-D-E)	166,787,121

Investment in subsidiaries

4.10

Particulars	NMB	
	As on 32 Asar 2082	As on 31 Asar 2081
Investment in quoted subsidiaries	172,487,600	172,487,600
Investment in unquoted subsidiaries	600,000,000	600,000,000
Total investment	772,487,600	772,487,600
Less: Impairment allowances	-	-
Net carrying amount	772,487,600	772,487,600

4.10.1: Investment in quoted subsidiaries

Particulars	NMB			
	As at 32 Asar 2082		As on 31 Asar 2081	
	Cost	Fair Value	Cost	Fair Value
NMB Laghubitta Bittiya Sanstha Limited, 3,289,807 Promoter shares and 389,606 Ordinary Shares of Rs 100 each fully paid up	172,487,600	172,487,600	172,487,600	172,487,600
Total	172,487,600	172,487,600	172,487,600	172,487,600

4.10.2: Investment in Unquoted Subsidiaries

Particulars	NMB			
	As on 32 Asar 2082		As on 31 Asar 2081	
	Cost	Fair Value	Cost	Fair Value
NMB Capital Ltd., 4,000,000 Ordinary shares of Rs 100 each fully paid up	400,000,000	400,000,000	400,000,000	400,000,000
NMB Securities Limited 2,000,000 Ordinary Shres of Rs 100 each fully paid up	200,000,000	200,000,000	200,000,000	200,000,000
Total	600,000,000	600,000,000	600,000,000	600,000,000



4.10.3: Information relating to subsidiaries of the Bank

Particulars	NMB	
	Percentage of ownership held by the Bank	
	As on 32 Asar 2082	As on 31 Asar 2081
NMB Capital Limited	100%	100%
N.M.B. Securities Limited	100%	100%
NMB Laghubitta Bittiya Sanstha Limited	51%	51%

4.10.4: Non controlling interest of the subsidiaries

Particulars	NMB	
	As on 32 Asar 2082	As on 31 Asar 2081
Equity interest held by NCI (%)	49%	49%
Profit/(loss) allocated during the year	34,744,807	(24,724,974)
Accumulated balances of NCI as on year end	489,123,799	459,017,689
Dividend paid to NCI	-	-

Investment in associates

The Bank do not have any investment in associates as of fiscal year end 2082.

4.11

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
Investment in quoted associates	-	-	-	-
Investment in unquoted associates	-	-	-	-
Total investment	-	-	-	-
Less: Impairment allowances	-	-	-	-
Net carrying amount	-	-	-	-

4.11.1: Investment in quoted associates

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
	Cost	Fair Value	Fair Value	Cost
.....Ltd.shares of Rs.each	-	-	-	-
.....Ltd.shares of Rs.each	-	-	-	-
.....	-	-	-	-
Total	-	-	-	-

4.11.2: Investment in unquoted associates

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
	Cost	Fair Value	Fair Value	Cost
.....Ltd.shares of Rs.each	-	-	-	-
.....Ltd.shares of Rs.each	-	-	-	-
.....	-	-	-	-
Total	-	-	-	-

4.11.3: Information relating to associates of the Bank

Particulars	Group		NMB	
	Percentage of ownership held by the Bank		Percentage of ownership held by the Bank	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
.....Ltd.	-	-	-	-
.....Ltd.	-	-	-	-
.....Ltd.	-	-	-	-
.....Ltd.	-	-	-	-
.....	-	-	-	-



4.11.4: Equity value of associates

Particulars	Group	
	As on 32 Asar 2082	As on 31 Asar 2081
.....Ltd.	-	-
.....Ltd.	-	-
.....	-	-
Total	-	-

Investment properties
4.12

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
Investment properties measured at fair value				
Balance as on Shrawan 1	851,436,700	697,707,520	851,436,700	697,707,520
Addition/disposal during the year	932,756,030	153,729,180	932,756,030	153,729,180
Net changes in fair value during the year	-	-	-	-
Transfer from Merger	-	-	-	-
Net amount	1,784,192,730	851,436,700	1,784,192,730	851,436,700
Investment properties measured at cost				
Balance as on Shrawan 1	-	-	-	-
Addition/disposal during the year	-	-	-	-
Adjustment/transfer	-	-	-	-
Accumulated depreciation	-	-	-	-
Accumulated impairment loss	-	-	-	-
Net amount	-	-	-	-

As per NAS 40 'Investment Property' (land and building acquired as non banking assets) are measured at fair value.

Investment properties are land or building or both other than those classified as property and equipment under NAS 16 – "Property, Plant and Equipment"; and assets classified as non-current assets held for sale under NFRS 5 – "Non-Current Assets Held for Sale & Discontinued Operations". The Group has recognized as investment property all land or land and building acquired as non banking assets.

Non banking assets are initially recognized at fair value, since it is not intended for owner-occupied use; depreciation charge is not raised.

The details of Non-Banking Assets as of Asar end, 2082 are as follows:

Party's Name	Date NBA is assumed	Amount (NPR)
1. Kamdhenu Mahila Dugdha Utpadak SSL	16-Nov-17	785,000
2. Baija Nath Sah	19-Jul-21	1,115,000
3. Radha Cosmetic	15-Jul-23	1,190,000
4. Manamaya Kirana Pasal	4-May-22	1,645,000
5. Prasiddha Gahana Griha	24-Mar-23	1,726,000
6. Ganga Lawati	4-Apr-23	2,026,453
7. Manakamana Kanwhise	15-Jul-23	2,055,000
8. Jalthal Live Stock Pvt. Ltd.	9-Apr-18	2,200,000
9. Gadh Devi Traders	11-Jul-23	2,816,612
10. Lokendra Agrovet	16-Jul-23	3,034,029
11. Evergreen	8-Feb-19	3,745,000
12. Chij Kumar Shrestha	16-Jul-23	3,839,247
13. Nabin Shrestha	12-Jun-23	4,310,000
14. Guna Suppliers	17-Mar-20	4,508,880
15. Basnet Stores	14-Jul-23	4,728,000
16. Kum Kum Sudisht Traders	9-Oct-24	5,200,000
17. Mangolian Fancy Store	5-Apr-23	5,532,927
18. Sagun Furniture Land Pvt. Ltd.	14-Jul-25	5,800,000
19. Gorakh Prasad Nisadh	15-Jul-23	5,978,708



Party's Name	Date NBA is assumed	Amount (NPR)
20. Bandana Kewat Madira Pasal/Maan Bahadur Kewat	11-May-22	6,066,698
21. Mega Intl Tours & Travels Pvt.Ltd	26-May-23	6,250,000
22. New Durga Poultry And Feed Suppliers	9-Oct-24	6,251,459
23. Supriya Khadhyanna Tatha Multipurpose Pvt. Ltd	18-Jan-25	6,750,000
24. Sister'S Fashion Collection	13-Jan-21	6,883,878
25. Amar General Suppliers	16-Jul-23	7,115,000
26. New Lamichhane Kirana Pasal/Lamichhane Bastralaya	20-Oct-24	7,680,667
27. Gobind Kumar Agarawal/Maa Sanjeevani Traders	13-Apr-22	7,782,000
28. New Lumbini Bhada Udhyog/Keshav Shahi	20-Jan-25	8,399,157
29. Gorak Drinks Store	1-Jul-25	8,712,000
30. Sangita Hardware Traders	13-Apr-22	9,007,000
31. China Hygienic Meat Pro & Supplier Pvt .Ltd.	15-Jul-18	9,242,000
32. New Bikash Bastralay/Pramod Rauniyar	1-Jul-25	9,244,255
33. Poudel Traders/Kamal Noodles Udhyog	13-Apr-22	9,287,000
34. Srijana Fancy	7-Dec-21	10,517,004
35. Jalka Devi Foods	13-Jul-23	11,000,000
36. Shivam Trade And Suppliers Pvt. Ltd.	8-Jan-25	11,297,000
37. New Sweksha Traders And Suppliers	18-Jun-25	12,042,000
38. Karishma Hardware	18-May-25	13,203,000
39. Naya RK Suppliers	3-Jul-24	13,561,000
40. New Laxmi Copy Udhyog	8-Oct-24	15,120,000
41. Factory Outlet And Clothing Store	18-Jun-18	15,530,000
42. Galaxy Dental And Surgical Pvt. Ltd.	12-Jul-23	15,823,000
43. Concept International	13-Apr-22	16,738,000
44. S.N.B. Traders Pvt. Ltd.	14 Jan, 2023 & 13 April, 2023	16,753,000
45. Rawat Cold Store	24-Jun-25	18,715,269
46. Sinesh Suppliers	13-Apr-22	21,658,000
47. M Majuwa Trade Concern Pvt. Ltd.	16-Jul-23	21,996,725
48. Topendra Order Suppliers	16 Oct. 2024 & 17 Nov. 2024	22,003,000
49. Renuka Sakya	12-Jul-24	22,650,362
50. Srijana Ojha	15-Jul-24	23,675,506
51. Staunch Group Pvt. Ltd.	7-Jul-25	24,000,000
52. Om Krishi Prashodhan Kendra	22-Jun-25	24,132,000
53. Sunita Suppliers & Bhupendra P Pokhrel	15-Mar-23	25,165,000
54. Mohan Raj Enterprises/Tika Mohan Trade /Chiranjibi Khadhya Bhandar	1-Jul-25	25,234,844
55. Phutkeyar Industries Pvt. Ltd.	10-Jul-23	25,862,000
56. Logo Enterprises	1-Jul-25	25,867,342
57. Kinnimo Trade Link Pvt. Ltd.	14-Jul-25	26,285,000
58. Ezi 2 Wear	10-Jul-23	27,412,870
59. Radheshyam Kawan	13-May-25	29,447,973
60. Siddhi Stores/Sharada Upreti	16-Jul-23	32,840,000
61. Dhananjay Traders And Suppliers	13-Jan-23	32,885,000
62. Krishna Bhandar	10-Sep-24	36,367,597
63. East Travels (Nepal) Pvt. Ltd.	15-Jul-22	36,696,000
64. Hotel Om Tara Pvt. Ltd.	29-Dec-24	40,496,915



Party's Name	Date NBA is assumed	Amount (NPR)
65. Gautam Buddha Mawoli Oil Suppliers/Hayaram Tharu/Sharada Chuadhary	8-Jul-25	42,744,742
66. New Kamal R K Traders/Jenisha Order Suppliers	10-Jun-25	43,899,422
67. Modern Nepal Aluminium And Steel Udhog/Ram Krishna Chhetri	30-Jul-24	45,040,000
68. Om Krishna Traders/Om Krishna Sunchandi Pasal	25-Jul-21	45,482,114
69. P.R. Cold Store/Rukmagat Chapagain	18-Oct-24	47,952,000
70. Gauri Shankar Furnishing	13-Jul-25	50,067,835
71. Shree Baidhnath Rice Mill/Swargadwari Khadhya Udhog	8-Jul-24	51,770,000
72. Baba Baidyanath Galla Bhandar/Bindu Pandey/Vishal Pandey	29-Dec-24	56,523,719
73. Pradip Aaditya Kirana Pasal	15-Jul-25	75,444,000
74. Pashupati Traders/Jay Nepal Enterprises	20-Apr-25	85,226,628
75. Shree Shanti Galla Bhandar/Bhaju Ram Kalwar Jaiswal	27-Dec-23	107,996,040
76. Siddhi Sai Prakash Construction Private Limited	10-Apr-23	109,153,000
77. Kamakhya Maa Group	16-Jul-25	157,010,853
Total		1,784,192,730



NMB Bank Limited
Notes to Consolidated Financial Statements
 For the year ended 32 Asar 2082

Property and Equipment

Group

4.13

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Right-Of Use Assets	Equipment & Others	Total
Cost										
As on Shrawan 1, 2080	842,152,545	192,287,742	625,216,806	362,934,087	618,005,964	218,446,160	595,952,736	1,252,299,489	222,433,142	4,929,728,672
Addition during the Year								-		-
Acquisition	1,278,454,095	4,079,205	47,766,624	16,993,380	124,400,100	12,458,972	115,263,291	-	6,679,442	1,606,095,109
Capitalization	-	-			-			-		-
Disposal during the year	-	-	(15,526,818)	(10,965,237)	(64,256,825)	(4,866,448)	(14,023,489)	-	(9,268,625)	(118,907,442)
Adjustment/Revaluation										
Balance as on Asar end 2081	2,120,606,640	196,366,947	657,456,612	368,962,230	678,149,239	226,038,685	697,192,539	1,252,299,489	219,843,959	6,416,916,340
								-		
Addition during the Year								-		
Acquisition	-	1,593,507	20,088,833	14,068,684	21,611,500	6,254,685	54,595,881	-	13,626,634	123,630,274
Capitalization	-	-			-			-		-
Disposal during the year	-	-	(15,112,941)	(7,404,953)	(379,502,791)	(4,077,732)	(13,713,943)	-	(2,997,871)	(422,810,230)
Adjustment/Revaluation								(48,881,668)		(48,881,668)
Balance as on Asar end 2082	2,120,606,640	197,960,454	662,432,504	375,625,962	320,257,948	228,215,638	738,074,477	1,203,417,821	230,472,722	6,077,064,166
Depreciation and Impairment										
As on Shrawan 1, 2080	-	68,479,908	357,071,599	267,871,828	390,026,967	154,114,418	384,000,911	379,742,695	181,476,929	2,182,785,255
Depreciation charge for the Year	-	4,556,547	47,138,309	36,123,783	93,687,211	18,985,011	69,215,999	141,609,714	20,841,574	432,158,147
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13,451,668)	(10,849,896)	(60,678,018)	(4,681,091)	(12,950,479)	-	(9,067,688)	(111,678,841)
Adjustment	-	-								-
As on Asar end 2081	-	73,036,455	390,758,240	293,145,715	423,036,159	168,418,338	440,266,431	521,352,408	193,250,815	2,503,264,561
Depreciation charge for the Year	-	4,637,474	68,232,688	29,901,761	19,955,578	15,118,047	61,143,368	188,483,280	9,642,853	397,115,049
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13,769,730)	(7,404,787)	(189,424,874)	(4,071,718)	(13,664,724)	-	(2,962,602)	(231,298,436)
Adjustment	-	-						(498,346,998)	(4,431,998)	(502,778,996)
As on Asar end 2082	-	77,673,929	445,221,197	315,642,689	253,566,864	179,464,666	487,745,074	211,488,691	195,499,067	2,166,302,178
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
Net Book Value										
As on Asar end 2080	842,152,545	123,807,835	268,145,207	95,062,259	227,978,996	64,331,742	211,951,825	872,556,795	40,956,213	2,746,943,417
As on Asar end 2081	2,120,606,640	123,330,492	266,698,372	75,816,516	255,113,079	57,620,346	256,926,108	730,947,081	26,593,145	3,913,651,778
As on Asar end 2082	2,120,606,640	120,286,525	217,211,307	59,983,273	66,691,084	48,750,972	250,329,402	991,929,130	34,973,655	3,910,761,988



NMB

Particulars	Land	Building	Leasehold Properties	Computer & Accessories	Vehicles	Furniture & Fixture	Machinery	Right-Of Use Assets	Equipment & Others	Total
Cost										
As on Shrawan 1, 2080	842,152,545	192,287,742	490,702,460	315,862,238	580,834,394	179,824,582	586,989,255	1,201,921,795	223,814,146	4,614,389,157
Addition during the Year										
Acquisition	1,278,454,095	4,079,205	43,799,279	14,335,960	124,400,100	9,695,282	113,612,456	-	6,679,442	1,595,055,820
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(15,526,818)	(10,881,317)	(64,207,788)	(4,814,753)	(14,002,803)	-	(9,268,625)	(118,702,105)
Adjustment/Revaluation	-	-	-	-	-	-	-	-	-	-
Balance as on Asar end 2081	2,120,606,640	196,366,947	518,974,920	319,316,881	641,026,707	184,705,111	686,598,908	1,201,921,795	221,224,964	6,090,742,872
Addition during the Year										
Acquisition	-	1,593,507	20,088,833	11,863,200	21,611,500	5,992,955	53,953,761	-	5,393,655	120,497,410
Capitalization	-	-	-	-	-	-	-	-	-	-
Disposal during the year	-	-	(15,112,941)	(7,404,953)	(379,502,791)	(4,077,732)	(13,713,943)	-	(2,997,871)	(422,810,230)
Adjustment/Revaluation	-	-	-	-	-	-	-	(48,881,668)	-	(48,881,668)
Balance as on Asar end 2082	2,120,606,640	197,960,454	523,950,813	323,775,128	283,135,416	186,620,334	726,838,726	1,153,040,127	223,620,748	5,739,548,384
Depreciation and Impairment										
As on Shrawan 1, 2080	-	68,479,908	294,351,754	240,334,482	363,853,906	130,768,315	378,531,986	377,171,977	183,347,747	2,036,840,076
Depreciation charge for the Year	-	4,556,547	45,890,028	30,481,123	89,477,899	16,147,016	68,274,995	136,244,184	15,919,309	406,991,104
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13,451,668)	(10,849,896)	(60,678,018)	(4,681,091)	(12,950,479)	-	(9,067,688)	(111,678,841)
Adjustment/Acquisition	-	-	-	-	-	-	-	-	-	-
As on Asar end 2081	-	73,036,455	326,790,115	259,965,710	392,653,787	142,234,240	433,856,503	513,416,162	190,199,368	2,332,152,339
Depreciation charge for the Year	-	4,637,474	43,512,252	24,925,983	15,394,348	12,217,048	60,019,464	181,136,355	9,590,213	351,433,137
Impairment for the year	-	-	-	-	-	-	-	-	-	-
Disposals	-	-	(13,769,730)	(7,404,787)	(189,424,874)	(4,071,718)	(13,664,724)	-	(2,962,602)	(231,298,436)
Adjustment	-	-	-	-	-	-	-	(513,416,162)	-	-
As on Asar end 2082	-	77,673,929	356,532,636	277,486,906	218,623,261	150,379,570	480,211,242	181,136,355	196,826,979	1,938,870,878
Capital Work in Progress	-	-	-	-	-	-	-	-	-	-
Net Book Value										
As on Asar end 2080	842,152,545	123,807,835	196,350,705	75,527,755	216,980,488	49,056,267	208,457,269	824,749,818	40,466,399	2,577,549,081
As on Asar end 2081	2,120,606,640	123,330,492	192,184,806	59,351,171	248,372,920	42,470,871	252,742,405	688,505,633	31,025,596	3,758,590,533
As on Asar end 2082	2,120,606,640	120,286,525	167,418,177	46,288,222	64,512,155	36,240,764	246,627,484	971,903,772	26,793,769	3,800,677,507



Goodwill and Intangible Assets

Group

4.14

Particulars	Goodwill	Software		Other	Total
		Purchased	Developed		
Cost					
As on Shrawan 1, 2080	72,829,139	372,575,011	-	-	445,404,150
Addition during the Year	-	-	-	-	-
Acquisition	-	21,923,088	-	-	21,923,088
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	38,996	-	-	38,996
Balance as on Asar end 2081	72,829,139	394,459,103	-	-	467,288,242
					-
Addition during the Year					-
Acquisition	-	12,024,360	-	-	12,024,360
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment	-	-	-	-	-
Balance as on Asar end 2082	72,829,139	406,483,462	-	-	479,312,601
Amortization and Impairment					
As on Shrawan 1, 2080	-	261,451,138	-	-	261,451,138
Amortization charge for the Year		52,854,559			52,854,559
Impairment for the year	-	-	-	-	-
Disposals					
Acquisition	-	(38,396)	-	-	(38,396)
As on Asar end 2081	-	314,267,300	-	-	314,267,300
					-
Amortization charge for the Year	-	33,649,850	-	-	33,649,850
Impairment for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Acquisition	-	-	-	-	-
As on Asar end 2082	-	347,917,150	-	-	347,917,150
Net Book Value					
As on Asar end 2080	72,829,139	111,123,873	-	-	183,953,012
As on Asar end 2081	72,829,139	80,191,802	-	-	153,020,941
As on Asar end 2082	72,829,139	58,566,313	-	-	131,395,452



NMB

Particulars	Goodwill	Software		Other	Total
		Purchased	Developed		
Cost					
As on Shrawan 1, 2080	72,829,139	361,939,804	-	-	434,768,943
Addition during the Year					
Acquisition	-	21,019,088	-	-	21,019,088
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-
Balance as on Asar end 2081	72,829,139	382,958,892	-	-	455,788,031
Addition during the Year					
Acquisition	-	11,705,896	-	-	11,705,896
Capitalization	-	-	-	-	-
Disposal during the year	-	-	-	-	-
Adjustment/Revaluation	-	-	-	-	-
Balance as on Asar end 2082	72,829,139	394,664,788	-	-	467,493,927
Amortization and Impairment					
As on Shrawan 1, 2080	-	256,079,114	-	-	256,079,114
Amortization charge for the Year	-	51,080,755	-	-	51,080,755
Impairment for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Acquisition	-	-	-	-	-
As on Asar end 2081	-	307,159,868	-	-	307,159,868
Amortization charge for the Year	-	33,160,041	-	-	33,160,041
Impairment for the year	-	-	-	-	-
Disposals	-	-	-	-	-
Acquisition	-	-	-	-	-
As on Asar end 2082	-	340,319,910	-	-	340,319,910
Net Book Value					
As on Asar end 2080	72,829,139	105,860,690	-	-	178,689,829
As on Asar end 2081	72,829,139	75,799,024	-	-	148,628,163
As on Asar end 2082	72,829,139	54,344,878	-	-	127,174,017



NMB Bank Limited

Notes to Consolidated Financial Statements

For the year ended 32 Asar 2082

Deferred Tax

4.15

The creation of Deferred Tax Assets (DTA) and Deferred Tax Liabilities (DTL) has a bearing on the computation of capital adequacy ratio and banks' ability to declare dividends. DTA represents unabsorbed depreciation, difference between carrying amount as per books of accounts and tax including carry forward losses which can set-off against assets future taxable income which is considered as timing difference. DTA has an effect of decreasing future income tax payments which indicates that they are prepaid income taxes and meet the definition of assets. DTA is deducted from Tier I capital, if deferred tax reserve is included already thereon. Deferred tax (assets)/liabilities have been recognised as per the provision of Nepal Accounting Standard (NAS -12).

Particulars	Group			NMB		
	Year ended 32 Asar 2082			Year ended 32 Asar 2082		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
Deferred tax on temporary differences on following items						
Loan and Advance to B/FIs	36,825,341	36,825,341	-	36,825,341	36,825,341	-
Loans and advances to customers	2,913,814,911	2,913,814,911	-	2,913,814,911	2,913,814,911	-
Investment properties	-	-	-	-	-	-
Investment securities	127,192,198	487,734,522	(360,542,324)	-	351,023,353	(351,023,353)
Property & equipment	262,235,482	252,025,825	10,209,657	255,701,196	228,753,592	26,947,604
Employees' defined benefit plan	575,309,473	-	575,309,473	560,323,567	-	560,323,567
Lease liabilities	363,594,236	301,218,620	62,375,616	332,694,899	291,571,132	41,123,767
Provisions	2,958,404	-	2,958,404	1,663,301	-	1,663,301
Other temporary differences	-	-	-	-	-	-
Deferred tax on temporary differences	4,281,930,045	3,991,619,220	290,310,825	4,101,023,215	3,821,988,330	279,034,885
Deferred tax on carry forward of unused tax losses	37,440,206	-	37,440,206	37,440,206	-	37,440,206
Deferred tax due to changes in tax rate			-			-
Net Deferred tax asset/(liabilities) as on 32 Asar 2082			327,751,031			316,475,091
Recognised in profit or loss			536,939,579			524,624,369
Recognised in other comprehensive income			(210,534,140)			(208,149,278)
Recognised directly in equity			1,345,592			-
Deferred tax (asset)/liabilities as on Shrawan 01, 2081			(422,004,061)			(424,642,054)
Origination/(Reversal) during the year			(94,253,030)			(108,166,962)
Deferred tax expense/(income) recognised in profit or loss			54,137,544			41,172,415
Deferred tax expense/(income) recognised in other comprehensive income			(151,482,947)			(149,339,378)
Deferred tax expense/(income) recognised in directly in equity			3,092,373			-



Particulars	Group			NMB		
	Year ended 31 Asar 2081			Year ended 31 Asar 2081		
	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)	Deferred Tax Assets	Deferred Tax Liabilities	Net Deferred Tax Assets/ (Liabilities)
Deferred tax on temporary differences on following items						
Loan and Advance to B/FIs	29,443,103	29,443,103	-	29,443,103	29,443,103	-
Loans and advances to customers	2,429,434,517	2,442,539,278	(13,104,761)	2,429,434,517	2,429,434,517	-
Investment properties	-	-	-	-	-	-
Investment securities	-	151,970,680	(151,970,680)	-	146,872,180	(146,872,180)
Property & equipment	369,726,366	349,708,082	20,018,285	352,566,376	307,583,185	44,983,191
Employees' defined benefit plan	436,363,021	-	436,363,021	421,641,014	-	421,641,014
Lease liabilities	279,667,908	219,282,199	60,385,709	241,129,231	206,551,690	34,577,541
Provisions	1,663,301	-	1,663,301	1,663,301	-	1,663,301
Other temporary differences	-	-	-	-	-	-
Deferred tax on temporary differences	3,546,298,217	3,192,943,342	353,354,875	3,475,877,542	3,119,884,675	355,992,867
Deferred tax on carry forward of unused tax losses	68,649,187	-	68,649,187	68,649,187	-	68,649,187
Deferred tax due to changes in tax rate			-			-
Net Deferred tax asset/(liabilities) as on 31 Asar 2081			422,004,061			424,642,054
Recognised in profit or loss			482,487,754			483,451,954
Recognised in other comprehensive income			(60,483,693)			(58,809,901)
Recognised directly in equity			-			-
Deferred tax (asset)/liabilities as on Shrawan 01, 2080			(443,008,104)			(448,411,030)
Origination/(Reversal) during the year			(21,004,043)			(23,768,977)
Deferred tax expense/(income) recognised in profit or loss			23,310,546			34,576,210
Deferred tax expense/(income) recognised in other comprehensive income			(57,059,354)			(58,345,187)
Deferred tax expense/(income) recognised in directly in equity			12,744,765			-



NMB Bank Limited

Notes to Consolidated Financial Statements

For the year ended 32 Asar 2082

Other assets

4.16

Other Asset include accounts receivable, interest receivable, accrued income, prepayments, deposit, deferred employee benefits.

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Assets held for sale	-	-	-	-
Other non banking assets	-	-	-	-
Bills receivable	-	-	-	-
Accounts receivable	785,011,699	848,647,951	596,924,643	809,952,494
Accrued income	11,784,689	30,288,111	11,784,689	30,288,111
Prepayments and deposit	356,659,174	314,082,789	353,186,363	312,352,330
Income tax deposit	213,507,342	205,184,260	213,507,342	205,184,260
Deferred employee expenditure	3,121,538,436	2,712,032,626	3,120,553,180	2,711,046,171
Others:				
Advance Gold and Silver	-	452,384,352	-	452,384,352
Stock of Stationery	45,975,921	52,101,950	45,975,921	52,101,950
Fuel Stock	-	-	-	-
Gold Markup	-	85,829,459	-	85,829,459
Others	8,845,686	48,674,828	-	-
Total	4,543,322,947	4,749,226,326	4,341,932,137	4,659,139,126

The provision outstanding as of Asar end 2082 of NMB includes IPO receivables of erstwhile Bank of Asia amounting NPR. 5,544,336 and is netted off with receivables.

Due to Bank and Financial Institutions

4.17

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Money market deposits	-	-	-	-
Interbank borrowing	3,300,000,000	-	3,300,000,000	-
Other deposits from BFIs	-	-	-	-
Settlement and clearing accounts	-	-	-	-
Other deposits from BFIs	2,729,457,168	3,163,179,932	2,729,457,168	3,163,179,932
Total	6,029,457,168	3,163,179,932	6,029,457,168	3,163,179,932

Due to Nepal Rastra Bank

4.18

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Refinance from NRB	-	-	-	-
Standing Liquidity Facility	-	-	-	-
Lender of last report facility from NRB	-	-	-	-
Securities sold under repurchase agreements	-	-	-	-
Other payable to NRB	-	-	-	-
Total	-	-	-	-



Derivative financial instruments

4.19

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Held for trading				
Interest rate swap	-	-	-	-
Currency swap	243,136,244	1,857,063,602	243,136,244	1,857,063,602
Forward exchange contract	7,673,334,714	5,431,481,019	7,673,334,714	5,431,481,019
Others	779,088,624	422,255,117	779,088,624	422,255,117
Held for risk management	-	-	-	-
Interest rate swap	-	-	-	-
Currency swap	-	-	-	-
Forward exchange contract	-	-	-	-
Other	-	-	-	-
Total	8,695,559,581	7,710,799,737	8,695,559,581	7,710,799,737

Derivatives are financial instruments that derive their value in response to changes in interest rates, financial instrument prices etc. Derivatives are categorised as trading unless they are designated as hedging instruments. All derivatives are initially recognised and subsequently measured at fair value, with all trading gains or losses recognised in the Statement of Profit or Loss under Net trading Income. Fair value is determined using the forward market rates ruling on the reporting date.

Deposits from customers

4.20

All deposits account other than deposit from bank and financial institutions (local and foreign bank and NRB)

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Institutions customers:				
Term deposits	86,402,336,630	55,423,192,546	86,402,336,630	55,423,192,546
Call deposits	17,401,518,856	13,642,844,624	19,778,206,856	13,867,225,989
Current deposits	18,549,397,477	10,258,387,597	18,549,397,477	10,258,387,597
Other	3,963,158,682	4,048,768,762	3,963,158,682	4,048,768,762
Individual customers:				
Term deposits	43,362,610,375	64,184,814,101	43,362,610,375	64,184,814,101
Saving deposits	106,717,456,487	76,641,014,011	105,149,729,724	75,307,537,684
Current deposits	3,673,745,771	770,667,694	3,673,745,771	770,667,694
Other	47,282,338	81,997,530	47,282,338	81,997,530
Total	280,117,506,616	225,051,686,864	280,926,467,853	223,942,591,903

4.20.1: Currency wise analysis of deposit from customers

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Nepalese rupee	273,038,315,624	221,706,918,791	273,847,276,862	220,597,823,830
Indian rupee	-	-	-	-
United State dollar	6,708,212,953	3,064,556,407	6,708,212,953	3,064,556,407
Great Britain pound	38,109,658	11,222,660	38,109,658	11,222,660
Euro	93,097,623	52,445,319	93,097,623	52,445,319
Japanese yen	-	-	-	-
Chinese yuan	220,421,526	212,188,953	220,421,526	212,188,953
Other	19,349,231	4,354,734	19,349,231	4,354,734
Total	280,117,506,615	225,051,686,865	280,926,467,853	223,942,591,903



Borrowing

4.21

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Domestic Borrowing				
Nepal Government	-	-	-	-
Other Institutions	2,654,193,067	1,166,591,548	-	-
Other	-	-	-	-
Sub total	2,654,193,067	1,166,591,548	-	-
Foreign Borrowing				
Foreign Bank and Financial Institutions	3,987,500,055	11,552,656,301	3,987,500,055	11,552,656,301
Multilateral Development Banks	-	-	-	-
Other Institutions	-	-	-	-
Sub total	3,987,500,055	11,552,656,301	3,987,500,055	11,552,656,301
Total	6,641,693,122	12,719,247,849	3,987,500,055	11,552,656,301

Provisions

4.22

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Provisions for redundancy	-	-	-	-
Provision for restructuring	-	-	-	-
Pending legal issues and tax litigation	-	-	-	-
Onerous contracts	-	-	-	-
Other	6,174,203	6,209,231	-	-
Total	6,174,203	6,209,231	-	-

4.22.1: Movement in provision

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Balance at Shrawan 1	6,209,231	1,699,054	-	-
Provisions made during the year	-	4,510,177	-	-
Provisions used during the year	(35,028)	-	-	-
Provisions reversed during the year	-	-	-	-
Unwind of discount	-	-	-	-
Balance at Asar end	6,174,203	6,209,231	-	-

Other liabilities

4.23

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Liability for employees defined benefit obligations	321,901,833	208,645,939	313,580,393	194,977,316
Liability for long-service leave	717,812,613	607,974,300	676,182,217	572,546,644
Short-term employee benefits	-	281,543	-	-
Bills payable	9,200,145	14,877,993	9,200,145	14,877,993
Creditors and accruals	17,536,302,430	1,919,518,581	1,862,949,768	1,261,157,208
Interest payable on deposit	346,583,248	638,370,355	346,583,248	638,370,355
Interest payable on borrowing	77,215,756	178,045,017	62,446,819	161,687,009
Liabilities on deferred grant income	-	-	-	-
Unpaid Dividend	2,310,695	2,337,801	2,310,695	2,311,938
Liabilities under Finance Lease	1,174,000,919	887,237,276	1,108,982,996	803,764,104
Employee bonus payable	484,722,615	376,725,785	453,910,333	359,505,470
Others:	-	-	-	-
TDS Payable	258,984,393	185,325,065	256,155,406	184,448,123
Audit Fee Payable	4,165,377	3,542,810	2,825,000	2,825,000
Others (Government Li.Ka. Payable)	2,403,767,748	2,948,951,134	2,299,218,446	2,948,951,134
Total	23,336,967,773	7,971,833,600	7,394,345,466	7,145,422,295



4.23.1: Defined benefit obligations

The defined-benefit obligation is calculated annually by an independent actuary using the projected unit method. The Bank operates a defined contribution plan as provident fund contribution of its employees and defined benefit plan for the Gratuity payment requirement under its staff rules. For defined contribution plan, the Bank pays contributions to an independently administered retirement fund on a mandatory basis, and such amounts are charged to operating expenses. The Bank has no further payment obligations once the contributions have been paid. For funded defined benefit plans, the liability recognised in the financial statement is the present value of the defined benefit obligation less the fair value of plan assets. Such obligations are estimated on the basis of the actuarial assumptions.

The amounts recognised in the statement of financial position are as follows:

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Present value of unfunded obligations	698,468,301	591,154,055	689,316,383	586,328,615
Present value of funded obligations	1,401,432,975	1,059,933,302	1,378,991,157	1,020,351,554
Total present value of obligations	2,099,901,276	1,651,087,357	2,068,307,540	1,606,680,169
Fair value of plan assets	1,084,720,189	839,644,756	1,065,410,764	825,374,238
Present value of net obligations	1,015,181,087	788,734,016	1,002,896,776	781,305,931
Recognised liability for defined benefit obligations	2,099,901,276	1,651,087,357	2,068,307,540	1,606,680,169

4.23.2: Plan assets

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Plan assets comprise	-	-	-	-
Equity securities	-	-	-	-
Government bonds	-	-	-	-
Bank deposit	-	-	-	-
Other	1,084,720,189	839,644,756	1,065,410,764	825,374,238
Total	1,084,720,189	839,644,756	1,065,410,764	825,374,238

4.23.3: Movement in the present value of defined benefit obligations

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Defined benefit obligations at Shrawan 1	1,651,087,357	1,346,228,761	1,606,680,169	1,313,676,350
Actuarial losses	298,439,800	118,625,924	295,486,899	118,116,309
Benefits paid by the plan	(162,541,861)	(131,941,454)	(162,813,759)	(136,616,282)
Current service costs and interest	312,915,980	318,174,126	328,954,231	311,503,792
Defined benefit obligations at Asar end	2,099,901,276	1,651,087,357	2,068,307,540	1,606,680,169

The additional Interest Income recognized in Plan Assets has been adjusted to opening defined benefit obligation.

4.23.4: Movement in the fair value of plan assets

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Fair value of plan assets at Shrawan 1	839,644,756	665,652,026	825,374,238	650,946,698
Contributions paid into the plan	203,740,661	196,950,826	194,977,316	194,977,316
Benefits paid during the year	(74,006,607)	(54,869,410)	(69,521,854)	(50,787,170)
Actuarial (losses) gains	48,030,887	(7,462,054)	48,551,125	(7,748,915)
Expected return on plan assets	67,310,492	39,373,368	66,029,939	37,986,309
Fair value of plan assets at Asar end	1,084,720,189	839,644,756	1,065,410,764	825,374,238

4.23.5: Amount recognised in profit or loss

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Current service costs	256,396,296	220,360,139	242,979,437	208,317,124
Interest on obligation	123,142,414	123,848,447	118,474,832	119,641,937
Expected return on plan assets	(42,554,572)	(39,373,368)	(42,943,419)	(37,986,309)
Total	336,984,138	304,835,218	318,510,850	289,972,752



4.23.6: Amount recognised in other comprehensive income

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Actuarial (gain)/loss	131,337,523	60,063,123	127,894,190	55,821,998
Total	131,337,523	60,063,123	127,894,190	55,821,998

4.23.7: Actuarial assumptions

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Discount rate	7.00%	8.00%	7.00%	8.00%
Expected return on plan asset	7.00%	8.00%	7.00%	8.00%
Future salary increase	7.30%	7.30%	7.30%	7.30%
Withdrawal rate	6.67%	13.00%	6.67%	13.00%

The mortality table is considered as per Nepali Assured Lives Mortality (2009) issued by Beema Samiti.

Debt securities issued

4.24

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Debt securities issued designated as at fair value through profit or loss	-	-	-	-
Debt securities issued at amortised cost	12,384,568,926	12,382,000,301	12,384,568,926	12,382,000,301
Total	12,384,568,926	12,382,000,301	12,384,568,926	12,382,000,301

The debenture has been presented at amortized cost. The details of outstanding debentures are as follows:

Particulars	Issued Date	Expiry Date (BS)	Rate	Face Value (Mio.)
NMB Debenture 2089/90	30 Chaitra 2079	30 Chaitra 2089	10.75%	4,000
Energy Bond I -2092/93	20 Jestha 2078	20 Jestha 2093	4.00%	1,500
Energy Bond II - 2093/94	10 Jestha 2079	10 Jestha 2094	4.00%	2,727
NMB Debenture 2084/85	29 Chaitra 2075	29 Chaitra 2085	10.00%	1,685
NMB Debenture 2087/88	11 Jestha 2078	11 Jestha 2088	8.50%	2,000

Subordinated Liabilities

4.25

The bank does not have any subordinate liabilities as on reporting date.

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Redeemable preference shares	-	-	-	-
Irredeemable cumulative preference shares (liabilities component)	-	-	-	-
Other	-	-	-	-
Total	-	-	-	-

Share capital

4.26

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Ordinary shares	18,366,705,959	18,366,705,959	18,366,705,959	18,366,705,959
Convertible preference shares (equity component only)	-	-	-	-
Irredeemable preference shares (equity component only)	-	-	-	-
Perpetual debt (equity component only)	-	-	-	-
Total	18,366,705,959	18,366,705,959	18,366,705,959	18,366,705,959



4.26.1: Ordinary shares

Particulars	NMB	
	As at 32 Asar 2082	As at 31 Asar 2081
Authorized Capital		
250,000,000 Ordinary share of Rs. 100 each	25,000,000,000	20,000,000,000
Issued capital		
183,667,060 Ordinary share of Rs. 100 each	18,366,705,959	18,366,705,959
Subscribed and paid up capital		
183,667,060 Ordinary share of Rs. 100 each	18,366,705,959	18,366,705,959
Total	18,366,705,959	18,366,705,959

The paid up share capital of the Bank has moved over the years as follows:

Financial Year	Cumulative Paid up Capital NPR	Remarks
2006-07(2063-64 BS)	199,540,600	Issuance of 30% Bonus Shares
2007-08(2064-65 BS)	1,000,000,000	Issuance of 1:4 Right Shares
2008-09(2065-66 BS)	1,424,641,350	Issuance of 10% Bonus Shares and 30% Right Shares
2009-10(2066-67 BS)	1,651,650,000	Auction of 53,586.5 remaining right shares of FY 2008-09 and public issue of 715,000 shares.
2010-11 (2067-68 BS)	2,000,000,000	Issuance of 10:21.09 right shares and auction of unsubscribed right shares.
2013-14 (2070-71 BS)	2,400,000,000	Issuance of 20% Bonus Shares
2015-16 (2072-73 BS)	4,154,559,320	Shares issued to shareholders of merged entities
2015-16 (2072-73 BS)	4,486,924,066	Issuance of 8% Bonus Shares
2016-17 (2073-74 BS)	5,430,062,466	FMO's additional investment of NPR 943,138,400
2016-17 (2073-74 BS)	6,461,774,334	Issuance of 19% Bonus Shares
2017-18 (2074-75 BS)	7,603,290,634	Issuance of FPO (11,415,163 Units)
2018-19 (2075-76 BS)	9,618,162,652	Issuance of 15% Bonus Shares from FY 2073/74 and 10% Bonus Shares from FY 2074/75
2019-20 (2076-77 BS)	13,950,987,467	Issuance of 21% Bonus Shares from FY 2075/76 and addition of Capital from merger with Erstwhile ODBL at SWAP ratio of 1:0.76
2020-21 (2077-78 BS)	16,325,960,853	Issuance of 13% Bonus Shares from FY 2076/77 and addition of Capital from acquisition with Erstwhile KADBL at SWAP ratio of 1:0.85
2021-22 (2078-79 BS)	18,366,705,959	Issuance of 12.50% Bonus Share

Total fractional share is 105,020.59 as on Ashadh end 2082. Fraction share usually come from issue of bonus share and split of share also.

4.26.2: Ordinary share ownership

Particulars	NMB			
	As at 32 Asar 2082		As at 31 Asar 2081	
	Percent	Amount	Percent	Amount
Domestic ownership	82.09	15,077,764,594	82.09	15,077,764,594
Nepal Government	-	-	-	-
"A" class licensed institutions	-	-	-	-
Other licensed intitutions	-	-	-	-
Other Institutions	13.44	2,469,295,167	11.74	2,155,949,159
Public	68.65	12,608,469,427	70.35	12,921,815,435
Other	-	-	-	-
Foreign ownership	17.91	3,288,941,365	17.91	3,288,941,365
Total	100.00	18,366,705,959	100.00	18,366,705,959



The details of shareholders holding shares above 0.5% as of Asar end 2082 are given below:

Shareholder's Name	Share Units	% holding
Nederlandse Financierings-Maatschappij Voor Ontwikkelingslanden N.V.	25,147,142	13.69
Employees Provident Fund	10,150,729	5.53
Yong Lian Realty Sdn Bhd	7,742,270	4.22
Gayatri Investment and Management P. Ltd.	3,203,025	1.74
Nand Kishore Rathi	3,093,320	1.68
Dhananjaya Prasad Acharya	2,836,161	1.54
Sunil Kumar Goshali	1,830,892	1.00
Pawan Kumar Golyan	1,696,732	0.92
Yogendra Lal Pradhan	1,674,101	0.91
Sushil Kumar Goshali	1,658,176	0.90
Santosh Devi Murarka	1,459,222	0.79
Purushotam Lal Sanghai	1,241,492	0.68
Pashupati Murarka	1,072,263	0.58
Santosh Rathi	997,389	0.54

Reserves

4.27

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Statutory general reserve	6,050,725,401	5,472,798,161	5,981,037,687	5,410,110,015
Exchange equalisation reserve	215,637,225	182,286,327	215,637,225	182,286,327
Corporate social responsibility reserve	54,916,915	50,629,882	48,244,770	44,409,583
Capital redemption reserve	-	-	-	-
Regulatory reserve	3,079,900,273	3,074,484,711	2,998,135,515	3,022,614,353
Investment adjustment reserve	20,000,000	-	20,000,000	-
Capital reserve	-	-	-	-
Assets revaluation reserve	-	-	-	-
Fair value reserve	829,689,642	344,971,619	819,054,491	342,701,754
Dividend equalisation reserve	-	-	-	-
Debenture redemption reserve	1,960,696,339	1,723,395,040	1,960,696,339	1,723,395,040
Actuarial gain	(342,635,968)	(207,637,697)	(333,372,842)	(205,478,652)
Special reserve	-	-	-	-
Other reserves:	-	-	-	-
- Deferred Tax Reserve	-	-	-	-
-Capital Adjustment Fund	57,326,449	57,326,449	57,326,449	57,326,449
Staff Skill Development Fund	56,932,081	40,416,328	56,932,081	38,452,067
-NMB Staff Relief Fund	10,000,000	10,000,000	10,000,000	10,000,000
Others	98,170,852	47,945,383	72,829,139	72,829,139
Total	12,091,359,209	10,796,616,202	11,906,520,854	10,698,646,074

Other Reserves of NMB presented under Statement of change in equity includes debenture/capital redemption reserve, staff skill development fund, capital adjustment fund, corporate social responsibility fund, investment adjustment reserve, actuarial gain/losses, staff relief fund and Capital Reserve.

Staff Relief Fund amounting NPR. 10,000,000 has been set up with the objective to financially assist staff at the time of their acute financial difficulty of the nature of staff's own/spouse/children critical illness, permanent disability due to illness or destruction of property due to natural calamity. No amount has been paid during the reporting period. The said reserve has been included in Tier 2 Capital.

Regulatory reserve includes the amount that is allocated from profit or retained earnings to the bank as per directive of NRB for the purpose of implementation of NFRS and which shall not be regarded as free for distribution of dividend (cash as well as bonus shares). The amount allocated to this reserve includes the following adjustments as per NFRS:

Particulars	As at 32 Asar 2082 (A)	As at 31 Asar 2081 (B)	Transfer to Regulatory Reserve (FY 2081/82) (A-B)
Accrued Interest on Loans and Advances recognized as Income	1,204,266,294	1,797,278,625	(593,012,331)
Provision of Non - Banking Assets (Investment Property)	887,992,722	536,405,121	351,587,601
Deferred Tax Assets	524,624,369	483,451,954	41,172,415
Actuary Losses	333,372,842	205,478,652	127,894,190
Others	47,879,289	-	47,879,289
Total	2,998,135,515	3,022,614,353	(24,478,837)

The bank has considered interest received up to Shrawan 15 2082 amounting NPR. 260.23 Mio. as an income to Regulatory Reserve.



Contingent liabilities and commitments

4.28

The table below shows the contract or underlying principal amounts of unmatured off-balance sheet transactions as on reporting date.

Particulars	Group		NMB	
	As on 32 Asar 2082	As on 31 Asar 2081	As on 32 Asar 2082	As on 31 Asar 2081
Contingent liabilities	91,881,074,579	84,812,978,536	91,881,074,579	84,812,978,536
Undrawn and undisbursed facilities	131,721,236,413	114,779,933,555	131,721,236,413	114,779,933,555
Capital commitment	60,732,989	25,812,260	60,732,989	25,812,260
Lease Commitment	1,520,856,796	803,764,105	1,520,856,796	1,275,169,422
Litigation	566,911,486	585,729,130	566,911,486	585,729,130
Total	225,750,812,264	201,008,217,586	225,750,812,264	201,479,622,903

4.28.1: Contingent liabilities

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Acceptance and documentary credit	41,187,509,521	38,369,335,614	41,187,509,521	38,369,335,614
Bills for collection	1,829,537,965	1,617,470,440	1,829,537,965	1,617,470,440
Forward exchange contracts	-	-	-	-
Guarantees	48,864,027,093	44,826,172,481	48,864,027,093	44,826,172,481
Underwriting commitment	-	-	-	-
Other commitments	-	-	-	-
Total	91,881,074,579	84,812,978,536	91,881,074,579	84,812,978,536

4.28.2: Undrawn and undisbursed facilities

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Undisbursed amount of loans	14,737,573,000	8,343,134,978	14,737,573,000	8,343,134,978
Undrawn limits of overdrafts	19,182,607,178	11,178,068,148	19,182,607,178	11,178,068,148
Undrawn limits of credit cards	490,379,517	656,803,777	490,379,517	656,803,777
Undrawn limits of letter of credit	44,494,323,933	50,967,868,290	44,494,323,933	50,967,868,290
Undrawn limits of guarantee	52,816,352,785	43,634,058,362	52,816,352,785	43,634,058,362
Total	131,721,236,413	114,779,933,555	131,721,236,413	114,779,933,555

The Undrawn limit of Overdraft includes Cash Credits loan, Short Term Working Capital/Demand Loan, Margin and Others

4.28.3: Capital commitments

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

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Capital commitments in relation to Property and Equipment				
Approved and contracted for	12,411,662	18,459,757	12,411,662	18,459,757
Approved but not contracted for	-	-	-	-
Sub total	12,411,662	18,459,757	12,411,662	18,459,757
Capital commitments in relation to Intangible assets				
Approved and contracted for	42,721,327	7,352,503	42,721,327	7,352,503
Approved but not contracted for	5,600,000	-	5,600,000	-
Sub total	48,321,327	7,352,503	48,321,327	7,352,503
Total	60,732,989	25,812,260	60,732,989	25,812,260



4.28.4: Lease commitments

Particulars	Group		NMB	
	As at 32 Asar 2082	As at 31 Asar 2081	As at 32 Asar 2082	As at 31 Asar 2081
Operating lease commitments				
Future minimum lease payments under non cancellable operating lease, where the bank is lessee				
Not later than 1 year	253,597,748	214,788,523	253,597,748	214,788,523
Later than 1 year but not later than 5 years	985,289,599	844,659,776	985,289,599	844,659,776
Later than 5 years	281,969,449	215,721,123	281,969,449	215,721,123
Sub total	1,520,856,796	1,275,169,422	1,520,856,796	1,275,169,422

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	1,520,856,796	1,275,169,422	1,520,856,796	1,275,169,422



NMB Bank Limited

Notes to financial Statements

For the year ended 32 Asar 2082

4.28.5: Litigation

a. Contingent of Tax:

The bank has filed appeals at Supreme Court, Revenue Tribunal or Inland Revenue Department based on the stage of appeal against amended assessment orders of various fiscal years issued by Large Taxpayers Office. The detail of the cases are given below:

NMB Bank Limited

Fiscal Year	Status	Disputed Tax Amount
FY 2066-67	Appealed to Supreme Court against the decision of RT for which the final decision is pending	47,740,680
FY 2067-68	Appealed to Supreme Court against the decision of RT for which the final decision is pending	9,209,990
FY 2068-69	Appealed to Supreme Court against the decision of RT for which the final decision is pending	5,891,178
FY 2069-70	Appealed to Supreme Court against the decision of RT for which the final decision is pending	24,474,072
FY 2070-71	Appealed to Supreme Court against the decision of RT for which the final decision is pending	4,982,475
FY 2071-72	Appealed to Supreme Court against the decision of RT for which the final decision is pending	7,475,620
FY 2073-74	Decision from IRD for administrative review received appeal to be made to revenue tribunal	50,184,562
FY 2074-75	Decision from IRD for administrative review received appeal to be made to revenue tribunal	127,207,877
FY 2075-76	Decision from IRD for administrative review received appeal to be made to revenue tribunal	57,786,960
FY 2076-77	Decision from IRD for administrative review received appeal to be made to revenue tribunal	20,969,053
FY 2077-78	Amended assessment received from IRD; To appeal IRD for administrative review	19,456,889
Total		375,379,356

Erstwhile Clean Energy Development Bank Limited

FY 2065-66	Appealed to Supreme Court against the decision of RT for which the final decision is pending	6,711,366
FY 2066-67	Appealed to Supreme Court against the decision of RT for which the final decision is pending	29,567,718
FY 2067-68	Appealed to Supreme Court against the decision of RT for which the final decision is pending	12,117,722
FY 2068-69	Appealed to Supreme Court against the decision of RT for which the final decision is pending	5,901,082
FY 2069-70	Appealed to Supreme Court against the decision of RT for which the final decision is pending	5,613,157
FY 2070-71	Appealed to Supreme Court against the decision of RT for which the final decision is pending	3,780,670
FY 2071-72	Appealed to Supreme Court against the decision of RT for which the final decision is pending	4,503,387
FY 2072-73	Appealed to IRD for Administrative review on 2077.11.20 for which decision is pending	137,497
Total		68,332,598

Erstwhile Prudential Finance Company Limited

FY 2065-66	Appealed to IRD for Administrative Review on 2070.07.29 for which the final decision is pending	5,659,272
Total		5,659,272

Erstwhile Bhrikuti Development Bank Limited

FY 2071-72	Appealed to IRD for Administrative Review on 2076.04.07 for which final decision is pending	397,990
Total		397,990

Erstwhile OM Development Bank Limited

FY 2072-73	Appealed to Revenue Tribunal against the decision of IRD for which the final decision is pending	23,018,381
FY 2073-74	Decision from IRD for administrative review received appeal to be made to revenue tribunal	2,767,539
FY 2074-75	Decision from IRD for administrative review received appeal to be made to revenue tribunal	9,255,222
FY 2075-76	Appealed to IRD for Administrative review on 2080.09.17 for which decision is pending	78,367,196
Total		113,408,338

Erstwhile Kanchan Development Bank Limited

FY 2074-75	Appealed to Revenue Tribunal against the decision of IRD for which the final decision is pending	1,308,720
FY 2075-76	Appealed to IRD for Administrative review on 2080.05.04 for which decision is pending	765,043
FY 2076-77	Decision from IRD for administrative review received appeal to be made to revenue tribunal	345,717
Total		2,419,480

Erstwhile OM Finance Limited

FY 2072-73	Appealed to Revenue Tribunal against the decision of IRD	1,314,453
Grand Total		566,911,486

Since decisions for these cases are pending, disputed tax amount of NPR 566,911,486 mentioned above has been disclosed as contingent liability on Income Tax and no provision for additional liability has been made.

As of the fiscal year end 2081/82, self-Assessment Returns filed by NMB Bank Ltd. for FY 2078/79 to 2080/81 and Erstwhile Kanchan Development Bank Limited for 2077/78 are yet to be reassessed by Large Tax Payers Office/Medium Taxpayers Office.

2. In the second quarter of FY 2015/16, the Bank had purchased land with an area of 80 Annas (2,543 sq meter) for NPR 590 Million in Kamaladi, Kathmandu. The land was bought through auction process involving four financial institutions. The previous owner of property has filed case in Kathmandu District Court for repeal of auction process and writ petition with Supreme Court.



NMB Bank Limited

Notes to Financial Statements

For the year ended 32 Asar 2082

Interest income

4.29

Interest income include interest income on loan and advance, investment securities except on those investment securities measure at fair value through profit or loss, cash and cash equivalent, due from BFIs, loan and advances to staff, etc. Details presented as follows:

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Cash and cash equivalent	428,916,145	166,557,989	424,981,703	158,472,131
Due from Nepal Rastra Bank	-	-	-	-
Placement with bank and financial institutions	437,045,340	460,541,331	420,884,243	381,487,101
Loan and advances to bank and financial institutions	521,112,266	647,548,550	670,417,266	766,603,381
Loans and advances to customers	19,637,653,792	22,608,188,989	18,840,030,912	21,965,377,661
Investment securities	1,532,890,830	2,128,072,026	1,541,069,844	2,132,641,980
Loan and advances to staff	370,561,554	276,816,637	370,561,554	276,816,637
Other	6,822	1,575,901	6,822	1,143,998
Total interest income	22,928,186,748	26,289,301,423	22,267,952,343	25,682,542,888

As per Guidance Note on Interest Income Recognition, 2025 Issued by Nepal Rastra Bank, the interest amount of NPR. 436.8 Mio. has been reversed and credited to Interest Suspense during the reporting period.

Interest expense

4.30

Interest expenses include interest accrued on deposits collected and debt securities issued. Details presented as follows:

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Due to bank and financial institutions	258,365,809	19,338,456	2,443,851	19,338,456
Due to Nepal Rastra Bank	-	1,230,137	-	1,230,137
Deposits from customers	12,465,140,800	15,913,008,227	12,379,744,679	15,946,555,722
Borrowing	667,642,834	1,698,870,936	816,947,834	1,426,118,892
Debt securities issued	940,116,605	937,547,980	940,116,605	937,547,980
Subordinated liabilities	-	-	-	-
Other	111,452,681	145,269,117	107,805,381	135,009,168
Total interest expense	14,442,718,729	18,715,264,852	14,247,058,349	18,465,800,355

Fees and Commission Income

4.31

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Loan administration fees	622,065,688	412,163,051	575,001,171	380,792,481
Service fees	240,862,052	153,522,583	-	-
Consortium fees	70,532,742	50,438,670	70,532,742	50,438,670
Commitment fees	2,208,270	3,082,271	2,208,270	3,082,271
DD/TT/Swift fees	100,292,960	66,357,370	100,292,960	66,357,370
Credit card/ATM issuance and renewal fees	268,188,192	267,085,969	268,188,192	267,085,969
Prepayment and swap fees	50,495,164	33,297,080	50,495,164	33,297,080
Investment banking fees	-	-	-	-
Asset management fees	-	-	-	-
Brokerage fees	44,343,495	12,769,799	-	-
Remittance fees	55,679,412	44,016,187	55,679,412	44,016,187
Commission on letter of credit	181,402,398	145,865,866	181,402,398	145,865,866
Commission on guarantee contracts issued	412,370,890	447,381,715	412,370,890	447,381,715
Commission on share underwriting/issue	-	-	-	-
Locker rental	11,811,154	11,491,526	11,811,154	11,491,526
Other fees and commission income:	-	-	-	-
Bills Purchase and Discount	-	-	-	-
Collection Fee	17,154,028	9,993,384	17,154,028	9,993,384
Agency Commission	22,557,833	21,265,512	22,557,833	21,265,512
Others	673,379,763	522,365,428	658,966,840	506,139,392
Total fees and Commission Income	2,773,344,041	2,201,096,412	2,426,661,053	1,987,207,424



Fees and commission expense

4.32

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
ATM management fees	32,146,173	36,361,722	32,146,173	36,361,722
VISA/Master card fees	196,024,800	145,755,096	196,024,800	145,755,096
Guarantee commission	-	-	-	-
Brokerage	-	-	-	-
DD/TT/Swift fees	4,361,661	3,261,840	4,361,661	3,261,840
Remittance fees and commission	-	-	-	-
Other fees and commission expense	9,541,999	7,936,097	9,541,999	7,936,097
Total fees and Commission Expense	242,074,632	193,314,755	242,074,632	193,314,755

Net trading income

4.33

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Changes in fair value of trading assets	44,687,090	10,759,009	-	-
Gain/loss on disposal of trading assets	-	-	-	-
Interest income on trading assets	-	-	-	-
Dividend income on trading assets	-	-	-	-
Gain/loss foreign exchange transaction	360,570,942	242,411,149	360,570,942	242,411,149
Other	-	-	-	-
Net trading income	405,258,032	253,170,157	360,570,942	242,411,149

Other operating income

4.34

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Foreign exchange revaluation gain	133,403,589	101,239,994	133,403,589	101,239,994
Gain/loss on sale of investment securities	11,432,608	6,164,828	11,432,608	6,164,828
Fair value gain/loss on investment properties	-	-	-	-
Dividend on equity instruments	122,292,867	58,235,351	116,837,186	118,656,355
Gain/loss on sale of property and equipment	41,213,727	19,523,117	41,213,727	19,523,117
Gain/loss on sale of investment property	4,098,834	3,401,428	4,098,834	3,401,428
Operating lease income	-	-	1,100,160	1,100,160
Gain/loss on sale of gold and silver	10,380,123	13,925,549	10,380,123	13,925,549
Other	-	-	-	-
Total	322,821,749	203,590,427	318,466,228	264,011,431

Impairment charge/(reversal) for loan and other losses

4.35

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Impairment charge/(reversal) on loan and advances to B/FIs	24,607,460	5,178,263	24,607,460	5,178,263
Impairment charge/(reversal) on loan and advances to customer	1,659,493,605	2,043,881,694	1,614,601,316	2,032,788,613
Impairment charge/(reversal) on financial Investment	-	-	-	-
Impairment charge/(reversal) on placement with banks and financial institutions	(1,038,544)	-	(1,038,544)	-
Impairment charge/(reversal) on property and equipment	-	-	-	-
Impairment charge/(reversal) on goodwill and intangible assets	-	-	-	-
Impairment charge/(reversal) on investment properties	-	-	-	-
Total	1,683,062,521	2,049,059,957	1,638,170,232	2,037,966,876

Note: The write-back amount of NPR 1,038,544 is of the provision of balance maintained in Capital Merchant Banking and Finance Limited and recovered during the year. No further balance is remaining to be received from the said institution.



Personnel Expense

4.36

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Salary	1,013,457,818	978,705,553	891,152,011	868,746,397
Allowances	1,030,085,443	880,929,429	902,275,327	760,097,682
Gratuity expense	142,226,279	124,790,306	130,874,408	115,231,604
Provident fund	100,933,060	95,603,171	89,164,017	84,993,274
Uniform	-	-	-	-
Training & development expense	44,235,380	47,904,927	36,505,688	40,850,037
Leave encashment	334,304,757	296,365,864	310,652,398	279,253,109
- Sick Leave Expenses (As per actuary)	124,872,037	105,648,218	104,405,078	91,470,714
-Leave Fare Expenses	124,976,517	120,581,177	123,015,956	119,019,380
-Home Leave Expenses (As per actuary)	84,456,203	70,136,469	83,231,364	68,763,015
Medical	-	-	-	-
Insurance	2,093,196	1,751,390	-	-
Employees incentive	4,317,011	-	-	-
Cash-settled share-based payments	-	-	-	-
Pension expense	-	-	-	-
Finance expense under NFRS	155,733,152	76,345,571	155,554,940	76,175,462
Other expenses related to staff	55,915,483	61,046,934	42,673,005	49,595,031
Subtotal	2,883,301,578	2,563,443,146	2,558,851,794	2,274,942,595
Employees bonus	483,941,635	375,561,601	453,910,333	359,505,470
Grand total	3,367,243,213	2,939,004,747	3,012,762,127	2,634,448,065

Other operating expense

4.37

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Directors' fee	4,769,500	4,643,121	2,764,000	2,390,000
Directors' expense	8,959,593	8,364,588	8,083,549	7,806,583
Auditors' remuneration	4,166,439	3,543,560	2,825,000	2,825,000
Other audit related expense	317,590	414,771	163,388	67,160
Professional and legal expense	7,193,710	4,852,281	7,139,646	4,842,308
Office administration expense	925,431,673	941,999,326	840,724,709	871,462,015
Operating lease expense	14,287,874	14,281,507	15,338,733	14,098,784
Operating expense of investment properties	-	-	-	-
Corporate social responsibility expense	25,264,570	35,641,821	24,711,197	35,580,905
Onerous lease provisions	-	-	-	-
Others	271,084,755	246,128,973	207,253,420	194,400,363
Total	1,261,475,705	1,259,869,947	1,109,003,642	1,133,473,119



4.37.1 Office administration expense

Water and Electricity	64,777,159	63,336,270	62,037,021	60,766,248
Repair and Maintenance				
(a) Building	1,761,375	984,176	1,749,405	950,276
(b) Vehicles	8,083,596	8,527,386	7,709,742	8,297,679
(c) Computer and Accessories	1,959,079	1,511,199	1,959,079	1,511,199
(d) Office Equipment and Furniture	5,901,642	5,222,236	5,623,160	5,130,099
(e) Others	11,828,977	9,163,217	11,110,601	9,037,569
Insurance	64,310,349	62,916,325	63,766,613	62,336,246
Postage, Telex, Telephone, Fax	58,624,658	58,853,457	55,741,682	56,106,864
Printing and Stationery	40,507,236	46,753,403	37,074,732	43,415,106
Newspaper, Books and Journals	132,616	193,596	129,235	190,607
Advertisements	53,907,361	62,194,162	51,770,784	60,470,004
Donations	-	28,779	-	-
Security Expense	155,155,056	154,285,107	153,983,233	153,051,982
Deposit and loan guarantee premium	85,428,504	77,697,481	85,428,504	77,697,481
Travelling Allowances and Expenses	48,933,901	57,386,262	17,079,775	24,382,176
Entertainment	-	-	-	-
Annual general meeting Expenses	3,302,260	4,071,204	2,515,108	3,334,693
Others	320,817,906	328,875,066	283,046,035	304,783,785
Business Promotion	15,613,250	23,565,941	15,613,250	23,565,941
Membership Fee	34,256,669	25,352,431	20,008,281	15,778,884
Bank Charges and Commission	19,704,456	16,788,000	19,124,734	16,619,154
Rates and Taxes	11,875,909	11,851,361	11,875,909	11,851,361
IS Audit-Compliance Expenses	22,488,666	20,504,006	22,488,666	20,504,006
DMAT Expenses	12,905,647	6,624,023	-	-
Issue And Surveillance Expenses	10,496,010	7,971,765	2,841,038	2,565,141
Merger Expenses	-	-	-	-
Office Expenses	36,779,820	34,707,424	35,991,497	33,604,168
Vehicle fuel	23,404,280	47,596,851	23,227,770	47,414,856
Outsource Staff Expenses	133,293,199	133,913,264	131,874,891	132,880,275
Total	925,431,673	941,999,326	840,724,709	871,462,015

Depreciation & Amortisation

4.38

Depreciation is the systematic allocation of the depreciable amount of an asset over its useful life while amortization is the systematic allocation of the depreciable amount of an intangible asset over its useful life. Depreciation and amortization include depreciation on plant and equipment & amortization of intangible assets.

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Depreciation on property and equipment	397,115,049	432,158,147	351,433,137	406,991,104
Depreciation on investment property	-	-	-	-
Amortisation of intangible assets	33,649,850	52,854,559	33,160,041	51,080,755
Total	430,764,898	485,012,706	384,593,178	458,071,858

Non operating income

4.39

The incomes that have no direct relationship with the operation of transactions are presented as under.

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Recovery of loan written off	3,950,977	3,442,011	3,950,977	3,442,011
Other income	3,682,252	-	-	-
Total	7,633,230	3,442,011	3,950,977	3,442,011

Non operating expense

4.40

The expense that has no direct relationship with the operation of transactions are presented as under.

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Loan written off	658,746,389	20,990,648	658,746,389	20,990,648
Redundancy provision	-	-	-	-
Expense of restructuring	-	-	-	-
Other expense	-	4,032,176	-	-
Total	658,746,389	25,022,823	658,746,389	20,990,648



Income tax expense

4.41

The bank has calculated Income Tax as per Income Tax Act, 2058.

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Current tax expense	1,342,026,067	1,067,653,827	1,271,727,053	1,025,730,134
Current year	1,297,302,963	1,067,635,192	1,227,003,949	1,025,730,134
Adjustments for prior years	44,723,104	18,635	44,723,104	-
Deferred tax expense	(54,137,544)	(23,310,546)	(41,172,415)	(34,576,210)
Origination and reversal of temporary differences	(54,137,544)	(23,310,546)	(41,172,415)	(34,576,210)
Changes in tax rate	-	-	-	-
Recognition of previously unrecognised tax losses	-	-	-	-
Total income tax expense	1,287,888,523	1,044,343,281	1,230,554,638	991,153,924

4.41.1: Reconciliation of tax expense and accounting profit

Particulars	Group		NMB	
	Year ended 32 Asar 2082	Year ended 31 Asar 2081	Year ended 32 Asar 2082	Year ended 31 Asar 2081
Profit before tax	4,351,157,714	3,284,050,643	4,085,192,995	3,235,549,228
Tax amount at tax rate of 30%	1,305,347,314	997,719,456	1,225,557,898	970,664,768
Add: Tax effect of expenses that are not deductible for tax purpose	982,288,499	983,880,359	1,017,828,566	949,002,378
Less: Tax effect on exempt income	-	-	-	-
Add/less: Tax effect on other items	999,747,290	937,256,535	1,012,831,827	928,513,223
Less: Tax effect of expenses allowed/Income that are not allowed for tax purpose	968,538,310	906,047,555	981,622,846.81	897,304,243
Less: Tax effect of carried forward losses	31,208,980	31,208,980	31,208,980	31,208,980
Total income tax expense	1,287,888,523	1,044,343,281	1,230,554,638	991,153,923
Effective tax rate	29.60%	31.80%	30.12%	30.63%



NMB Bank Limited

Unaudited Financial Results (Quarterly)

Fourth Quarter ended of Fiscal Year 2024-25 (FY 2081/2082)

NPR. in '000

Statement of Financial Position	This Quarter Ending	Immediate Previous Year Ending(Audited)
Assets		
Cash and cash equivalent	33,385,654	22,570,603
Due from Nepal Rastra Bank	16,489,123	14,710,491
Placement with Bank and Financial Institutions	10,264,420	3,035,765
Derivative financial instruments	8,681,416	7,583,922
Other trading assets	-	-
Loan and advances to B/FIs	10,514,170	8,130,437
Loans and advances to customers	229,119,342	194,304,186
Investment securities	32,508,745	33,772,796
Current tax assets	-	145,037
Investment in subsidiaries	772,488	772,488
Investment in associates	-	-
Investment property	1,784,193	851,437
Property and equipment	3,800,678	3,758,591
Goodwill and Intangible assets	127,174	148,628
Deferred tax assets	316,475	424,642
Other assets	4,337,601	4,659,139
Total Assets	352,101,478	294,868,162
Liabilities		
Due to Bank and Financial Institutions	6,029,457	3,163,180
Due to Nepal Rastra Bank	-	-
Derivative financial instruments	8,695,560	7,710,800
Deposits from customers	280,926,468	223,942,592
Borrowing	3,987,500	11,552,656
Current Tax Liabilities	16,278	-
Provisions	-	-
Deferred tax liabilities	-	-
Other liabilities	7,459,884	7,145,422
Debt securities issued	12,384,569	12,382,000
Subordinated Liabilities	-	-
Total liabilities	319,499,716	265,896,650
Equity		
Share capital	18,366,706	18,366,706
Share premium	-	-
Retained earnings	1,909,467	(93,841)
Reserves	12,325,588	10,698,646
Total equity attributable to equity holders	32,601,761	28,971,511
Non-controlling interest	-	-
Total equity	32,601,761	28,971,511
Total liabilities and equity	352,101,478	294,868,162



Statement of Profit or Loss	Up to this Quarter	Up to Corresponding Previous Year Quarter (Audited)
Interest income	22,267,952	25,682,543
Interest expense	14,247,058	18,465,800
Net interest income	8,020,894	7,216,743
Fees and Commission Income	2,423,826	1,987,207
Fees and commission expense	242,075	193,315
Net fee and commission income	2,181,751	1,793,893
Net interest, fee and commission income	10,202,645	9,010,635
Net trading income	360,571	242,411
Other operating income	318,466	264,011
Total operating income	10,881,682	9,517,058
Impairment charge/(reversal) for loans and other losses	958,082	2,037,967
Net operating income	9,923,601	7,479,091
Operating expense		
Personnel expenses	3,080,564	2,634,448
Other operating expenses	1,108,236	1,133,473
Depreciation & Amortisation	384,593	458,072
Operating Profit	5,350,207	3,253,098
Non operating income	3,951	3,442
Non operating expense	658,746	20,991
Profit before income tax	4,695,412	3,235,549
Income tax expense		
Current Tax	1,454,793	1,025,730
Deferred Tax expense/(Income)	(41,172)	(34,576)
Profit for the period	3,281,791	2,244,395
Statement of Comprehensive Income		
Profit/Loss for the period	3,281,791	2,244,395
Other Comprehensive Income	348,459	136,139
Total Comprehensive Income	3,630,250	2,380,534

Statement of Distributable Profit/Loss
For the Quarter Ended Asadh 32, 2082 (July 16, 2025)
(As per NRB Regulations)

Particulars	Current Year Upto This Qtr YTD	Previous Year Corresponding Qtr YTD
Net Profit or Loss as per Statement of profit or loss	3,281,791	2,244,395
1. Appropriations:		
a. General Reserve	(656,358)	(448,879)
b. Capital (Debenture) Redemption Reserve	(566,666)	(566,666)
c. Exchange Fluctuation Fund	(33,351)	(25,310)
d. Corporate Social Responsibility Fund	(8,107)	13,137
e. Employees' Training Fund	(18,480)	(10,795)
f. Other	(20,000)	-
Profit or (Loss) before regulatory adjustment	1,978,829	1,205,882
Regulatory Adjustment:		
a. Interest receivable (-)/previous accrued interest received (+)	593,012	(409,861)
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 (+)	(351,588)	(96,849)
e. Deferred tax assets recognised (-)/ reversal (+)	(41,172)	(34,576)
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	(127,894)	(55,822)



Particulars	Current Year Upto This Qtr YTD	Previous Year Corresponding Qtr YTD
i. Other	(47,879)	-
Net Profit for the quarter ended Asar End, 2082 available for distribution	2,003,308	608,773
Opening Retained Earning as on Shrawan 1, 2081	(93,841)	1,140,830
Adjustment (+/-)	-	-
Payment of Tax on Premium of Further Public Offering (FPO) and Swap Surplus/ Bargain Purchase Gain	-	(1,843,444)
Distribution:		
Bonus shares issued	-	-
Cash Dividend Paid	-	-
Total Distributable profit or (loss) as on quarter ended Asar End, 2082	1,909,467	(93,841)
Annualised Distributable Profit/Loss per share	10.40	(0.51)

Ratios	Upto This Quarter (YTD)	Up to Corresponding Previous Year Quarter
Capital fund to RWA	12.03%	12.84%
Non performing loan (NPL) to total loan	3.72%	3.40%
Net Non performing loan (NPL) to total loan	1.37%	1.35%
Total loan loss provision to Total NPL (As per NRB Directives)	101.14%	117.75%
Cost of Funds (LCY YTD)	5.06%	7.31%
CD Ratio - Average of the Month	84.33%	83.91%
Base Rate -Average for the Quarter	6.22%	8.42%
Average Interest Spread (Calculated as per NRB Directives)- Last Month of Quarter	3.82%	3.99%
Additional Informations:		
Tier 1 Capital to RWA	9.18%	9.72%
CET 1 Capital to RWA	9.18%	9.72%
Return on Equity (Annualized)	10.66%	7.82%
Return on Assets (Annualized)	1.01%	0.77%
PE Ratio (Annualized)	15.10	17.84
Net-Worth per share (NPR)	176.81	157.74
Assets per share (NPR)	1,917.06	1,605.45
Liquidity Ratio (NLA)	27.39%	29.01%



NMB Bank Limited

Comparison of Unaudited and Audited Financial Statements as of FY 2024-2025 (FY 2081/82)

NPR. in '000

Statement of Financial Position	As per unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In amount	In %	
Assets					
Cash and cash equivalent	33,385,654	33,385,654	-	0.00%	
Due from Nepal Rastra Bank	16,489,123	16,489,123	-	0.00%	
Placement with Bank and Financial Institutions	10,264,420	10,264,420	-	0.00%	
Derivative financial instruments	8,681,416	8,681,416	-	0.00%	
Other trading assets	-	-	-	-	
Loan and advances to B/FIs	10,514,170	10,497,119	(17,051)	-0.16%	Due to reclassification
Loans and advances to customers	229,119,342	228,456,304	(663,038)	-0.29%	Due to change in Impairment of loans and advances
Investment securities	32,508,745	32,508,745	(0)	0.00%	
Current tax assets	-	166,787	166,787	0.00%	Due to change in profit
Investment in subsidiaries	772,488	772,488	-	0.00%	
Investment in associates	-	-	-	0.00%	
Investment property	1,784,193	1,784,193	-	0.00%	
Property and equipment	3,800,678	3,800,678	0	0.00%	
Goodwill and Intangible assets	127,174	127,174	(0)	0.00%	
Deferred tax assets	316,475	316,475	(0)	0.00%	
Other assets	4,337,601	4,341,932	4,331	0.10%	Due to reclassification
Total Assets	352,101,478	351,592,507	(508,970)	-0.14%	
Liabilities					
Due to Bank and Financial Institutions	6,029,457	6,029,457	(0)	0.00%	
Due to Nepal Rastra Bank	-	-	-	0.00%	
Derivative financial instruments	8,695,560	8,695,560	-	0.00%	
Deposits from customers	280,926,468	280,926,468	0	0.00%	
Borrowing	3,987,500	3,987,500	-	0.00%	
Current Tax Liabilities	16,278	-	(16,278)	-100.00%	Due to Change in Profit
Provisions	-	-	-	0.00%	
Deferred tax liabilities	-	-	-	0.00%	
Other liabilities	7,459,884	7,394,345	(65,539)	-0.88%	Due to reclassification and change in staff bonus
Debt securities issued	12,384,569	12,384,569	-	0.00%	
Subordinated Liabilities	-	-	-	0.00%	
Total liabilities	319,499,716	319,417,899	(81,817)	-0.03%	
Equity					
Share capital	18,366,706	18,366,706	(0)	0.00%	
Share premium	-	-	-	0.00%	
Retained earnings	1,909,467	1,901,381	(8,086)	-0.42%	Due to change in profit and subsequent appropriations
Reserves	12,325,588	11,906,521	(419,067)	-3.40%	Due to change in profit and subsequent appropriations
Total equity attributable to equity holders	32,601,761	32,174,608	(427,153)	-1.31%	
Non-controlling interest	-	-	-	0.00%	
Total equity	32,601,761	32,174,608	(427,153)	-1.31%	
Total liabilities and equity	352,101,478	351,592,507	(508,970)	-0.14%	



Particulars	As per unaudited Financial Statement	As per Audited Financial Statement	Variance		Reasons for Variance
			In amount	In %	
Interest income	22,267,952	22,267,952	-	0.00%	
Interest expense	14,247,058	14,247,058	-	0.00%	
Net interest income	8,020,894	8,020,894	-	0.00%	
Fees and Commission Income	2,423,826	2,426,661	2,835	0.12%	Due to booking of commission income
Fees and commission expense	242,075	242,075	-	0.00%	
Net fee and commission income	2,181,751	2,184,586	2,835	0.13%	
Net interest, fee and commission income	10,202,645	10,205,480	2,835	0.03%	
Net trading income	360,571	360,571	(0)	0.00%	
Other operating income	318,466	318,466	0	0.00%	
Total operating income	10,881,682	10,884,518	2,835	0.03%	
Impairment charge/(reversal) for loans and other losses	958,082	1,638,170	680,089	70.98%	Due to change in Impairment of loans and advances
Net operating income	9,923,601	9,246,347	(677,253)	-6.82%	
Operating expense					
Personnel expenses	3,080,564	3,012,762	(67,802)	-2.20%	Due to adjustment of Staff Bonus
Other operating expenses	1,108,236	1,109,004	767	0.07%	Due to adjustment of Cost
Depreciation & Amortisation	384,593	384,593	-	0.00%	
Operating Profit	5,350,207	4,739,988	(610,219)	-11.41%	
Non operating income	3,951	3,951	-	0.00%	
Non operating expense	658,746	658,746	(0)	0.00%	
Profit before income tax	4,695,412	4,085,193	(610,219)	-13.00%	
Income tax expense					
Current Tax	1,454,793	1,271,727	(183,066)	-12.58%	Due to change in profit
Deferred Tax expense/(Income)	(41,172)	(41,172)	-	0.00%	
Profit for the period	3,281,791	2,854,638	(427,153)	-13.02%	
Other Comprehensive Income	348,459	348,459	-	0.00%	
Total Comprehensive Income	3,630,250	3,203,097	(427,153)	-11.77%	
Distributable Profit					
Opening Retained Earnings	(93,841)	(93,841)	-		
Net profit/(loss) as per profit or loss	3,281,791	2,854,638	(427,153)	-13.02%	As mentioned above
Add/Less: Regulatory adjustments as per NRB Directive	(1,278,483)	(859,416)	419,067	-32.78%	Due to change in profit
Profit/(loss) after regulatory adjustments	1,909,467	1,901,381	(8,086)	-0.42%	



SIGNIFICANT ACCOUNTING POLICIES TO CONSOLIDATED FINANCIAL STATEMENTS

Financial Year 16 July 2024 to 16 July 2025 (1 Shrawan 2081 to 32 Asar 2082)

1. General Information

1.1. Reporting Entity: NMB Bank Limited (hereinafter referred to as “the Bank”) is a limited liability company domiciled in Nepal. The registered office of the Bank is G.P.O. Box 11543, Babar Mahal, Kathmandu, Nepal. The Bank has a primary listing in the Nepal Stock Exchange Limited, the only Stock Exchange in Nepal.

The Bank carries out commercial banking activities in Nepal licensed under the Bank and Financial Institutions Act, 2006 as Class A financial institution in May 2008 and has been operating in the Nepalese Financial market almost three decades.

1.2. Subsidiary:

- NMB Capital Ltd. (NMBCL) is a 100% subsidiary company of the Bank and was incorporated on September 17, 2010 as a public limited company as per the Companies Act 2063. It is into Merchant and investment banking licensed by Securities Board of Nepal under the Securities Businessperson (Merchant Banker) Regulations, 2008.
- NMB Laghubitta Bittiya Sanstha Ltd. (NMBMF) is incorporated as a public limited company under Companies Act, 2063 and licensed by Nepal Rastra Bank as “D” Class financial institution having Nation Wide working area to operate its microfinance program under Bank and Financial Institution Act 2006. As at the Balance Sheet date, the bank holds 51% controlling interest in the NMBMF. N.M.B. Securities Limited is a 100% subsidiary company of the bank and was incorporated on 21 June 2021 and is on the brokerage business licensed by Securities Board of Nepal.

The financial year of both of the subsidiaries is same as that of the Bank ending on July 16, 2025.

1.3. “The Group” represents the Bank and the subsidiaries.

2. Summary of Significant Accounting Policies

The principal accounting policies applied in the preparation of the financial statements of the Bank are set out below. Unless otherwise stated, these policies have been consistently applied to all the years presented herein.

2.1. Basis of preparation

The Consolidated Financial Statements have been prepared in accordance with the Nepal Financial Reporting Standard (NFRS) issued by the Nepal Accounting Standards Board (NASB) except otherwise stated in the format issued by Nepal Rastra Bank in Directive No. 4 of NRB Directives complying with the requirements of Companies Act 2063 and also provide appropriate disclosures required under regulations of the Securities Exchange Board of Nepal (SEBON). The financial statements have been prepared in accordance with the accrual basis and as per carve outs issued by ICAN and NFRS 9 Expected Credit Loss Related Guidelines, 2024 (First Amendment) issued by NRB.

The cash flow statement has been prepared using the direct method whereby actual cash inflow and outflows is taken separately to identify cash flow from operations. The cash flows are classified by operating, investing and financing activities.

The Group has opted for some certain carve outs which are briefly described in Notes to Accounts. As a consequence of carve out adjustments, net profit would have been impacted.

In preparing the Consolidated Financial Statement, the financial statements of the Bank and the Subsidiary are combined line by line by adding together Assets, Liabilities, Equity, Income and Expenses. The consolidated financial statements have been prepared in accordance with Nepal Financial Reporting Standards 10 “Consolidated Financial Statements”.

Para 8 of NFRS 10 outlines three conditions to be fulfilled in order to establish control:

(a) Power over the investee;



- (b) Exposure, or rights, to variable returns from its involvement with the investee; and
- (c) The ability to use its power over the investee to affect the amount of the investor’s returns

Non-Controlling Interest (NCI) refers to ownership of a company, which does not give the shareholder the control of the company.

2.2. Going Concern

The Board of Directors have made an assessment of Bank’s ability to continue as a going concern and are satisfied that it has the resources to continue in business for the foreseeable future. Furthermore, the board is not aware of any material uncertainties that may cast significant doubt upon Bank’s ability to continue as a going concern and they do not intend either to liquidate or to cease operations of it. Hence, the Financial Statements are continued to be prepared on the going concern basis.

2.3. Responsibility for Financial Statements

As stated in paragraph 6 of NAS 01 “Presentation of Financial Statements” read along with Section 108 of the Company Act, 2006 the Board of Directors is responsible for the preparation of financial statements of the Bank. The Board of Directors acknowledges this responsibility. The Financial statements include the following components:

- Consolidated Statement of Financial Position(SOFP) stating the financial position of the Bank and the Group as at the end of reporting period;
- Consolidated Statement of Profit and Loss (SOPL) and Consolidated Statement of Other Comprehensive Income (SOCI) stating the financial performance of the Bank and the Group for the reported period ended.
- Consolidated Statement of Cash Flow Statement (SOCF) stating the ability of Bank and the Group to generate Cash and Cash Equivalent.
- Consolidated Statement of Changes in Equity (SOCE) stating all the changes in Equity of the Bank and the Group during the reporting period.
- Notes to the Consolidated Financial Statements comprising summary of Principal Accounting Policies and explanatory notes that are of significant importance to the users of Financial Statements.

2.4. Reporting Period and approval of financial statement

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
Consolidated Statement of Financial Position	32 Ashad 2082	16 July 2025
Consolidated Statement of Profit/Loss	1 Shrawan 2081 to 32 Ashad,2082	16 July 2024 to 16 July 2025
Consolidated Statement of Other Comprehensive Income	1 Shrawan 2081 to 32 Ashad,2082	16 July 2024 to 16 July 2025
Consolidated Statement of Cash flow	1 Shrawan 2081 to 32 Ashad,2082	16 July 2024 to 16 July 2025
Consolidated Statement of Changes in Equity	1 Shrawan 2081 to 32 Ashad,2082	16 July 2024 to 16 July 2025

The consolidated financial statements of the group for the year ended 16 July 2025 have been authorized by the Board of directors and have recommended for its approval by the forthcoming Annual General Meeting.

2.5. Foreign Exchange Transactions

Assets and liabilities denominated in foreign currencies as on the balance sheet date have been converted into local currency at mid-point exchange rates published by Nepal Rastra Bank after adjustment for effective trading rate.

Net difference arising from the conversion of foreign currency assets and liabilities is accounted for as revaluation gain/loss under Exchange Gain in Schedule 4.34. 25% of such revaluation gain is transferred to Exchange Fluctuation Reserve through Statement of Change in Equity as per NRB Directives.

Income realised from the difference between buying and selling rates of Foreign Exchange is accounted for as trading gains and shown as “Gain/loss foreign exchange transaction” under “Net Trading Income” in Schedule 4.33



2.6. Functional and presentation currency

The Consolidated financial statements are presented in Nepalese Rupees (NPR), the functional currency of Group entities. The Consolidated financial statements are prepared in the formats implemented by Nepal Rastra Bank and the assets and liabilities are presented in the order of liquidity in the statement of financial position. The Income and expenses are classified 'by nature' in the presentation of statement of profit or loss. All figures in the accounts have been rounded and consequently the sum of individual figures may deviate from the presented sum figure. Furthermore, all percentages are subject to possible rounding differences.

2.7. Significant accounting judgements and estimates

As part of the process of preparing the financial statements in conformity with NFRS, the Bank's management is required to make certain judgements, estimates and assumptions that may affect the Bank's profits, its financial position and other information presented in the Annual Report. These estimates are based on available information and the judgements made by the Bank's management. Actual outcomes may deviate from the assessments made, and such deviations may at times be significant.

The Bank uses various valuation models and techniques to estimate the fair values of assets and liabilities. There are significant uncertainties related to these estimates and these estimates are highly dependent on market data, such as the level of interest rates, currency rates and other factors. The uncertainties related to these estimates are reflected mainly in the statement of financial position. The bank undertakes continuous development in order to improve the basis for fair value estimates, with regard to both modelling and market data. Changes in estimates resulting from refinements in assumptions and methodologies are reflected in the period in which the enhancements are first applied. Judgements and estimates are also associated with impairment testing of loans and claims.

2.8. Change in Accounting Policies

The bank has changed its accounting policies when required, to ensure compliance with NFRS. The effect of change in accounting policies at the date of transition has been given to the retained earnings (and reserves, if applicable). The Bank adopted Nepal Financial Reporting Standard (NFRS) 9 Financial Instruments effective 1 Shrawan 2081, replacing Nepal Accounting Standard (NAS) 39. This transition shifted the impairment methodology from NAS 39's incurred loss model to NFRS 9's expected credit loss (ECL) model, which uses a forward-looking approach incorporating past events, current conditions, and forecasts of future economic conditions.

2.9. Materiality and Aggregation

In compliance with Nepal Accounting Standard - NAS 01 (Presentation of Financial Statements), each material class of similar items is presented separately in the Financial Statements. Items of dissimilar nature or functions too are presented separately unless they are immaterial. Financial Assets and Financial Liabilities are offset and the net amount reported in the Statement of Financial Position only when there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis, or to realize the assets and settle the liability simultaneously. Income and expenses are not offset in the Statement of Profit or Loss unless required or permitted by an Accounting Standard.

2.10. NFRS 9 'Financial Instruments'-Impairment

The Bank adopted Nepal Financial Reporting Standard (NFRS) 9 Financial Instruments effective 1 Shrawan 2081, replacing Nepal Accounting Standard (NAS) 39. This transition shifted the impairment methodology from NAS 39's incurred loss model to NFRS 9's Expected credit loss (ECL) model, which uses a forward-looking approach incorporating past events, current conditions, and forecasts of future economic conditions.

Expected Credit Loss Model (ECL) of Impairment

The Expected Credit Loss (ECL) model is a forward-looking model. The ECL estimates are unbiased, probability-weighted, and include supportable information about past events, current conditions, and forecasts of future economic conditions.

The calculation of ECL consists of three key components and discount factor:

- Probability of Default (PD)
- Loss Given Default (LGD)
- Exposure at Default (EAD)

$ECL = PD * LGD * EAD * \text{Discount Factor}$



Probability of Default (PD)

The Bank estimates Probability of Default (PD) as the likelihood that a borrower will be unable to meet its debt obligations over a specified time horizon—typically 12 months for Stage 1 assets or the remaining lifetime for Stage 2 and 3 assets. PD is derived from historical default data, adjusted for current economic conditions and forward-looking macroeconomic factors, ensuring a point-in-time assessment that incorporates scenario-based projections to reflect potential credit risk deterioration.

Loss Given Default (LGD)

Loss Given Default (LGD) represents the estimated economic loss on an exposure in the event of default, expressed as a percentage of the Exposure at Default after accounting for recoveries from collateral, guarantees, and other credit enhancements. The Bank calculates LGD using historical recovery rates, discounted to present value, with adjustments for forward-looking information. NRB mandates prudential floors, minimum LGD of 45% for certain unsecured or under-collateralized exposures, to promote conservative provisioning. Further, the bank has considered Recovery information from August 2019 to compute LGD basis workout methodology.

Exposure at Default (EAD)

Exposure at Default (EAD) is the anticipated gross carrying amount of a financial asset at the time of default, including both on-balance sheet exposures and off-balance sheet commitments converted using credit conversion factors (CCFs). The Bank models EAD by considering undrawn commitments, future drawdowns, and prepayment behaviours, incorporating forward-looking estimates to align with the expected credit loss framework for accurate impairment measurement.

Under the general approach, NFRS 9 recognizes three-stage approach to measure expected credit losses and recognized interest income.

Stage 1: 12-month ECL – No significantly increased credit risk Financial instruments that have not had a significant increase in credit risk since initial recognition require, at initial recognition a provision for ECL associated with the probability of default events occurring within the next 12 months (12-month ECL). For those financial assets with a remaining maturity of less than 12 months, a Probability of Default (PD) is used that corresponds to the remaining maturity. Interest will be calculated on the gross carrying amount of the financial asset before adjusting for ECL.

Stage 2: Lifetime ECL – Significantly increased credit risk since initial recognition, a provision is required for the lifetime ECL representing losses over the life of the financial instrument (lifetime ECL). Interest income will continue to be recognized on a gross basis.

Stage 3: Lifetime ECL – Defaulted Financial instruments that move into Stage 3 once credit impaired and purchases of credit impaired assets will require a lifetime provision. Interest income will be calculated based on cash basis.

	Stage 1	Stage 2	Stage 3
Nature	12 month expected credit loss	Lifetime expected credit loss	Lifetime expected credit loss
Risk	No significant risk since initial recognition	Significant credit risk since initial recognition	Credit impaired (With objective evidence of impairment)
Nature	Performing	Underperforming	Non-performing
Interest Revenue	Effective interest on gross carrying amount	Effective interest on gross carrying amount	On cash basis

Portfolio segmentation:

Guidelines under NFRS 9 on the collective assessment of ECL:

- As per NFRS 9, depending on the nature of the financial instruments and the credit risk information available for particular groups of financial instruments, the Bank may not be able to identify significant changes in credit risk for individual financial instruments before the financial instrument becomes past due.
- For the purpose of determining significant increases in credit risk and recognizing a loss allowance on a collective basis, the Bank groups’ financial instruments based on shared credit risk characteristics



with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

Individual Impairment

In line with NFRS 9 and NRB Guidelines, NMB Bank applies an individual impairment assessment approach for financial assets where a borrower has experienced significant financial difficulty, legal actions are underway, or the credit exposure is material and not suited for collective assessment. A loan classified under Stage 3 will be subject to individual impairment assessment where exposure exceeds NPR 100 Million. The recoverable value of loan is estimated based on expected cash flows and/or realizable value of collateral and the conduct of the borrower/past experience of the bank.

Collective Impairment

Assets for which no individual impairment exist are grouped with financial assets with similar credit risk characteristics and collectively assessed for impairment. The credit risk statistics for each group of the loan and advances are determined by management prudently based on past experience.

Consideration of Forward-looking Information

The Bank incorporates forward-looking information into both its assessment as to whether the credit risk of an instrument has increased significantly since its initial recognition and its measurement of ECL. The bank has used base case, a best case and a worst-case scenario during ECL computation with likely case being base case. The bank has used different macro-economic variables (Mevs) like Gross National Disposable Income, Real GDP (% change pa), Unemployment Rate, National Consumer Price Index, Lending interest rate (%) and National Salary and Wage Rate Index as per the correlation analysis, business intuition and relation with the portfolio. Quantitative economic factors are based on economic data and forecasts published by the National Statistics Office, NRB, and other reliable sources and statistical models.

The bank has adopted carve out issued by ICAN dated 2082/05/09 and NFRS 9- Expected Credit Loss Related Guidelines, 2024 (First Amendment) and has created impairment higher of provision as per NRB and impairment calculated which is further explained in Notes to Accounts.

2.11. NFRS-15: Revenue from contract with customers

NFRS 15 is a new standard for revenue recognition which overhauls the existing revenue recognition standards. The standard requires the following five step model framework to be followed for revenue recognition:

- Identification of the contracts with the customer
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract (as identified in step ii)
- Recognition of revenue when the entity satisfies a performance obligation.

2.12. Basis for classification and measurement

Financial assets are measured at initial recognition at fair value, and are classified and subsequently measured at fair value through profit or loss (FVTPL), fair value through other comprehensive income (FVOCI) or amortized cost based on our business model for managing the financial instruments and the contractual cash flow characteristics of the instrument. The financial statements have been prepared on the historical cost basis, except for:

As per NFRS 9 "Financial Instruments", Investment Securities (investment in equity shares and mutual funds) are measured at fair value.

- Derivative Financial Instruments are measured at fair value (FVTPL).
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value
- Inventories are measured at cost or net realizable value whichever is lower.
- As per NAS 40 'Investment Property' (land and building acquired as non-banking assets) are measured at fair value.
- As per NAS 19 "Employee Benefits", Liabilities for employee defined benefit obligations and liabilities for long service leave are measured at fair value.



Financial assets at amortised cost

An investment is classified at “amortised cost” only if it is not designated as a FVTPL and both of the following criteria are met: the objective of the Bank’s business model is to hold the assets in order to collect the contractual cash flows, and the contractual terms of the financial assets must give rise on specified dates to cash flows that are only payments of principal and interest on the principal amount outstanding.

Financial assets at fair value

If either of the two criteria above is not met, the asset cannot be classified in the amortised cost category and must be classified at fair value.

Determination of fair value

The fair value of financial instruments, including derivative instruments that are traded in a liquid market, is the bid or offered closing price on the balance sheet date. Where the fair values cannot be derived from active markets, they are determined using a variety of valuation techniques which include the use of mathematical models. The input to these models is taken from observable market data where possible. Fair values are measured using different valuation models and techniques. This process involves determining future expected cash flows, which can then be discounted to the balance sheet date. The estimation of future cash flows for these instruments is subject to assumptions on market data, the fair value estimate may therefore be subject to variations and may not be realisable in the market. Under different market assumptions, the values could also differ significantly.

The Bank measures fair values using the following fair value hierarchy, which reflects the significance of the inputs used in making the measurements:

Level 1: Quoted market prices (unadjusted) in an active market for identical instruments.

Level 2: Valuation techniques based on observable inputs, either directly (i.e. as prices) or indirectly (i.e. derived from prices). This category includes instruments valued using: quoted market prices in active markets for similar instruments, quoted prices for identical or similar instruments in markets that are considered less than active or other valuation techniques where all significant inputs are directly or indirectly observable from market data.

Level 3: Valuation techniques using significant unobservable inputs. This category includes all instruments where the valuation technique includes inputs not based on observable data and where the unobservable inputs have a significant effect on the instrument’s valuation. This category includes instruments that are valued based on quoted prices for similar instruments where significant unobservable adjustments or assumptions are required to reflect differences between the instruments.

The fair value for non-listed shares has been considered book of last audited fiscal year while that of listed promoter share has been considered 50% of traded public price.

2.13. Financial assets and financial liabilities

Financial assets refer to assets that arise from contractual agreements on future cash flows or from owning equity instruments of another entity. Since financial assets derive their value from a contractual claim, these are non-physical in form and are usually regarded as being more liquid than other tangible assets.

Financial liabilities are obligations that arise from contractual agreements and that require settlement by way of delivering cash or another financial asset. Settlement could also require exchanging other financial assets or financial liabilities under potentially unfavourable conditions. Settlement may also be made by issuing own equity instruments.

2.14. Recognition and de-recognition of financial instruments

Financial instruments are recognised in the statement of financial position on a settlement date basis, except for derivative instruments, which are recognized on a trade date basis.

A financial asset is derecognised when the contractual rights to the cash flows from the financial asset expire.

A financial liability is derecognised from the statement of financial position when the obligation specified in the contract is discharged, cancelled or expires.



2.15. Business Combination and Goodwill/Bargain Gain Purchase

The Group accounts for business combinations using the acquisition method when control is transferred to the Group as per NFRS 3. The consideration transferred in the acquisition is generally measured at fair value, as are the identifiable net assets acquired. The Bank had combined the business as per Merger and Acquisition Bylaws 2073 issued by central bank during the previous years and the goodwill has been recognized as per the said guidelines in FY 2078.79 during the acquisition of Erstwhile Kanchan Development Bank Limited. The amount of Goodwill NPR. 72.83 million is carried forward from last year under schedule 4.14.

Goodwill is not amortized, but are assessed for impairment in each reporting period or as and when there is indication of impairment. The assessment of infinite life is reviewed each reporting period to determine whether the infinite life continues to be supportable. The Goodwill recognized upon acquisition of erstwhile Kanchan Development Bank Limited has been assessed for impairment and indication of impairment of such goodwill has not been observed at the end of the reporting period.

2.16. Offsetting

A financial asset and a financial liability are offset and the net amount recognised only where there is a legal right to do so and the intention is to settle on a net basis

2.17. Cash and cash equivalents

Cash and cash equivalents comprise monetary assets and placements with original maturities of three months or less, calculated from the date the acquisition and placements were made.

Cash and cash equivalents are classified as financial asset and are measured at amortized cost in SoFP.

Restricted deposits are not included in cash and cash equivalents. These are measured at amortized cost and presented as a line item on the face of consolidated Statement of Financial Position (SoFP).

2.18. Impairment

Impairment of financial assets

The Bank assesses at each reporting date whether there is objective evidence that a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of one or more events occurring after the initial recognition of the asset (a loss event), and that loss event (or events) has an impact on the estimated future cash flows of the financial asset or group of financial assets that can be reliably estimated.

The Bank considers the following factors in assessing objective evidence of impairment:

- a significant financial difficulty of the issuer or obligor;
- a breach of contract, such as a default or delinquency in interest or principal payments;
- it becoming probable that the borrower will enter bankruptcy or other financial reorganization;
- Where observable data indicate that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition of those assets, although the decrease cannot yet be identified with the individual financial assets in the group, including adverse changes in repayment patterns or economic conditions that correlate with defaults.

Assets carried at amortised cost

Financial assets carried at amortised cost (such as amounts due from Banks, loans and advances to customers as well as held-to-maturity investments are impaired, and impairment losses are recognized, only if there is objective evidence as a result of one or more events that occurred after the initial recognition of the asset. The amount of the loss is measured as the difference between the asset's carrying amount and the deemed recoverable value of loan.

The recoverable value of loan is estimated on the basis of realizable value of collateral (value of collateral is considered after hair cut prescribed by NRB) and the conduct of the borrower/past experience of the bank. Assets that are individually assessed and for which no impairment exists are grouped with financial assets with similar credit risk statistics and collectively assessed for impairment. The credit risk statistics for each group of the loan and advances are determined by management prudently being based on the past experience.



Subsequent reversal of impairment loss, due to factors such as an improvement in the debtor's credit rating, is recognized in the statement of profit or loss. The reversal shall not result in a carrying amount of the financial asset that exceeds what the amortized cost would have been had the impairment not been recognized at the date the impairment is reversed. Financial assets (and the related impairment allowance accounts) are written off either partially or in full, when there is no realistic prospect of recovery. Where financial assets are secured, this is generally after receipt of any proceeds from the realization of security. If a future write-off is later recovered, the recovery is credited to the 'Income Statement'.

2.19. Derivative assets and derivative liabilities

Derivative assets and derivative liabilities (derivatives) create rights and obligations that have the effect of transferring between the parties to the instrument one or more of the financial risks inherent in an underlying primary financial instrument. However, they generally do not result in a transfer of the underlying primary financial instrument on inception of the contract, nor does such a transfer necessarily take place on maturity of the contract.

Derivative financial instruments meet the definition of a financial instrument and are accounted for as derivative financial asset or derivative financial liability measured at FVTPL and corresponding fair value changes are recognized in profit or loss.

2.20. Grant

Grant is recognised in profit or loss on a systematic basis over the periods in which the entity recognises as expenses the related costs for which the grants are intended to compensate. Income approach is followed in recording grant income. Grants related to the assets including non-monetary grants at fair value is presented in the statement of financial position by setting up Deferred Grant Income. Grants related to income are presented as part of profit or loss under other income.

2.21. Deposits from customers and BFIs and Debt Securities

These are classified as financial liabilities measured at amortized cost.

2.22. Revenue recognition

Revenue is recognized only when it is probable that the economic benefits associated with the transaction will flow to the entity. In some cases, this may not be probable until the consideration is received or until an uncertainty is removed.

Revenue is derived substantially from banking business and related activities and comprises net interest income and non-interest income. Income is recognised on an accrual basis in the period in which it accrues. The bank applies NFRS 15 – Revenue from Contracts with Customers in the accounting of revenue, unless otherwise stated.

a. Net interest income

Interest income and expenses are recognised in profit or loss for all interest-bearing instruments on an accrual basis using the effective interest method. The effective interest rate is the rate that exactly discounts the expected estimated future cash payments and receipts through the expected life of the financial asset or liability. Where financial assets have been impaired, interest income continues to be recognised on the impaired value, based on the original effective interest rate.

The interest income has been recognized as per Guidance Note on Interest Income Recognition, 2025 Issued by Nepal Rastra Bank. The bank has applied carve out on effective interest rate method on loans and advances as issued by ICAN on 2082.05.09. Therefore, For FY 2081/82, interest revenue for Stage 1 and Stage 2 financial assets was calculated using the coupon interest rate applied to principal outstanding on an accrual basis, while Stage 3 assets used a cash basis (incremental approach). From FY 2083/84, the Bank will transition to using the effective interest rate (EIR) or deemed EIR (excluding previously recognized integral fees for old term loans) applied to gross carrying amount for Stages 1 and 2, and amortized cost for Stage 3, per NFRS 9.

b. Fees and commission income

Fees and commission income is generally recognised when the related services are provided or on execution



of a significant act. Fees charged for servicing a loan are recognised as revenue as the service is provided. However, as per the Carve out issued by ICAN and NFRS 9 Expected Credit Loss Related Guidelines, 2024 regarding the treatment of fee and commission in EIR rate, fees to be considered for EIR computation unless it is impracticable to determine reliably.

c. Dividend Income

Dividend is recognised as income when the right to receive the dividend is established. For bonus shares, the numbers of shares alone are increased without any change in the cost price of shares.

d. Net Trading Gain

The Group presents all accrued interest, dividend, unrealized fair value changes and disposal gains or losses in respect of trading assets and liabilities under this head. The Group also presents foreign exchange trading gains or losses arising on foreign exchange buy and sell transactions under trading income.

2.23. Interim Reports

Interim reports corresponding to the financial statements reported had been reported in accordance with the regulatory reporting requirements. Those statements have been published.

2.24. Discounting

Discounting has been applied where assets and liabilities are non-current and the impact of the discounting is material. Service fees charged by the bank on loans and advances unless immaterial or impracticable to determine reliably is to be considered for computation of Effective Interest Rate.

2.25. Limitation of NFRS implementation

Wherever the information is not adequately available and the cost to develop the same would exceed the benefit derived, such exception to NFRS implementation has been noted and disclosed in respective sections.

2.26. Significant changes from the policies adopted in the past

Significant changes from the accounting policies adopted under previous GAAP (erstwhile Nepal Accounting Standards and directives issued by Nepal Rastra bank) and the adoption of NFRS has been disclosed in the respective segments, including the impact.

2.27. Property, plant and equipment (PPE) and Intangible Assets

- Property, plant and equipment and Intangible assets (software) are stated at cost less accumulated depreciation (Cost Model)
- Land is not depreciated. Depreciation of others is charged to Statement of Profit and Loss on Straight Line method over the useful life of those assets. The estimated useful life of the assets are as follows:

Assets	Estimated Life	Rate of Depreciation
Building	40 years	2.5%
Office equipment	7 years	14.28%
Computers	5 years	20%
Furniture & Fixtures	7 years	14.28%
Vehicles	7 years	14.28%
Intangible Assets/software	5 Years	

- Leasehold improvements are capitalised at cost and amortised over period of lease.
- Intangible assets (software) are capitalised and amortised over the life of assets determinable or best estimated.
- Depreciation on property, plant and equipment sold or disposed off during the year is charged up to the date of sales and gain or loss on the sales transaction is accounted for.
- Software costs are amortized over their estimated useful lives from the period of purchase.
- Assets with a unit value of less than NPR 10,000 are expensed-off during the year of purchase irrespective of its useful life.



2.28. Investment property

Investment properties are land or building or both other than those classified as property and equipment under NAS 16 – “Property, Plant and Equipment”; and assets classified as non-current assets held for sale under NFRS 5 – “Non-Current Assets Held for Sale & Discontinued Operations”. The Group has recognized as investment property all land or land and building acquired as non-banking assets.

Non-banking assets are initially recognized at fair value. Since it is not intended for owner-occupied use, a depreciation charge (as applicable) is not raised.

2.29. Retirement Benefits

The Bank offers retirement benefits to its confirmed employee, mainly provident fund, gratuity and accumulated sick leave, all payable at the time of separation from service.

a. Provident fund

Provident fund is recognised at the time of contribution to the fund which is independent to the Bank.

b. Gratuity

Provision for gratuity is made on the basis of actuarial valuation carried out by an Actuary as per the provisions of Nepal Accounting Standards. At the time of separation from service, cash payments are made to the employees and the amount is computed as per the Bank’s Policy.

c. Accumulated sick leave

Provision for accumulated sick leave is made on the basis of actuarial valuation carried out by an Actuary as per the provisions of Nepal Accounting Standards. At the time of separation from service, cash payments are made to the employees and the amount is computed as per the Bank’s Policy.

d. Accumulated home leave

Provision for accumulated home leave is made on the basis of actuarial valuation carried out by an Actuary as per the provisions of Nepal Accounting Standards. At the time of separation from service or eligible accumulated leaves, cash payments are made to the employees and the amount is computed as per the Bank’s Policy.

2.30. Operating Lease

Leases where a significant portion of the risks and rewards of ownership are retained by the lessor, are classified as operating leases. The bank has applied NFRS 16 - Leases for leases of branch and ATM. After the commencement date, bank has measured the right-of-use asset applying the cost model while lease liability has been measured by:

- a. Increasing the carrying amount to reflect interest on the lease liability;
- b. Reducing the carrying amount to reflect the lease payments made; and
- c. Re-measuring the carrying amount to reflect any reassessment or lease modifications, if any.

2.31. Income Tax

a. Current Income Tax

Provision for current income tax is made in accordance with the provisions of the prevailing Income Tax Act, 2058 and Rules framed there under.

b. Deferred Tax

Deferred tax is recognised on the differences between the carrying amount of assets and liabilities in the financial statements and corresponding tax bases used in the computation provided on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined by using tax rates (and laws) that have been enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled. Deferred tax assets are recognised where it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred tax related to temporary differences in opening balances is credited or charged directly to equity and subsequent year differences are recognised in the income statement together with the deferred gain or loss.

2.32. Segmental Reporting

An operating segment is a component of the bank that engages in business activities from which it earns revenues and incurs expenses, including revenues and expenses that relating to transactions with any of the bank’s other components, whose operating results are reviewed by the management to make decision



about resource allocation to each segment and assess its performance.

The Bank is organised for management and reporting purposes into segments such as: Retail, SME & MSME, Corporate, Deprived, Treasury and Others. Income tax is managed on a group basis and are not allocated to operating segments. All transactions between segments are conducted on an arm's length basis, with inter-segment revenue and costs being eliminated in "Others". Support costs are also allocated to Retail, Corporate, SME & MSME, Deprived, Treasury and others based on Management's estimates of the benefits accruing to these segments for the costs incurred.

2.33. Share capital and reserves

The Ordinary shares in the Bank are recognized at the amount paid per ordinary share. The holders of ordinary shares are entitled to one vote per share at general meetings of the bank and are entitled to receive the annual dividend payments. The various reserve headings are explained hereinafter:

a. General reserve

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 shall also apportion 20% of the gain amount on sale of shares and mutual funds that was recognized as OCI income in the fiscal year

b. Exchange equalization reserve

The Bank is required to appropriate 25% of current year's total revaluation gain (except gain from revaluation of Indian Currency) into this heading.

c. 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.

d. 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. The Bank does not have any amount to present under asset revaluation reserve.

e. Capital Adjustment Fund

This is a statutory reserve and is a compliance requirement of NRB circular 12/072/73. The Bank is required to appropriate an amount equivalent to 100% of capitalized portion of interest income on borrowing accounts where credit facility was rescheduled or restructured, following the after effects of the great earthquake that struck the nation in April 2015. Fund in this account can be reclassified to retained earnings upon full and final repayment of the credit facility.

f. Corporate social responsibility fund

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.

g. Investment adjustment reserve

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.

h. 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.

i. Regulatory reserve

This is a non-free statutory reserve and is a requirement as prescribed in NRB directive. 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 after staff bonus and income tax, fair value gain (unrealized) of investment securities and impairment on loan and advance as per NFRS against provision as per NRB Directive, amount equals to deferred tax assets, actuary loss recognized in other comprehensive income, investment properties net off staff bonus and income tax, amount of goodwill/Bargain Gain recognized under NFRS and Interest Income capitalized (after bonus, statutory reserves and tax) under Interest Capitalized Term Loan (ICTL).

j. Debenture Redemption Reserve

The Bank is required to maintain a redemption reserve in respect of borrowing raised through debenture issuance. As per the terms of NRB approval relating to the Bank's debenture issuance, the Bank is annually required to appropriate proportionately full face value of debenture to the Debenture redemption reserve during the its life except for the issuance and redemption year.

However, if bonus share is issued from the amount which is to be appropriated to debenture redemption reserve for the debenture which has more than full five fiscal years remaining to be matured, it is not necessary to make appropriation in such fiscal year but such amount has to be proportionately be appropriated to the debenture redemption reserve during the remaining period thereafter.

k. Employees training fund

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.

2.34. Stationery

Stationery purchased are stated at cost and charged to revenue at the time of consumption.

2.35. Provisions, Contingent Liabilities and Contingent Assets

The Bank creates a provision when there is a present obligation as a result of past events that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are not recognised in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an economic benefit will arise, the asset and related income are recognised in the period in which the change occurs.

2.36. Events after the Balance Sheet Date

Events after the balance sheet date are those events, favourable and unfavourable, that occur between the balance sheet date and the date when the financial statements are authorised for issue.

Appropriate adjustments in the financial statements and disclosures in notes to accounts have been made for all material and significant events that have occurred between the balance sheet date and date when the financial statements have been authorised for issue required as per Nepal Financial Reporting Standards (NFRS).

3. Rounding off and Comparative Figures

The financial statements are presented in Nepalese Rupees, rounded off to the nearest rupee. Previous year's figures have been reclassified wherever necessary in order to facilitate comparison.



ADDITIONAL DISCLOSURES



NMB BANK LIMITED

ADDITIONAL DISCLOSURES - FINANCIAL YEAR

16 July 2024 to 16 July 2025
(1 Shrawan 2081 to 32 Asar 2082)

1. Provision for Bonus

Provision for bonus has been calculated and provided at 10% of net profit before bonus and tax.

2. General Reserve

As per section 44 of the Banks and Financial Institutions Act 2063, 20% of the current year's net profit amounting NPR 570.9 million has been transferred to General Reserve.

3. Exchange Fluctuation Reserve

As per Section 45 of the Banks and Financial Institutions Act, 2063 25% of the revaluation gain amounting to NPR 25.31 million has been transferred to Exchange Fluctuation Reserve.

4. Exchange Fluctuation Income

The Bank earned a total exchange fluctuation income of NPR 493.9 million. Income realised from the difference between buying and selling rates of Foreign Exchange from normal course of business is accounted for as trading gains and shown as "Gain/loss foreign exchange transaction" under "Net Trading Income" in Schedule 4.33 and income realized through revaluation gain is shown under Foreign exchange revaluation gain in other operating income in schedule 4.34.

5. Investment Adjustment Reserve (IAR)

The investments are valued at fair value required as per NFRS. As per NRB Directive No. 8(3)(1), if securities are not listed within 3 years of date of investment, investment adjustment reserve should be created. The bank has created IAR of NPR 20 Mio. for Nepal Power Exchange Limited.

6. Debenture Redemption Reserve

As required by NRB directive, an amount equal to NPR 237.30 million has been appropriated to Debenture Redemption Reserve during the year (including NPR. 50.13 Mio related to previous years less apportioned). The total balance in Debenture Redemption Reserve as at 16 July 2025 is NPR 1,960.7 million. The list of debenture outstanding is as follows:

Particulars	Issued Date	Expiry Date (BS)	Rate	Face Value (Mio.)	Redemption Start Year	Redemption End Year	No of Years	Redemption Per Year (Mio.)	Purpose
Energy Bond I - 2092/93	20 Jestha 2078	20 Jestha 2093	4.00%	1,500	FY 2078/79	FY 2091/92	14	107.14	For CAR
Energy Bond II - 2093/94	10 Jestha 2079	10 Jestha 2094	4.00%	2,727	NA	NA	NA	NA	For CD
NMB Debenture 2084/85	29 Chaitra 2075	29 Chaitra 2085	10.00%	1,685	FY 2076/77	FY 2084/85	9	187.17	For CAR
NMB Debenture 2087/88	11 Jestha 2078	11 Jestha 2088	8.50%	2,000	FY 2078/79	FY 2086/87	9	222.22	For CAR
NMB Debenture 2089/90	30th Chaitra 2079	29th Chaitra 2090	10.75%	4,000	NA	NA	NA	NA	For CD

7. Corporate Social Responsibility (CSR) Fund

The bank has apportioned NPR. 28,546,384 as CSR fund which is equivalent to 1% of Net Profit of the year to be expensed out in next fiscal year. The fund so created shall be used for CSR activities of the Bank in the next fiscal year as per bank's CSR policy. The detailed movement of reserve is given below:



	Particulars	NPR
A.	Net profit for FY 2081/82	2,854,638,357
B.	1% of net profit appropriated to CSR fund	28,546,384
C.	Opening CSR fund	44,409,583
D.	CSR expense incurred for FY 2081/82	24,711,197
E.	Closing CSR Reserve FY 2081/82 (B)	48,244,770
F.	Net Movement (E-C)	3,835,186

The CSR expenses details for FY 2081/82 is as below:

NPR in Thousand

Provinces	FY 2080/81
Education	6,330,916
Environment	2,610,575
Health	3,275,882
Sustainable Development	911,127
Financial Literacy	4,584,250
Humanitarian Assistance	5,100,000
Others	1,898,447
Total	24,711,197

The province wise distribution of CSR expenses is as below:

Provinces	FY 2080/81
Koshi	3,827,302
Madhesh	2,960,093
Bagmati	5,091,374
Gandaki	4,094,513
Lumbini	3,060,943
Karnali	2,773,225
SuduPaschim	2,903,748
Total	24,711,197

8. Staff Skill Development (SSD) Fund

As per point 6(6) of NRB directive 2077, 3% of Total Salary and allowances expense of previous year has to be expensed for Staff Skill Development in current fiscal year. If such amount cannot be expensed out in the current fiscal year, such deficit amount has to be transferred to Staff Skill Development Fund. The detailed movement of reserve is given below:

	Particulars	NPR
A.	Salary and Allowance Exp. of FY 2080/81	1,832,856,733
B.	3% of the above to be expensed in FY 2081/82	54,985,702
C.	Training Expenses for FY 2081/82	36,505,688
D.	Excess/(Shortfall) (C-B)	(18,480,014)
E.	Opening SSDF Reserve	38,452,067
F.	Net Movement (-D)	18,480,014



9. Regulatory Reserve

The movement in Regulatory Reserve from the year of implementation of NFRS is given below:

Fiscal Year end	Interest Receivables	Short loan loss provision	Short provision for possible losses on investment	Short provision on NBA	Deferred Tax Assets	Gain on Bargain Purchase	Actuarial Loss Recognized	Fair Value Loss Recognized in OCI	Other	Total
2075	222,679,176	-	-	59,774,627	66,869,011	-	48,026,502	7,057,296	-	404,406,612
2076	591,317,341	-	-	102,915,862	70,040,593	-	48,915,471	5,543,798	-	818,733,065
2077	492,537,377	-	-	50,178,392	264,421,080	-	66,886,117	10,109,962	-	884,132,928
2078	636,757,862	-	-	61,703,624	249,009,565	-	79,793,480	-	-	1,027,264,530
2079	877,953,322	-	-	185,951,758	338,964,764	-	110,632,755	-	-	1,513,502,599
2080	1,387,417,570	-	-	439,555,738	448,411,030	-	149,656,654	-	-	2,425,505,705
2081	1,797,278,625	-	-	536,405,121	483,451,954	-	205,478,652	-	-	3,022,614,353
2082	1,204,266,294	-	-	887,992,722	524,624,369	-	333,372,842	-	47,879,289	2,998,135,515

The movement of Regulatory Reserve for FY 81/82 is as below:

Particulars	As at 32 Asar 2082 (A)	As at 31 Asar 2081 (B)	Transfer to Regulatory Reserve (FY 2081/82) (A-B)
Accrued Interest on Loans and Advances recognized as Income	1,204,266,294	1,797,278,625	(593,012,331)
Provision of Non - Banking Assets (Investment Property)	887,992,722	536,405,121	351,587,601
Deferred Tax Assets	524,624,369	483,451,954	41,172,415
Actuary Losses	333,372,842	205,478,652	127,894,190
Others (ICTL)	47,879,289	-	47,879,289
Total	2,998,135,515	3,022,614,353	(24,478,837)

10. Deferred Employee Expenditure

The bank has provided concessional loans such as Home loan, vehicle loan to employees as per Staff Bylaws and is measured at amortized cost by discounting all future cash flows at the prevailing market interest rate for similar financial asset. The deferred employee expenditure on the asset side is presented under other assets amounting NPR. 3.12 Bio. While remaining staff loan is presented under Schedule 4.7. The related interest income due to differential rate amounting NPR. 155.5 Mio. has been presented under Interest Income and finance expenses under NFRS in personnel expenses

11. Unpaid Dividend

As on the balance sheet date, unpaid dividends amounts to NPR 2,310,695 and unpaid dividend at Share Registrar NMB Capital is NPR. 160,408,723 totalling NPR. 162,719,418. Subsequently the Bank deposits the unclaimed amounts in Investor's Protection Fund as required by the Companies Act. The Bank also publishes notice yearly in national daily newspaper urging investors to collect the dividend.

12. Earnings per Share

Basic earnings per equity share are computed in accordance with NAS 33 Earnings per Share. Basic earnings per equity share are computed by dividing net profit after tax by the weighted average number of equity shares outstanding during the year. Bonus shares, also known as scrip dividends, involve the issue of shares without any consideration. Since the bonus shares do not change the resources available to the entity to earn a return for the shareholders (as in the case of shares issued for cash) the effect of change in number of shares in the EPS calculation is cancelled for the year in which bonus issue takes place and as well as in the prior periods presented. The EPS has also been restated in Principal Indicators.



The following table sets forth, for the periods indicated, the computation of earnings per share.

Particulars	YE Asar 2082	YE Asar 2081
Weighted average no. of equity shares outstanding (Restated)	183,667,060	183,667,060
Net profit	2,854,638,357	2,244,395,304
Basic earnings per share	15.54	12.22
Nominal value per share	100	100

13. Principal Indicators

The principal indicators of the bank for the past 5 years are as follows:

	Particulars	Indicators	FY 2077/778	FY 2078/79	FY 2079/80	FY 2080/81	FY 2081/82
1	Percent of Net Profit/Gross Income	Percent	17.45	15.25	11.74	8.59	12.02
2	Earnings Per Share (Restated for previous years)	Rs.	14.76	17.92	17.55	12.22	15.54
3	Market Value Per Share	Rs.	440	261	226	218	270
4	Price Earnings Ratio	Ratio	26.41	14.57	12.88	17.84	17.35
5	Dividend (including bonus) on Share Capital	Percent	15.80	8.25	-	-	10.00
6	Cash Dividend on Share Capital	Percent	3.30	8.25	-	-	5.00
7	Interest Income/Loan & Advances	Percent	8.16	9.55	11.98	10.92	7.99
8	Staff Expenses/Total Operating Expenses	Percent	65.04	64.82	64.02	62.34	66.86
9	Interest Expenses on Total Deposit and Borrowing	Percent	4.64	6.26	8.01	7.71	4.76
10	Exchange Gain/Total Assets	Percent	0.20	0.13	0.10	0.12	0.14
11	Staff Bonus/Total Staff Expenses	Percent	25.70	25.30	23.52	15.80	17.74
12	Net Profit/Loan and Advances	Percent	1.68	1.77	1.59	1.07	1.15
13	Net Profit/Total Assets	Ratio	1.17	1.29	1.12	0.76	0.81
14	CD Ratio (Average for the last month of FY)	Percent	89.76	87.75	83.46	83.91	84.33
15	CD Ratio (As on Last Day of the FY)	Percent	86.51	85.55	82.36	82.51	82.65
16	Total Operating Expenses/Total Assets	Percent	1.39	1.54	1.46	1.43	1.28
17	Adequacy of Capital Fund on Risk Weighted Assets						
	a) Core Capital	Percent	11.42	10.36	10.15	9.72	9.05
	b) Supplementary Capital	Percent	3.66	3.23	3.17	3.12	2.86
	c) Total Capital Fund	Percent	15.08	13.59	13.33	12.84	11.92
18	Liquidity (CRR)	Ratio	5.66	5.33	5.63	4.47	4.45
19	Non-performing credit/Total credit (Gross NPL)	Percent	2.27	1.45	2.75	3.40	4.11
20	Non-performing credit/Total credit (Net NPL)	Percent	1.01	0.37	1.20	1.35	1.58
21	Base Rate (Average for the last quarter of FY)	Percent	6.99	9.38	10.37	8.42	6.22
22	Interest Spread as per NRB (Last Month of the FY)	Percent	3.09	4.05	3.99	3.99	3.82
23	Return on total assets	Percent	1.32	1.35	1.19	0.77	0.88
24	Return on Equity	Percent	12.08	12.95	11.65	7.82	9.34
25	Book Net Worth Per Share	Rs.	146.66	146.30	154.82	156.93	174.49
26	Total Shares	Nos. in '000	163,260	183,667	183,667	183,667	183,667
27	Total Staff	Number	1,744	1,961	1,980	1,952	1,929
28	No of Branches	Number	181	201	201	201	202
29	No of ATMs	Number	137	138	141	187	187

14. Loans and Advances Written Off

The Bank has written off loans and advances (except Interest) amounting to NPR 658.75 million the details of which is as follows:



S.No	Name of Clients	Facility	Date of Written off	Principal (NPR Mio.)
1	Bhairabkunda Hydropower Pvt. Ltd.	Term Loan	7-Oct-24	14.21
2	Naya RK Suppliers	Cash Credit SME	7-Oct-24	8.18
3	Swargadwari Khadhya Udhog	Cash Credit Agriculture	7-Oct-24	0.67
4	Modern Nepal Aluminium And Steel Udhog	Cash Credit	7-Oct-24	3.59
5	Shree Baidhnath Rice Mill	Cash Credit Agriculture	7-Oct-24	9.75
6	Fawakhola Furniture Udhog	Term Loan	10-Apr-25	0.08
7	White Pegion	Term Loan	10-Apr-25	0.20
8	Tamang Cosmetic	Term Loan	10-Apr-25	0.25
9	Om Sairam Kitchen And Gift Store	Term Loan	10-Apr-25	0.25
10	New Laxmi Copy Udhog	Cash Credit	10-Apr-25	0.33
11	New Lamichhane Kirana Pasal	Term Loan	10-Apr-25	0.24
12	Pita Kumari Kunwar	Term Loan	10-Apr-25	0.07
13	Shreeram Khatri	Term Loan	10-Apr-25	0.19
14	Tika Ram Shrestha	Term Loan	10-Apr-25	0.13
15	Prachi Enterprises	Cash Credit	13-Apr-25	2.43
16	New Durga Poultry And Feed Suppliers	Cash Credit	13-Apr-25	0.66
17	Kum Kum Sudisht Traders	Cash Credit	13-Apr-25	0.53
18	P.R. Cold Store	Cash Credit	13-Apr-25	17.69
19	Topendra Order Suppliers	Cash Credit	13-Apr-25	0.81
20	Osho Traders Pvt Ltd	Cash Credit	20-Apr-25	30.89
21	Hynesh & Hyrish Traders	Cash Credit	20-Apr-25	14.93
22	Maranatha Trading Company Pvt.Ltd.	Cash Credit	20-Apr-25	46.76
23	Maranatha Printing Press Pvt. Ltd.	Cash Credit	20-Apr-25	0.11
24	Inet Private Limited	Cash Credit	20-Apr-25	13.03
25	Imart Private Limited	Cash Credit	20-Apr-25	1.65
26	Supriya Khaddhyanna Tatha Multipurpose Pvt. Ltd.	Cash Credit	20-Apr-25	13.96
27	Riya Traders	Cash Credit	20-Apr-25	7.07
28	Ramji Poudel	Personal Term Loan	20-Apr-25	5.70
29	Basan Thapa	Demand Loan	19-Jun-25	2.56
30	Bishnu Kumari Thapa	Housing Loan	19-Jun-25	1.55
31	D.C.Trade And Suppliers P Ltd	Cash Credit	19-Jun-25	6.76
32	Electrocom And Research Cen..Ltd	Term Loan	19-Jun-25	180.45
33	Him Hardware And Suppliers	Cash Credit	19-Jun-25	6.39
34	Hotel Om Tara Private Limited	Term Loan	19-Jun-25	0.67
35	Jay Nepal Enterprises	Cash Credit	19-Jun-25	20.42
36	Lafa Conctruction Pro.Basan Thapa	Auto Loan/Working Capital Loan	19-Jun-25	3.89
37	Pashupati Traders	Cash Credit	19-Jun-25	6.70
38	Shivam Trade And Suppliers Pvt. Ltd.	Cash Credit	19-Jun-25	0.62
39	Shree Anusha Sunchadi Pasal	Cash Credit	19-Jun-25	12.77
40	Shree Hanuman Suppliers	Cash Credit	19-Jun-25	14.42
41	Om Mahadev Khadya Udyog	Cash Credit	9-Jul-25	20.04
42	Dhaulagiri Solar & Electronics	Bank Guarantee	9-Jul-25	6.94
43	Abdul Cosmetic And General Store	Cash Credit	9-Jul-25	3.11



S.No	Name of Clients	Facility	Date of Written off	Principal (NPR Mio.)
44	Om Shanti Itta Udhog	Cash Credit	9-Jul-25	9.69
45	Abdul International Mobile Center	Cash Credit	9-Jul-25	2.36
46	New Desire Fashion Collection	Cash Credit	9-Jul-25	4.67
47	New Desire Furniture And Electronic	Cash Credit	9-Jul-25	1.89
48	Shree Sangita Traders	Cash Credit	9-Jul-25	12.27
49	Ram Krishna Nirman Sewa	Auto Loan SME	9-Jul-25	0.00
50	Sangam Construction & Suppliers	Auto Loan SME	9-Jul-25	9.55
51	Prithivi Nirman Sewa Pvt. Ltd.	Auto Loan Micro SME	9-Jul-25	6.04
52	Phutkeyar Industries Pvt. Ltd.	Working Capital Loan SME	9-Jul-25	32.36
53	Shree Dev Sa Mil Tatha Furniture Udhog	Cash Credit	9-Jul-25	0.71
54	Chandra Dev Sa Mil Tatha Furniture Udhog	Cash Credit	9-Jul-25	9.59
55	Maa Ambe Fix Itta Udhog	Cash Credit	9-Jul-25	18.09
56	Unique Bastralaya	Cash Credit	9-Jul-25	4.06
57	Bijay Parajuli	Housing Loan SME	9-Jul-25	1.46
58	Ram Sharan Basnet	Auto Loan Retail	9-Jul-25	4.09
59	Lilam Kumari	Cash Credit	9-Jul-25	4.55
60	Yogendra Bahadur Thapa	Housing Loan Retail	9-Jul-25	4.67
61	Sukra Raj Manandhar	Auto Loan Retail	9-Jul-25	4.50
62	Lal Bahadur Malla	Auto Loan Retail	9-Jul-25	0.13
63	New Kamal R K Traders	Cash Credit	15-Jul-25	15.87
64	Karishma Hardware	Cash Credit	15-Jul-25	7.60
65	New Sweksha Traders And Suppliers	Cash Credit	15-Jul-25	1.62
66	Jenisha Order Suppliers	Cash Credit	15-Jul-25	11.20
67	Om Krishi Prashodhan Kendra	Cash Credit	15-Jul-25	10.11
	Total			658.75

15. Other Assets Written Off

The Bank did not write off any balance on Other Assets.

16. Summary of Changes in Total Deposits

The financial growth of Total Deposits during the year is given below:

Amount in NPR Mio.

Particulars	FY End 2081	FY End 2080	Increase/(Decrease)
Term deposits	129,793	120,074	9,719
Call deposits	22,077	16,249	5,828
Current deposits	22,301	11,399	10,902
Saving deposits	106,388	76,150	30,238
Other	3,097	3,234	(137)
Total	283,656	227,106	56,550

17. Classification of Loan

The classifications of loans and advances along with Loan Loss Provision for fiscal year 2081/82 is given below (NPR Mio.):



Particulars	Loans & Advances					Bills Purchased/ Discounted			FYE 2082
	Domestic		Foreign	Total	Domestic	Foreign	Total		
	Deprived Sector	Other							
1 Performing Loan and Advances	716	11,000	217,008	4,224	232,949	354	-	354	233,303
1.1 Pass Loan	630	10,529	193,164	4,209	208,532	331	-	331	208,863
1.1.1 Pass Loan (other than Restructured/Rescheduled Covid Related)	630	10,529	193,164	4,209	208,532	331	-	331	208,863
1.1.2 Pass Loan (Restructured/Rescheduled Covid Related)					-			-	-
1.2 Watch List	87	471	23,844	15	24,417	23	-	23	24,440
2 Non-Performing Loan and Advances	86	142	9,769	-	9,997	-	-	-	9,997
2.1 Restructured / Rescheduled	-	-	2,337	-	2,337	-	-	-	2,337
2.2 Sub-standard	24	2	1,069	-	1,095	-	-	-	1,095
2.3 Doubtful	25	8	2,564	-	2,597	-	-	-	2,597
2.4 Loss	37	133	3,799	-	3,969	-	-	-	3,969
3 Total Loan and Advances (1+2)	803	11,142	226,777	4,224	242,946	354	-	354	243,300
4 Total Loan Loss Provision	25	247	9,516	43	9,831	4	-	4	9,835
4.1 Pass	2	105	2,029	42	2,178	3	-	3	2,181
4.2 Watch List	1	23	1,479	1	1,504	1	-	1	1,505
4.3 Restructured / Rescheduled	-	-	541	-	541	-	-	-	541
4.3.1 Restructured / Rescheduled Covid Related	-	-	-	-	-	-	-	-	-
4.3.2 Restructured / Rescheduled Others	-	-	541	-	541	-	-	-	541
4.4 Sub-standard	2	0	319	-	321	-	-	-	321
4.5 Doubtful	3	3	1,353	-	1,359	-	-	-	1,359
4.6 Loss	17	115	3,796	-	3,929	-	-	-	3,929
4.7 Additional	-	-	-	-	-	-	-	-	-
4.8 SOL exceed					-			-	-
4.9 PG & Third party collateral					-			-	-
Net Loan (3-4)	778	10,894	217,261	4,181	233,115	350	-	350	233,465

18. Concentration of Borrowing and Deposits

A. Concentration of Borrowings

Particulars	FYE 2082	FYE 2081
Borrowings from ten largest lenders	3,987,500,055	11,552,656,301
Percentage of Borrowings from ten largest lenders to total depositors	1.41%	5.09%

B. Concentration of Credit exposures

Particulars	FYE 2082	FYE 2081
Total exposures to twenty largest borrowers:		
a. As per group (related party)	42,434,620,050	32,135,821,822
b. As per individual customer	16,426,240,123	16,353,252,803
Percentage of exposures to twenty largest borrowers to Total Loans and Advances:		
a. As per group (related party)	17.44%	15.71%
b. As per individual customer	6.75%	7.99%



C. Concentration of Deposits

Particulars	FYE 2082	FYE 2081
Total deposits from twenty largest depositors		
a. Group-wise	79,728,956,787	52,316,673,509
b. As per individual customer	79,728,956,787	52,316,673,509
Percentage of deposits from twenty largest depositors to Total Deposits		
a. Group-wise	28.11%	23.04%
b. As per individual customer	28.11%	23.04%

19. Agency Account

Particular	Less than 1 Year	More than 1 year less than 3 years	More than 3 years	Total
Agency Accounts	1,050,493,608	2,065,522	429,487	1,052,988,618
Inter branch	-	-	-	-

20. Disclosure related to Loans

Particulars	As on Ashad End 2082	
	No. of Customers	Amount(NRs.)
Accrued Interest Received after Ashad end 2082 till Shrawan 15 2082	3,268	260,246,732
Additional 0.2% Loan Loss Provision created on Pass Loan Port-folio	NA	NA
Extension of moratorium period of loan provided to Industry or Project Under Construction (Hydro-Power)	1	96,440,062
Restructured/Rescheduled Loan with % Loan Loss Provision	3,472	15,986,698,893
Enhancement of working Capital Loan by 20% to COVID affected borrowers	NA	NA
Enhancement of Term Loan by 10% to COVID affected bor-rowers	NA	NA
Expiry Date of Additional 20% Working Capital Loan (COVID Loan) extended for up to 1 year with 5% provision-ing.	NA	NA
Expiry Date of Additional 10% Term Loan (COVID Loan) extended for up to 1 year with 5% provisioning.	NA	NA
Time Extension provided for repayment of Principal and In-terest for up to two years as per Clause 41 of NRB Direc-tives 2	NA	NA

The details pertaining to Refinance, Business Continuity and Subsidized loan is given below:

Particulars	As on Ashad End 2082	
	No. of Customers	Amount(NRs.)
Refinance Loan	-	-
Business Continuity Loan	-	-

Particulars	As on Ashad End 2082	
	No. of Customers	Amount(NRs.)
Subsidized Loan	4,466	3,741,957,705

21. Capitalization of Interest

During the fiscal year, the Bank has recognised interest income of NPR 418,116,657 from capitalization of interest during moratorium period of 7 separate projects with financial closure being before 2079/10/26. These capitalizations have been approved/mandated by the NRB.

S.No.	Name of Borrower	NRB Approval Date (Y/M/D)	Interest Capitalization for Fiscal Year 2081/82
1	Hilton Hydro Energy Limited	2079.04.12	53,291,599
2	Kabeli Hydropower Company Limited	As per NRB Circular	99,241,808
3	Snow Rivers Limited	2079.04.12	35,172,448
4	Madame Khola Hydropower Limited	As per NRB Circular	88,302,873
5	Siuri Nyadi Power Ltd.	2079.09.25	85,588,420



S.No.	Name of Borrower	NRB Approval Date (Y/M/D)	Interest Capitalization for Fiscal Year 2081/82
6	Peoples Energy Limited	2079.09.28	2,149,580
7	Barahi Sedi Ltd.	2079.09.25	54,369,930
	Total		418,116,657

22. Classification of Assets and Liabilities based on Maturity (As per yearly NRB Report)

(NPR. In million)

S. N.	Particulars	1-90 Days	91-180 Days	181-270 Days	271-365 Days	Over 1 Year	Total Amount
Assets							
1	Cash Balance	3,610	-	-	-	-	3,610
2	Balance with Banks & FIs	16,210	-	-	-	-	16,210
3	Investment in Foreign Banks	9,054	688	-	688	688	11,117
4	Call Money	-	-	-	-	-	-
5	Government Securities	25,424	4,531	2,374	3,082	15,600	51,009
6	Nepal Rastra Bank Bonds	-	-	-	-	-	-
7	Inter Bank & FI Lending	1,100	688	-	-	-	1,788
8	Loans & Advances	56,886	20,968	11,020	7,344	147,082	243,300
9	Interest Receivable	499	-	-	-	-	499
10	Reverse Repo	-	-	-	-	-	-
11	Receivables from other Institutions under Commitment	-	-	-	-	-	-
12	Payment to be made for facilities under s.no 20,21 & 22	24,774	11,842	3,474	1,927	18,165	60,182
13	Others	-	-	-	-	-	-
	Total Assets (A)	137,558	38,717	16,867	13,041	181,534	387,716
Liabilities							
14	Current Deposits	23,407	-	-	-	-	23,407
15	Saving Deposits	26,012	3,935	3,935	4,154	90,430	128,465
16	Fixed Deposits	36,459	26,271	12,337	8,738	45,988	129,793
17	Debentures	-	-	-	-	11,912	11,912
18	Borrowings:	3,300	-	-	-	3,988	7,288
	(a) Call/Short Notice	-	-	-	-	-	-
	(b) Inter-bank/Financial Institutions	3,300	-	-	-	3,988	7,288
	(c) Refinance	-	-	-	-	-	-
	(d) Others	-	-	-	-	-	-
19	Other Liabilities and Provisions	1,117	60	60	60	2,571	3,867
	(a) Sundry Creditors	130	-	-	-	-	130
	(b) Bills Payable	8	-	-	-	-	8
	(c) Interest Payable	882	-	-	-	-	882
	(d) Provisions	38	-	-	-	819	857
	(e) Others	60	60	60	60	1,752	1,991
20	Payable to other institutions under Commitment	3,879	948	171	30	-	5,028
21	Unutilized Approved Facilities	1,252	586	314	250	16,650	19,052
22	Letter of Credit/Guarantee (Net of Margin)	19,642	10,309	2,989	1,648	1,515	36,102
23	Repo	-	-	-	-	-	-
24	Payment to be made for facilities under S.No 11	-	-	-	-	-	-
25	Others	-	-	-	-	-	-
	Total Liabilities (B)	115,069	42,108	19,805	14,878	173,053	364,914
	Net Financial Assets (A-B)	22,489	(3,391)	(2,938)	(1,838)	8,480	22,802
	Cumulative Net Financial Assets	22,489	19,098	16,160	14,322	22,802	-

23. Borrowing by the Bank against the collateral of own assets

Borrowing by the Bank against the collateral of own asset is NIL as on Asar end 2082.

24. Transactions in Bullion

The bank deals in bullion (Gold/Silver) by holding stock on consignment basis on behalf of suppliers as per the arrangement. The value of consignment as on balances sheet date has been reflected under "Advance Gold and silver" (Gold Consignment)" in Schedule 4.16. Transaction of gold and silver are carried out as per the NRB Directives. The value is Nil as on Asar end 82.

25. Capital Construction

There are no capital constructions (pending capitalization) as at the end of the current fiscal year.



26. Disclosure related to Expected Credit Loss and ICAN Carve Outs

The Bank adopted Nepal Financial Reporting Standard (NFRS) 9 Financial Instruments effective 1 Shrawan 2081 (17 July 2024), replacing Nepal Accounting Standard (NAS) 39. This transition introduced an expected credit loss (ECL) model, replacing the prior incurred loss approach, to better reflect forward-looking credit risk.

The Bank has implemented non-optional carve-outs issued by the Institute of Chartered Accountants of Nepal (ICAN) on 2082/05/09, valid until FY 2082/83, as endorsed by NRB's NFRS 9 Expected Credit Loss Related Guidelines, 2024 (First Amendment). The adjustments include measuring impairment as the higher of NRB regulatory provisions and ECL per NFRS 9 para 5.5, and recognizing interest revenue as per NRB's Guideline, using the coupon rate on principal for Stages 1 and 2 (accrual basis) and a cash basis (incremental) for Stage 3 in FY 2081/82. The Bank has opted for the carve-out excluding impracticable fees in credit-adjusted effective interest rate calculations. Hence, no restatement of retained earnings has been carried out for transition date impact as depicted below:

Asset Class	NAS 39 Impairment	NFRS 9 Opening Impairment	NRB Total Provision	Applicable Impairment (Higher)
	Asar End 2081	Asar End 2081	Asar End 2081	Asar End 2081
Loans and Advances	3,950,599,830	5,267,295,830	8,196,258,733	8,196,258,733

As a part of Portfolio Segmentation, the bank has categorized ECL classification based on Business Loan, Working Capital Loan, Personal Loan, Personal Residential Loan, Real Estate Loan, Hire Purchase Loan, Deprived Sector Loan, Overdraft (Personal), Cash Credit, TR Loan, Margin Lending, Contingent Liabilities, Bills Purchased and Staff Loan. The summary of ECL provision as on Asar end 2082 is given below:

Stage	Gross Amount	ECL Allowance	ECL Coverage Ratio	NRB Provision	Regulatory Provision Coverage Ratio
Stage 1	223,429,440,342	1,090,047,189	0.49%	2,139,520,002	1.0%
Stage 2	26,459,245,538	2,375,377,509	8.98%	847,262,614	3.2%
Stage 3	22,121,952,940	4,848,510,961	21.92%	6,848,684,893	31.0%
Contingent	38,014,829,141	495,714,648	1.30%	-	0.0%
Total	310,025,467,961	8,809,650,307	2.84%	9,835,467,509	3.2%

The bank has recognized impairment loss on loans and advances at the higher of the amount derived as per prudential norms specified in NRB directive and the amount derived from Expected Credit Loss as specified in carve out is given below:

Particulars	Year ended 32 Asar 2082
a. Impairment on Loan as per NFRS 9	8,809,650,307
b. Loan Loss Provision as per NRB	9,835,467,509
Higher of a and b	9,835,467,509

27. Goodwill on Business Combination

The bank had recognized NPR. 72,829,139 as Goodwill in FY 2078/79 and apportioned under other Reserve of equity for the acquisition of Erstwhile Kanchan Development Bank Limited. Goodwill is not amortized, but are assessed for impairment in each reporting period or as and when there is indication of impairment. The assessment of infinite life is reviewed each reporting period to determine whether the infinite life continues to be supportable. Since the recoverable amount is higher than carrying amount of the Cash Generating Unit (CGU) (value in use), goodwill allocated is not impaired.

28. Risk Management

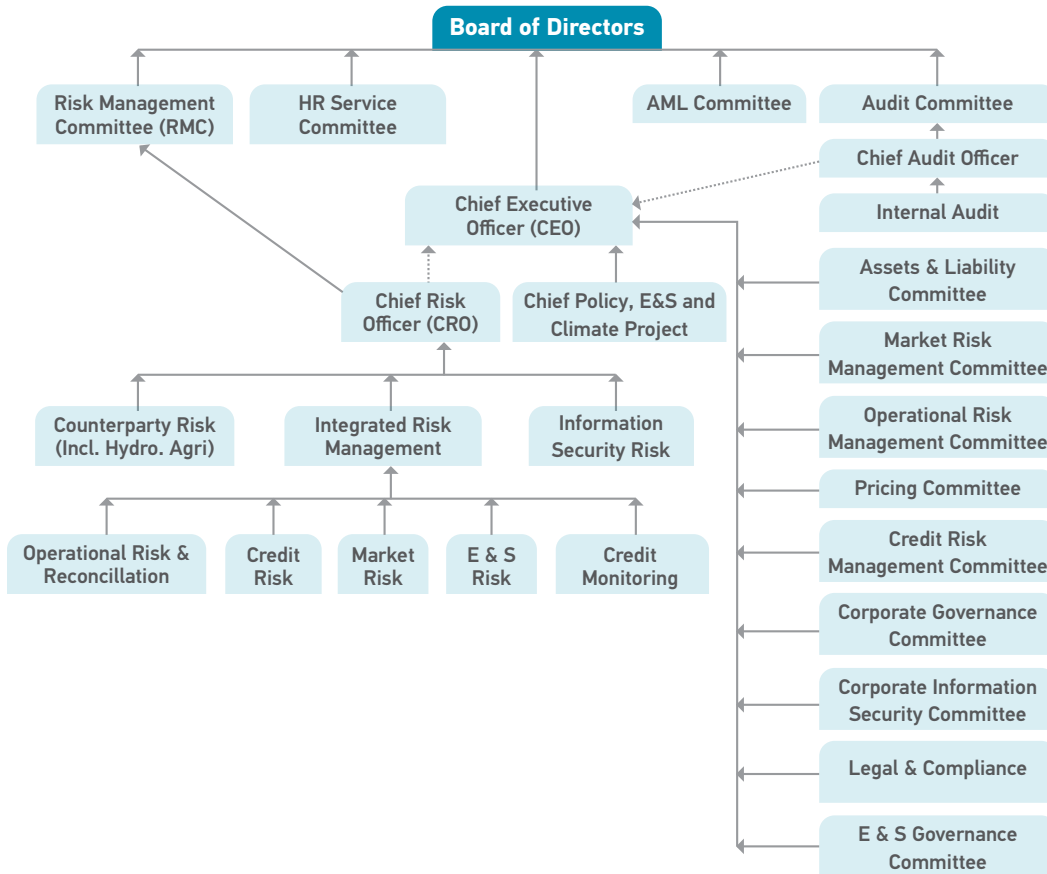
Risk Management Structure

NMB Board is the ultimate authority to oversee overall risk management of the Bank by formulating risk management strategies, defining risk appetite, and ensuring that the risk management policies, procedures and standards are adequate and is effectively implemented in the Bank. Sound risk management system in the Bank is established.



The Bank has robust risk management structure which includes Board level Risk Management Committee, Audit Committee, Human Resource Committee and Asset Laundering Prevention Committee; management level Asset & Liability Committee, Credit Risk Management Committee, Operational Risk Management Committee, Market Risk Management Committee, E&S (Environmental & Social) Committee, Credit Recovery Committee, Legal & Compliance Committee, Corporate Information Security Committee, Pricing Committee, and Corporate Governance Committee. In this structure, new/revised policies & standards, reports on risk management, portfolio analysis, stress testing, investment, liquidity, capital adequacy, industry/market analysis, and critical risk issues identified are reviewed by management level committee and escalated to Risk Management Committee for further review and decision. Risk management structure as per the Bank’s Organogram is as follows:

Risk management structure in the bank’s Organogram:



Risk Management system and structure of the Bank is driven by following principles:

- **Independent Role:** The Bank has Risk Management Function independent from risk taker. All risk management functions report to the Chief Risk Officer (CRO), who directly reports to the Board level Risk Management Committee.
- **Risk Measurement:** The Bank has prioritized to quantitatively measure various risk issues and arranged for their mitigation, control and monitoring wherever possible. The Bank has implemented various new tools and models for quantitatively measuring these risks.
- **Capital Management:** The Bank prepares its strategy in yearly and five- yearly basis along with forecast of the business and Capital required accordingly. Further Bank also prepares Internal Capital Adequacy Assessment Process (ICAAP) report to assess the use of capital along with future need as per the risk assessment, business growth, regulatory requirement, assessment of additional capital charge that may incur due to material risk etc. These processes helps the Bank to absorb any unfavourable scenarios in regards of capital.
- **Risk Management as Shared Responsibility:** The Bank has independent function for management of various risks which has been driven by the shared responsibility of risk management functions and entire business as well as other functional units of the Bank. The risk governance framework has adopted “Three Lines of Defence” model that includes three distinct units comprised of:
 - Main Business Function (Business functions like Corporate, Hydro, SME, MSME etc. and support functions



like Trade Operations, Credit Administration, Digital Products, Central Operation etc.)

- Risk Management Department / Control units (Integrated Risk Management, Counterparty Risk Department, Information Security Department, Compliance, etc.)
- Internal Audit

The responsibilities of each line have been well defined and communicated across the various levels.

Primary responsibilities of the Three Lines of Defence are as follows:

RISK PHILOSOPHY		
First Line of Defense	Main Business Functions	The first line of defence, or front-line risk management, typically covers all the commercial and front-office functions along with its support functions. Re-lated functional areas shall identify, assess and manage various risks pertaining to their business and / or areas of operation.
Second Line of Defense	Risk Management Department / Control Units	The second line of defence is the risk function, which develops the methods for managing risk. This comprises of risk management and compli-ance functions who are responsible for monitoring and reporting risk-related practices and information, and to overlook all the types of compliance issues. These functional areas also define the preventive and detective control requirements in order to en-sure that such requirements are embedded in the policies and procedures of the first line of defence.
Third Line of Defense	Internal Audit	This comprises of Internal Audit Department, which plays vital role in periodic review of the first two lines of defences. It independently assesses the effectiveness of Bank's overall risk management processes, measurement systems along with en-suring the compliance toward Basel and NRB di-rectives.

- **Risk Management Structure:** The Bank has appropriate risk management structure with clear demarcation of reporting line on its Organogram. It has been essential for establishing roles & responsibilities and accountability of various functions within the Bank on risk management. The role of Board of Directors in risk management has been more effective upon envisioning the risk governance structure of the Bank.
- **Continuous Improvement:** The Bank has always been oriented for strengthening existing risk management system. As a part of this, the Bank has recently implemented ISO 27001: 2013 standard. It has been expected to significantly improve information security management system as well as support risk management system through various aspects.

In addition, the Bank as an active member of the Global Alliance for Banking on Values (GABV) strives for delivering sustainable economic, social and environmental development with a focus on helping individuals fulfil their needs and build stronger communities.

NMB ensures parity between risk and return and hence, management of risk by incorporating a set of systematic and professional methods especially those defined by the Basel III becomes an essential requirement for us.

In the course of operations, the Bank invariably faces different types of risks that may have a potentially negative impact on the business. NMB Bank's risk management approach includes risk identification, measurement and assessment, and minimizes impact on the financial result and capital of the Bank.

The Bank has implemented various tools to assess and monitor key activities of the Bank along with external factors as a proactive measure and up scaling the skills of the staffs:

- I. **Digitization and MIS:** The Bank has taken strategic focus on digitization and technological advancement to enhance banks services as well as risk management. In the path to digitization, the Bank has developed app, various platforms and MIS report for activities like Business Inspection, Collateral Monitoring, incident reporting, control standard checklist, etc. The Bank has also prepared various reports to monitor portfolio movement, Non-Performing Loan, sectorial loan analysis, early alert system,



incident reports, liquidity ratios, etc.

- II. **Training:** Apart from introduction of policies, procedures, digital platforms, skill up gradation of the employees is also a crucial part. NMB Bank provides various certification courses, exposure visits, training as required by regulatory bodies, etc. These regular trainings help staffs to be updated on various aspects of banking operations and experienced enough to handle the stressed scenarios. Staff are also required to participate in various tests through e-learning platforms with quizzes, credit certification courses, app / web-portal based quizzes, etc.
- III. **Disclosures:** NMB Bank discloses various information as deemed necessary by the regulator and partners. Disclosures are like quarterly financials, Basel disclosures, Annual Report and data related to Annual report, prevailing Interest rate with past 3 years data, disclosures as per Security Board of Nepal (SEBON), etc.

Credit Risk Management in NMB Bank:

Credit Risk refers to the potential loss due to failure of counterparty to meet its obligations in accordance with the terms specified in the credit agreements. The Bank has various policies and procedures to streamline the activities. The Bank has delegated credit approval limits to competent officials to approve and sanction credit proposals based on their individual expertise and risk judgment capability. The key independent units responsible for ensuring effective Credit Risk Management in the Bank are Credit Risk Management Department, Counterparty Risk Management Department, Credit Administration Department, Special Assets Management Department, various Business Units and Internal Audit.

A thorough analysis of the borrower and the industry in which the borrower operates is ensured prior extending credit facilities. The Bank also has an internal credit risk rating procedure in place to categorize customers in different risk profiles and formulate appropriate account strategies. The Bank primarily focuses on ensuring prudent financing requirements of the client and the client's capacity to repay the debt obligation on time.

Credit Risk Management Committee (CRMC) and Risk Management Committee (RMC) play a pivotal role in the credit risk management of the Bank. The existing/probable credit risk issues are reviewed, necessary changes required in the credit system to mitigate such risk are identified and required decisions are made as appropriate.

The Bank has a product wise and industry/sector wise portfolio and NPL thresholds to monitor the quality of loan portfolio and manage the concentration risk. These thresholds are reviewed on periodic basis in CRMC and RMC in quarterly interval for required actions / strategic decisions.

Credit risk on the Bank is monitored, discussed based on the reports from Business Inspection, Collateral Monitoring, Credit Concentration analysis, Delinquency and Non-Performing Loan analysis, Portfolio movement analysis, Early alert system, renewal monitoring system, Insurance policy expiry monitoring system, etc. The results from the above upon thorough monitoring and discussion provides the Bank with valuable insights which helps to develop various control and preventive measures.

Operation Risk Management in NMB Bank

Operational risk is the risk of negative effects on the financial result and capital of the Bank caused by omissions in the work of employees, inadequate internal control procedures and processes, inadequate management of information and other systems, and unforeseeable external events.

NMB Bank has independent department to look after operational risk wherein Operational Risk Management Committee (ORMC) meets on regular basis to discuss and plan the way forward to mitigate potential operational risk identified.

Bank has developed and adhered to Minimum Control Standards and Incident Reporting Guidelines (including categories of Operational Risk and Mapping of Business Lines) along with Whistle Blowing Policy to identify potential operational risks. Further the Bank has approved procedures for self-risk assessment by the owning functions, qualitative risk grading tool like risk indicators and maintain risk register. Operational Risk Department independently assess each incident/event/cause to measure the risk grade which is ultimately discussed/ analysed further in Operational Risk Management Committee to put appropriate controls in place. If required, the incident/event/cause along with the risk assessment, probability and impact is escalated further to Risk Management Committee or the Board of the Bank. Apart from that, Operational Risk Department conducts branch / department surprise visits to



monitor / review the branches and departments and also to train / create awareness on operational risk.

Business Continuity Procedure: The Bank has Business Continuity Procedure document, where detailed process has been defined for Business Continuity in case of unfavourable scenarios. Steps to be followed for the known scenarios has also been defined along with requirement of regular BCP drill which helps employee to get familiarized with the potential hazard incidents. This shall help to eliminate panic in employee in case of real incident scenario.

CCTV monitoring: The Bank has a dedicated CCTV monitoring team which works 24*7 and in case of any suspicious activities local support authorities are informed. This has helped the Bank to cater the attempted intrusion situation.

Similarly, the findings from the surprise visit, incident report, self-assessment by the owning functions, CCTV monitoring, etc. guides the Bank to develop control measures, update procedures, policies, etc. in case of requirement.

Market Risk Management in NMB Bank:

In the times of volatility and fluctuations in the market, NMB Bank needs to prove its determination by withstanding the market variations and achieve sustainability in terms of growth as well as to have a stable share value. Hence, an essential component of enhanced risk management framework would be to mitigate all the risks and rewards of the products and services offered by the Bank.

Asset & Liability Committee (ALCO): The Bank has an asset liability committee that manages the overall liquidity position of the Bank. The ALCO consists of members from the senior management who have clear authority for executing liquidity related transactions and decisions. Amongst other functions, the ALCO ensures that the asset & liability position, investments and liquidity are maintained at a desired level in compliance to NRB Directives. Risk monitoring is done periodically at least on regular basis by Treasury, Market Risk and Finance Departments by conducting stress testing, GAP analysis and preparing various reports.

Market Risk Management Committee (MRMC): This is a management level committee whose major roles are to monitor, analyse, the investment portfolio, inherent risk associated with business lines, comply with regulatory requirement etc.

Market Risk Management analyses various reports on regular frequency and the finding are discussed on ALCO and MRMC committee meetings. Any corrective action if required are discussed on these meetings and decided accordingly.

Market risk includes interest rate and foreign exchange risk.

Interest rate risk is the risk of negative effects on the financial result and capital of the Bank as a result of changes in interest rates.

The Bank's products are mostly based on floating interest rate. Only fixed deposits have fixed interest rates. In Nepalese local market, short term movement in interest rate is negligible. Pricing Committee monitors the interest rate movement on a regular basis.

Foreign exchange risk is the risk of negative effects on the financial result and capital of the Bank caused by changes in exchange rates.

The foreign exchange risk of the Bank is minimal as all the transactions are carried out on behalf of the customers against underlying remittances and trade transactions.

Liquidity Risk

Liquidity risk is the potential event where the Bank either does not have sufficient liquid financial resources available to meet all its obligations as they fall due, or can only access these financial resources at excessive cost. The Bank has Liquidity policy, which governs liquidity risk management and is managed by ALCO and MRMC. In accordance with that policy, the Bank maintains a liquid portfolio of marketable securities as a liquidity buffer.

The Bank has defined its triggering events for liquidity ratios and upon triggering, the process to be followed are



well defined in the Bank's Liquidity Policy. In case of scenario of triggering event, the Bank analyses on why such scenarios was created so that such scenario can be catered effectively in future.

Environmental & Social Risk Management

Sustainability is at the heart of NMB Bank's strategy and managing Environmental and Social (E&S) risks is an important part of protecting not only the bank but also our clients and the communities we serve. Therefore, as part of our strategic commitment, NMB Bank has integrated Environmental and Social risk management into its overall risk framework. Recognizing that E&S issues can translate into financial, reputational, and operational risks; the Bank aligns its Environmental and Social Management System (ESMS) and practices with international standards, including the IFC Performance Standards, and complies with relevant national regulations.

This system is embedded across all stages of the lending process from origination and appraisal to approval and monitoring. A dedicated E&S team of qualified professionals possessing relevant technical expertise, along with relevant Relationship Managers and Credit Risk Officers, ensures detailed E&S risk assessments. Identified risks are mitigated through Corrective Action Plans agreed with clients. While the primary focus of E&S risk management is on the Bank's lending portfolio, it also applies responsible practices across its own operations to minimize environmental footprint and promote an inclusive workplace.

The Bank applies a structured E&S assessment process, starting with screening against the Exclusion List and Nepal Rastra Bank's Critical Sectors, followed by risk rating and detailed due diligence aligned with IFC Performance Standards or regulatory guidelines. Clients are on boarded with appropriate risk ratings and, where necessary, Corrective Action Plans, with ongoing monitoring and reporting requirements ensured throughout the financing relationships. The Bank has a fully online E&S management platform integrated within its Loan Processing System.

FMO, the key shareholder (13.69%) and a triple-A-rated Dutch development bank along with other international Development Financial Institution partners have continuously supported in strengthening NMB's ESMS implementation.

Recognizing the growing importance of Climate-related risks, the Bank has begun incorporating climate considerations into its investment decisions, operational frameworks, and strategic planning.

Information Security and Cybersecurity Risk Management

Bank have implemented structured ISMS, aligned with frameworks like ISO 27001, to ensure comprehensive and formal management of security processes and controls, and PCIDSS for payment card security. Information Security Department (ISD) oversee, assess, review and implement the IS risk and control measures through continuous risk assessments and mitigations, implementing strong security controls like strong password policy, Privilege Access Management (PAM), Multi-factor authentication (MFA) and other technological controls, developing incident response plans, and conducting employee awareness training.

ISD regularly provides updates to the Bank's Risk Management Committee through the Chief Risk Officer. Bank has established a Corporate Information Security Committee (CISC) to oversee information security risks. CISC sets the strategic direction for the Bank's information security risk management, ensuring alignment with the Bank's strategic business objectives and protecting the Bank from risks related to information security and cyber security.

Bank is going through the digital transformation to become the digital front, and with introduction of new technology and applications, it requires integrating security into the process from the start by conducting risk assessments, adopting a "secure by design" approach, establishing robust security policies and security assessments.

The Key Strategies for IS Risk Management are

Secure by Design: Bank embed security into the foundation of every new digital initiative and the development process adopting the secure by design approach.

Risk Assessment: Annual risk assessment is conducted to identify potential security threats and vulnerabilities associated with new technologies and maintains the risk mitigation plans for identified risk.



Advanced Security Infrastructure and Strong Technological Controls, including firewalls and intrusion detection systems, Antimalware solution, Privilege Access Management, SIEM for monitoring etc.

Phishing simulation to aware with real scenario-based awareness and educate the users to prevent from falling victim of phishing scam.

Employee Awareness & Training: Implement ongoing security awareness training to educate employees on best practices and their role in protecting from and reporting to the cyber incident to recover at earliest to continue business and service.

Manage Third-Party Risks: Due diligence for third-party vendors and service providers to ensure information security controls are implemented by vendor.

Maintain Continuous Monitoring & Improvement: 24*7 SOC monitoring and Incident Response Planning to handle security incidents effectively and restore operations quickly.

Regular Audits & Monitoring: Bank is conducting regular Information Systems audits to identify and address emerging risks and ensure compliance.

Through strong governance, proactive risk management, and a culture of security awareness, the Bank strives to protect stakeholder interests and enhance resilience in an increasingly digital landscape.

Other Risk

Management of other risk such as Reputational, Legal & Compliance, Contagion risk, strategic risk and risk related to Human Resource (HR) etc. is equally pertinent to the Bank. The Bank has separate department to oversee Legal & Compliance issues. HR Department and Board level HR Committee is responsible for all HR functions and related risk management. Regarding contagion and strategic risk, The Bank has staff in the Board or positioned in management level of the subsidiary and the Bank formulates its strategy on annual and five yearly basis and is monitored against the target versus achievement which is also reported to Board on regular interval.

Internal Control

The Board and the management are committed in managing risk and controlling the Bank’s business and financial activities. Apart from managing risk the goal is also to maximize the profit, avoid or minimize risks which can cause potential loss or reputational damage to the Bank. The Bank’s focus is also to ensure Compliance with applicable laws and regulation and enhance resilience to external events. To achieve this, the Bank has established set of policies and procedures for risk identification, risk evaluation, risk mitigation and control / monitoring.

The effectiveness of the Company’s internal control system is reviewed regularly by the Board, Risk Management Committee, Management and Internal Audit.

The Internal Audit monitors compliance with policies / standards and the effectiveness of internal control structures across the Company through its program of business / unit audits. The Internal Audit function is focused on the areas of greatest risk as determined by a risk-based assessment methodology. Internal Audit reports are periodically forwarded to the Audit Committee. The findings of all audits are reported to the Chief Executive Officer, department heads and branch managers for initiating immediate corrective measures

29. Categories of Financial Instruments and Fair Value Hierarchy

Assets and liabilities carried at fair value or for which fair values are disclosed have been classified into three levels according to the observability of the significant inputs used to determine the fair values. Changes in the observability of significant valuation inputs during the reporting period may result in a transfer of assets and liabilities within the fair value hierarchy. The Bank recognises transfers between levels of the fair value hierarchy when there is a significant change in either its principal market or the level of observability of the inputs to the valuation techniques as at the end of the reporting period.



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.

Financial instruments are measured on an ongoing basis either at fair value or at amortized cost. The summary of significant accounting policies describes how the classes of financial instruments are measured, and how income and expenses, including fair value gains and losses, are recognized

The Hierarchy of fair value measurement is given below:

Particulars	Fair value Hierarchy (Level)	As on		As on	
		As at 32 Asar 2082		As at 31 Asar 2081	
		Carrying Value	Fair value	Carrying Value	Fair value
FVTPL					
Other trading assets	3	-	-	-	-
Derivative financial instruments	1	8,681,415,598	8,681,415,598	7,583,922,347	7,583,922,347
Subtotal		8,681,415,598	8,681,415,598	7,583,922,347	7,583,922,347
FVTOCI					
Quoted Equities	1	2,169,827,963	2,169,827,963	1,386,098,877	1,386,098,877
Unquoted Equities	3	154,276,797	154,276,797	58,302,391	58,302,391
Subtotal		2,324,104,760	2,324,104,760	1,444,401,268	1,444,401,268
Grand-Total		11,005,520,359	11,005,520,359	9,028,323,615	9,028,323,615
Amortised cost					
Cash and cash equivalent	3	33,385,654,314	33,385,654,314	22,570,602,707	22,570,602,707
Due from Nepal Rastra Bank	3	16,489,122,616	16,489,122,616	14,710,491,269	14,710,491,269
Placement with BFI's	3	10,264,420,143	10,264,420,143	3,035,765,321	3,035,765,321
Loan and advances to B/FIs	3	10,497,119,302	10,497,119,302	8,130,436,626	8,130,436,626
Loans and advances to customers	3	228,456,303,846	228,456,303,846	194,304,185,821	194,304,185,821
Investment securities (except equity instruments)	3	30,184,640,423	30,184,640,423	32,328,394,796	32,328,394,796
Subtotal		329,277,260,644	329,277,260,644	275,079,876,540	275,079,876,540
Total of Financial Assets		340,282,781,003	340,282,781,003	284,108,200,155	284,108,200,155
FVTPL/FVTOCI					
Liability for employees DBO	3	313,580,393	313,580,393	194,977,316	194,977,316
Subtotal		313,580,393	313,580,393	194,977,316	194,977,316
Amortised cost					
Due to Bank and Financial Institutions	3	6,029,457,168	6,029,457,168	3,163,179,932	3,163,179,932
Due to Nepal Rastra Bank	3	-	-	-	-
Deposits from customers	3	280,926,467,853	280,926,467,853	223,942,591,903	223,942,591,903
Borrowing	3	3,987,500,055	3,987,500,055	11,552,656,301	11,552,656,301
Other liabilities	3	2,740,226,008	2,740,226,008	2,440,734,973	2,440,734,973
Debt securities issued	3	12,384,568,926	12,384,568,926	12,382,000,301	12,382,000,301
Subtotal		306,068,220,009	306,068,220,009	253,481,163,410	253,481,163,410



Particulars	Fair value Hierarchy (Level)	As on		As on	
		As at 32 Asar 2082		As at 31 Asar 2081	
FVTPL					
Derivative financial instruments	1	8,695,559,581	8,695,559,581	7,710,799,737	7,710,799,737
Subtotal		8,695,559,581	8,695,559,581	7,710,799,737	7,710,799,737
Total of Financial Liabilities		315,077,359,984	315,077,359,984	261,386,940,463	261,386,940,463

30. Capital Adequacy

The capital adequacy status as of Asar End 2082 is given below:

NMB Bank Limited Capital Adequacy Table 2082 Ashad End (16 July 2025)

Amount in thousands

1.1 Risk Weighted Exposures		2082 Ashad End	2081 Ashad End
a	Risk Weighted Exposure for Credit Risk	279,896,121	233,660,906
b	Risk Weighted Exposure for Operational Risk	13,702,893	12,670,206
c	Risk Weighted Exposure for Market Risk	2,451,955	5,23,675
Total Risk Weighted Exposures (a+b+c)		296,050,969	246,854,787
Adjustments under Pillar II			
	Add : RWE equivalent to reciprocal of capital charge of 3 % of gross income.	2,759,788	3,034,013
	Add : 2% of the the total RWE due to Supervisory add up	5,921,019	4,937,096
	Add: 2% of total RWE, Desired level of disclosure requirement has not been achieved.	-	-
Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		304,731,776	254,825,896
1.2 Capital			
Tier 1 Capital (Core Capital) (CET1 +AT1)		27,588,630	24,763,725
a	Paid up Equity Share Capital	18,366,706	18,366,706
b	Irredeemable Non-cumulative preference shares	-	-
c	Share Premium	-	-
d	Proposed Bonus Equity Shares	-	-
e	Statutory General Reserves	5,981,038	5,410,110
f	Retained Earnings	1,901,381	(93,841)
g	Un-audited current year cumulative profit/(Loss)	-	-
h	Capital Redemption Reserve	-	-
i	Capital Adjustment Reserve	57,326	57,326
j	Dividend Equalization Reserves	-	-
k	Less: Deferred Tax Assets	-	-
l	Other Free Reserve	-	-
m	Debenture Redemption Reserve	1,960,696	1,723,395
n	Less: Goodwill	-	-
o	Less: Intangible Assets	(54,345)	(75,799)
p	Less: Fictitious Assets	-	-
q	Less: Investment in equity in licensed Financial Institutions	-	-
r	Less: Investment in equity of institutions with financial interests	(610,000)	(610,000)
s	Less: Investment in equity of institutions in excess of limits	-	-
t	Less: Investments arising out of underwriting commitments	-	-
u	Less: Reciprocal crossholdings	-	-
v	Less: Purchase of land & building in excess of limit and unutilized	(14,173)	(14,173)
w	Less: Other Deductions	-	-
Adjustments under Pillar II			
	Less : Shortfall in Provision (6.4 a 1)	-	-
	Less : Loans and Facilities extended to Related Parties and Restricted lending (6.4 a 2)	-	-



Supplementary Capital (Tier II)		8,728,962	7,960,652
a	Cumulative and/or Redeemable Preference Share	-	-
b	Subordinated Term Debt	4,510,703	4,847,604
c	Hybrid Capital Instruments	-	-
d	General loan loss provision	3,498,702	2,920,761
e	Exchange Equalization Reserve	215,637	182,286
f	Investment Adjustment Reserve	20,000	-
g	Accrued Interest Receivable on pass loan included in Regulatory Reserve	426,041	-
h	Interest Capitalized Reserve included in Regulatory Reserve	47,879	-
Assets Revaluation Reserve		-	-
Other Reserves		10,000	10,000
Total Capital Fund (Tier I and Tier II)		36,317,592	32,724,376
1.3 Capital Adequacy Ratios			
Common Equity Tier 1 Capital to Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)		9.05	9.72
	Tier 1 Capital to Total Risk Weighted Exposures	9.05	9.72
	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposures	11.92	12.84

NMB Bank Limited

32 Ashad 2082

Market Risk Exposures

Amount in thousands

S.No.	Currency	2082 Ashad End			2081 Ashad End Relevant Open Position
		Open Position (FCY)	Open Position (NPR)	Relevant Open Position	
1	INR	3,309,031	5,296,931	5,296,931	1,072,079
2	USD	474	65,166	65,166	8,431
3	GBP	(10)	(1,918)	1,918	2,273
4	CHF	13	2,170	2,170	624
5	EUR	10	1,579	1,579	1,950
6	JPY	772	714	714	54
7	SEK	1	14	14	13
8	DKK	-	-	-	242
9	HKD	45	791	791	496
10	AUD	(12)	(1,075)	1,075	25,025
11	SGD	8	909	909	1,334
12	KRW	1,142	113	113	113
13	AED	286	10,707	10,707	6,449
14	MYR	41	1,320	1,320	1,400
15	THB	218	922	922	460
16	QAR	88	3,339	3,339	1,706
17	CNY	82	1,570	1,570	53
18	CAD	14	1,380	1,380	24,543
19	SAR	77	2,811	2,811	3,904
20	KWD	1	284	284	1,002
21	BHD	2	623	623	54
22	OMR	1	507	507	-
Total Open Position (a)			5,394,841		1,152,203
Fixed Percentage (b)			5%		5%
Capital Charge for Market Risk [c=(a×b)]			269,742		57,610
Risk Weight (reciprocal of capital requirement of 11%) in times (d)			9.09		9.09
Equivalent Risk Weight Exposure [e=(c×d)]			2,451,955		523,675



NMB Bank Limited

32 Ashad 2082

Operation Risk Exposures

Amount in thousands

Particulars	Years before 2082 Ashar End		
	2078/79	2079/80	2080/81
Net Interest Income	6,387,540	8,248,404	7,216,743
Commission and Discount Income	1,689,473	1,833,473	1,987,207
Other Operating Income	406,767	204,147	264,011
Exchange Fluctuation Income	272,407	236,285	242,411
Addition/Deduction in Interest Suspense during the period	241,195	509,464	409,861
Gross income (a)	8,997,381	11,031,772	10,120,234
Alfa (b)	15%	15%	15%
Fixed Percentage of Gross Income [c=(a×b)]	1,349,607	1,654,766	1,518,035
Capital Requirement for operational risk (d) (average of c)			1,507,469
Risk Weight (reciprocal of capital requirement of 11%) in times (e)			9.09
Equivalent Risk Weight Exposure [f=(d×e)]			13,702,893
Adjustments under Pillar II			
If Gross Income for all the last three years is negative (6.4 a 8)			
Total Credit and Investments (net of specific Provision)			
Capital Requirement for Operational Risk (5%)			
Risk Weight (reciprocal of capital requirement of 11%) in times			9.09
Equivalent Risk Weight Exposure (g)			
Equivalent Risk Weight Exposure (h= f + g)			13,702,893



NMB Bank Limited
32 Ashad 2082
Eligible Credit Risk Mitigants

Amount in thousands

Credit Exposures	Deposits with Bank	Deposits with other Banks/FI	Gold	Govt. & NRB Securities	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
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
Balance Sheet Exposures	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -2)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -3)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -4-6)	-	-	-	-	-	-	-	-	-	-
Claims on Foreign government and Central Bank (ECA -7)	-	-	-	-	-	-	-	-	-	-
Claims on Other Multilateral Development Banks	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Public Sector Entities	-	-	-	-	-	-	-	-	-	-
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 (Credit rating score equivalent to AAA)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	-	-	-	-	-	-	-	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	-	-	-	-	-	-	-	-	-	-



Credit Exposures	Deposits with Bank	Deposits with other Banks/FI	Gold	Govt. & NRB Securities	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
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
" Claims on Domestic Corporates (Unrated)	871,476	-	-	-	-	-	-	-	-	871,476
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)	145,412	-	-	-	-	-	-	-	-	145,412
Claims fulfilling all criterion of regulatory retail except granularity	-	-	-	-	-	-	-	-	-	-
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 claim secured by residential properties)	-	-	362	-	-	-	-	-	-	362
High Risk claims	539,446	-	-	-	-	-	-	-	-	539,446
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(i)(k))	-	-	-	-	-	-	-	-	-	-
Lending against securities (bonds)	-	-	-	-	-	-	-	-	-	-
Lending against Shares	-	-	-	-	-	-	-	-	-	-
Trust Receipt Loans for Trading Firms	-	-	-	-	-	-	-	-	-	-
"Real Estate loans for land acquisition and development (For institutions/projects registered/licensed and approved by Government of Nepal for land acquisition and development purposes)"	-	-	-	-	-	-	-	-	-	-
Personal Hirepurchase/Personal Auto Loans	-	-	-	-	-	-	-	-	-	-
Investments in equity and other capital instruments of institutions listed in the stock exchange	-	-	-	-	-	-	-	-	-	-
Investments in equity and other capital instruments of institutions not listed in the stock exchange	-	-	-	-	-	-	-	-	-	-
Other Assets (as per attachment)	-	-	-	-	-	-	-	-	-	-
Off Balance Sheet Exposures	-	-	-	-	-	-	-	-	-	-
Forward Exchange Contract Liabilities	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Upto 6 months domestic counterparty	233,082	-	-	-	-	-	-	-	-	233,082



Credit Exposures	Deposits with Bank	Deposits with other Banks/Fl	Gold	Govt. & NRB Securities	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
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	62,917	-	-	-	-	-	-	6,224,405	-	6,287,322
foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	311,427	-	-	-	-	-	-	-	-	311,427
foreign counterparty (ECA Rating 0-1)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 2)	-	-	-	-	-	-	-	-	7,711,673	7,711,673
foreign counterparty (ECA Rating 3-6)	-	-	-	-	-	-	-	-	-	-
foreign counterparty (ECA Rating 7)	-	-	-	-	-	-	-	-	-	-
Underwriting commitments	-	-	-	-	-	-	-	-	-	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	-	-	-	-	-	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	-	-	-	-	-	-
Advance Payment Guarantee	30,782	-	-	-	-	-	-	-	-	30,782
Financial Guarantee	263	-	-	-	-	-	-	-	-	263
Acceptances and Endorsements	322,687	-	-	-	-	-	-	-	-	322,687
Unpaid portion of Party paid shares and Securities	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments(Short Term)	-	-	-	-	-	-	-	-	-	-
Irrevocable Credit commitments(Long Term)	-	-	-	-	-	-	-	-	-	-
* Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement*	-	-	-	-	-	-	-	-	-	-
Other Contingent Liabilities	-	-	-	-	-	-	-	-	-	-
Unpaid Guarantee Claims	-	-	-	-	-	-	-	-	-	-
TOTAL	2,517,491	-	362	-	-	-	-	6,224,405	7,711,673	16,453,932



NMB Bank Limited

32 Asar 2082
Credit Risk Exposures

Amount in thousands

Assets	2082 Asar End						Previous FY	
	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures	Net Value	Risk Weighted Exposures
	(a)	(b)	(c)	(d=a-b-c)	(e)	(f=d*e)		
Balance Sheet Exposures								
Cash Balance	3,610,158	-	-	3,610,158	0%	-	5,006,769	-
Balance With Nepal Rastra Bank	13,630,949	-	-	13,630,949	0%	-	11,387,688	-
Gold	-	-	-	-	0%	-	452,384	-
Investment in Nepalese Government Securities	51,009,443	-	-	51,009,443	0%	-	40,038,762	-
All Claims on Government of Nepal	2,709,161	-	-	2,709,161	0%	-	3,279,969	-
Investment in Nepal Rastra Bank securities	-	-	-	-	0%	-	-	-
All claims on Nepal Rastra Bank	-	-	-	-	0%	-	-	-
Claims on Foreign Government and Central Bank (ECA 0-1)	-	-	-	-	20%	-	-	-
Claims on Foreign Government and Central Bank (ECA -2)	-	-	-	-	50%	-	-	-
Claims on Foreign Government and Central Bank (ECA -3)	-	-	-	-	100%	-	-	-
Claims on Foreign Government and Central Bank (ECA-4-6)	-	-	-	-	150%	-	-	-
Claims on Foreign Government and Central Bank (ECA -7)	-	-	-	-	0%	-	-	-
Claims On BIS, IMF, ECB, EC and on Multilateral Development Banks (MDB s) recognized by the framework	-	-	-	-	100%	-	-	-
Claims on Other Multilateral Development Banks	-	-	-	-	20%	-	-	-
Claims on Domestic Public Sector Entities	-	-	-	-	50%	-	-	-
Claims on Public Sector Entity (ECA 0-1)	-	-	-	-	100%	-	-	-
Claims on Public Sector Entity (ECA 2)	-	-	-	-	150%	-	-	-
Claims on Public Sector Entity (ECA 3-6)	-	-	-	-	20%	-	-	-
Claims on Public Sector Entity (ECA 7)	-	-	-	-	100%	-	-	-
Claims on domestic banks that meet capital adequacy requirements	16,237,974	-	-	16,237,974	20%	3,247,595	13,364,468	2,672,894
Claims on domestic banks that do not meet capital adequacy requirements	13,082	-	-	13,082	100%	13,082	1,039	1,039
Claims on foreign bank (ECA Rating 0-1)	2,935,502	-	-	2,935,502	20%	587,100	2,646,111	529,222
Claims on foreign bank (ECA Rating 2)	2,694,218	-	-	2,694,218	50%	1,347,109	2,401,352	1,200,676
Claims on foreign bank (ECA Rating 3-6)	-	-	-	-	100%	-	515,483	515,483
Claims on foreign bank (ECA Rating 7)	-	-	-	-	150%	-	-	-
Claims on foreign bank incorporated in SAARC region/operating with a buffer of 1% above regulatory capital requirement	7,278,636	-	-	7,278,636	20%	1,455,727	1,689,816	337,963
Claims on Domestic Corporates (Credit rating score equivalent to AAA)	-	-	-	-	50%	-	-	-
Claims on Domestic Corporates (Credit rating score equivalent to AA+ to AA-)	-	-	-	-	70%	-	-	-



Assets	2082 Asar End						Previous FY	
	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures	Net Value	Risk Weighted Exposures
Claims on Domestic Corporates (Credit rating score equivalent to A+ to A-)	3,059,888	-	-	3,059,888	80%	2,447,911	3,231,951	2,093,257
Claims on Domestic Corporates (Credit rating score equivalent to BBB+ & below)	34,887,900	-	-	34,887,900	100%	34,887,900	31,325,801	31,325,801
Claims on Domestic Corporates (Unrated)	86,276,247	-	871,476	85,404,771	100%	85,404,771	73,739,190	73,738,673
Claims on Foreign Corporates (ECA 0-1)	-	-	-	-	20%	-	-	-
Claims on Foreign Corporates (ECA 2)	-	-	-	-	50%	-	-	-
Claims on Foreign Corporates (ECA 3-6)	-	-	-	-	100%	-	-	-
Claims on Foreign Corporates (ECA 7)	-	-	-	-	150%	-	-	-
Regulatory Retail Portfolio (Not Overdue)	54,216,563	-	145,412	54,071,151	75%	40,553,364	45,073,445	33,792,974
Claims fulfilling all criterion of regulatory retail except granularity	-	-	-	-	100%	-	-	-
Claims secured by residential properties	20,435,325	-	-	20,435,325	60%	12,261,195	17,742,137	10,645,282
Claims not fully secured by residential properties	-	-	-	-	150%	-	-	-
Claims secured by residential properties (Overdue)	691,415	176,830	-	514,586	100%	514,586	580,361	418,110
Claims secured by Commercial real estate	102,437	-	-	102,437	100%	102,437	154,461	154,461
Past due claims (except for claim secured by residential properties)	13,224,710	6,716,942	362	6,507,405	150%	9,761,108	8,768,343	5,110,271
High Risk claims	11,308,190	-	539,446	10,768,744	150%	16,153,116	10,969,930	15,071,967
Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(i)(k))	2,225,417	-	-	2,225,417	125%	2,781,771	804,581	1,005,726
Lending against Shares	2,387,090	-	-	2,387,090	100%	2,387,090	804,850	1,006,063
Lending against Shares (upto Rs.5 Million)	-	-	-	-	100%	-	168,862	168,862
Trust Receipt Loans for Trading Firms	1,026,667	-	-	1,026,667	120%	1,232,001	750,017	900,020
Personal Hirepurchase/Personal Auto Loans	2,801,170	-	-	2,801,170	100%	2,801,170	2,228,672	2,228,672
Investments in equity and other capital instruments of institutions listed in the stock exchange	982,327	-	-	982,327	100%	982,327	811,826	811,826
Investments in equity and other capital instruments of institutions not listed in the stock exchange	334,187	-	-	334,187	150%	501,281	305,489	458,234
Staff loan secured by residential property	3,944,984	-	-	3,944,984	50%	1,972,492	3,723,878	1,861,939
Interest Receivable/claim on government securities	443,116	-	-	443,116	0%	-	322,898	-
Cash in transit and other cash items in the process of collection	-	-	-	-	20%	-	-	-
Other Assets (as per attachment)	20,035,773	12,888,872	-	7,146,901	100%	7,146,901	18,186,102	6,410,587
TOTAL	358,502,530	19,782,644	1,556,696	337,163,191		228,542,033	300,476,634	192,460,001
Off Balance Sheet Exposures								
Revocable Commitments								
Bills Under Collection	1,829,538	-	-	1,829,538	0%	-	1,617,470	-
Forward Exchange Contract Liabilities	8,695,560	-	-	8,695,560	10%	869,556	7,710,800	771,080
LC Commitments With Original Maturity Upto 6 months domestic counterparty	7,630,834	-	233,082	7,397,752	20%	1,479,550	10,234,916	1,991,004



Assets	2022 Asar End						Previous FY	
	Book Value	Specific Provision	Eligible CRM	Net Value	Risk Weight	Risk Weighted Exposures	Net Value	Risk Weighted Exposures
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-	-	-
LC Commitments With Original Maturity Over 6 months domestic counterparty	28,528,745	-	6,287,322	22,241,423	50%	11,120,711	25,463,307	9,742,557
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-	-	-
Foreign counterparty (ECA Rating 2)	-	-	-	-	50%	-	-	-
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-	-	-
Bid Bond, Performance Bond and Counter guarantee domestic counterparty	20,896,311	-	311,427	20,584,884	40%	8,233,953	20,327,810	7,987,066
Foreign counterparty (ECA Rating 0-1)	-	-	-	-	20%	-	21,892	876
Foreign counterparty (ECA Rating 2)	15,423,347	-	7,711,673	7,711,673	50%	3,855,837	13,913,351	3,478,338
Foreign counterparty (ECA Rating 3-6)	-	-	-	-	100%	-	-	-
Foreign counterparty (ECA Rating 7)	-	-	-	-	150%	-	-	-
Underwriting commitments	-	-	-	-	50%	-	-	-
Lending of Bank's Securities or Posting of Securities as collateral	-	-	-	-	100%	-	-	-
Repurchase Agreements, Assets sale with recourse	-	-	-	-	100%	-	-	-
Advance Payment Guarantee	8,424,515	-	30,782	8,393,733	100%	8,393,733	7,222,436	7,191,805
Financial Guarantee	1,850	-	263	1,588	100%	1,588	2,450	2,160
Acceptances and Endorsements	5,027,930	-	322,687	4,705,243	100%	4,705,243	2,671,113	2,452,083
Unpaid portion of Partly paid shares and Securities	-	-	-	-	100%	-	-	-
Irrevocable Credit commitments (short term)	19,673,087	-	-	19,673,087	20%	3,934,617	12,528,138	2,505,628
Irrevocable Credit commitments (long term)	14,737,573	-	-	14,737,573	50%	7,368,787	7,649,869	3,824,934
" Claims on foreign bank incorporated in SAARC region operating with a buffer of 1% above their respective regulatory capital requirement"	4,118,005	-	-	4,118,005	20%	823,601	3,338,235	667,647
Other Contingent Liabilities	566,911	-	-	566,911	100%	566,911	585,729	585,729
Unpaid Guarantee Claims	-	-	-	-	200%	-	-	-
TOTAL	135,554,205	-	14,897,236	120,656,969		51,354,088	113,287,514	41,200,905
Total RWE for credit Risk	494,056,736	19,782,644	16,453,932	457,820,160		279,896,121	413,764,149	233,660,906
Adjustments under Pillar II								
Add: 10% of the loan and facilities in excess of Single Obligor Limits 6.4 a 3)								
Add: 1% of the contract (sale) value in case of the sale of credit with recourse (6.4 a 4)								
Total RWE for Credit Risk (After Bank's adjustments of Pillar II)								



31. Operating Segments

a) General Information:

The bank has identified its segments on the basis of geographical location as per provinces of the country. The bank supervises, manages and controls its branch networks through regional demarcations. All the transactions have been done at the arm's length prices between the segments with intra segment revenue and cost being eliminated at the Head Office. Interest earnings and foreign exchange gains/losses generated while conducting businesses under different segments are reported under the respective segment. Equity and Tax Expense are not allocated to the individual segments. For segmentation purpose, all business transactions of offices and business units located in a particular province are grouped together.

b) Description of the types of products and services from which each reportable segment derives its revenues

The products and services offered by the Bank can be broadly divided into the following categories:

1. Retail Banking: Retail banking, also known as consumer banking, is the provision of services by a bank to the general public, rather than to companies, corporations or other banks. Banking services which are regarded as retail include provision of savings and transactional accounts, mortgages, personal loans, debit cards, and credit cards.
2. Corporate, SME & Institutional (except Retail): The corporate and institutional banking segment of banks typically serves a diverse range of clients, ranging from small- to mid-sized local businesses with a few millions in revenues to large conglomerates with billions in sales and offices across the country.
3. Treasury Unit – The unit has two divisions – Front and back treasury operations. It operates within the consideration of the foreign exchange rules and regulations under the guidance of Nepal Rastra Bank (NRB) – central bank of Nepal. The major functions are exchange rate updation, check foreign currency position, fund management, deal T-bills/ bond, interbank placements, forward contract and other treasury research.
4. Trade Finance - The Bank's trade finance operations like LC, Guarantee etc are handled by trade finance.
5. Others

c) Information about profit or loss, assets and liabilities

Fig in Million

Particulars		Retail	SME & MSME	Corporate	Deprived	Treasury	Others	Total
a	Revenues from external customers	5,935	5,757	10,223	850	2,881	(1,170)	24,476
b	Intersegment revenues/ (Expenses)	4,907	(2,455)	(554)	(493)	838	(2,243)	-
c	Net Revenue	1,027	8,213	10,777	1,343	2,043	1,073	24,476
d	Interest Revenue	4,600	5,455	9,485	847	2,386.94	(506)	22,268
e	Interest Expense	6,986	45.38	5,325.12	10.32	1,760	121	14,247
f	Net Interest Revenue (b)	(2,385)	5,409	4,160	836	627	(627)	8,021
g	Depreciation and amortization	51	63	121	12	97	41	384
h	Segment profit/(loss)	3,254	1,730	2,124	154	821	(3,998)	4,085
i	Entity's interest in the profit or loss of associates accounted for using equity method - Not Applicable							
j	Other material items	-	-	-	-	-	-	-
	OCI Items – Non Cash	-	-	-	-	-	348	348



k	Impairment of assets	1,210	4,794	3,532	299	-	-	9,835
l	Segment assets	46,282	57,273	111,881	11,068	88,766	36,322	351,593
m	Segment liabilities	146,600	8,837	97,573	1,334	19,199	78,050	351,593

d) Measurement of operating segment profit or loss, assets and liabilities

i. Basis of accounting for any transactions between reportable segments:

The Bank is organised for management and reporting purposes into segments such as: Retail, SME & MSME, Corporate, Deprived, Treasury and Others. The Management monitors the operating results of its business units separately for the purpose of making decisions about resource allocation and performance assessment. Income tax is managed on a group basis and are not allocated to operating segments. All transactions between segments are conducted on an arm's length basis, with inter-segment revenue and costs being eliminated in "Others". Support costs are also allocated to Retail, Corporate, SME & MSME, Deprived, Treasury and others based on Management's estimates of the benefits accruing to these segments for the costs incurred.

ii. Nature of any differences between the measurements of the reportable segment's profits or losses and the entity's profit or loss before income tax

None

iii. Nature of any differences between the measurements of the reportable segment's assets and the entity's assets.

None

iv. Nature of any changes from prior periods in the measurement methods used to determine reported segment profit or loss and the effect, if any,

The bank has segmental division based upon the business segment and geographical segment also.

v. Nature and effect of any asymmetrical allocations to reportable segments

None

e) Reconciliations of reportable segment revenues, profit or loss, assets and liabilities

	Revenue	Fig in Mio.
	Particulars	Amount
a	Total Revenues for reportable segments	24,476
	Other Revenues	-
	Elimination of intersegment revenues	-
	Entity's Revenues	24,476
	Profit or Loss	
	Particulars	Amount
b	Total profit or loss for reportable segments	4,085
	Other profit or loss	-
	Elimination of intersegment profits	-
	Unallocated amounts	-
	Profit before income tax	4,085
	Assets	
	Particulars	Amount
c	Total assets for reportable segments	351,593
	Other assets	-
	Unallocated amounts	-
	Entity's assets	351,593



	Liabilities	
	Particulars	Amount
d	Total liabilities for reportable segments	351,593
	Other liabilities	-
	Unallocated amounts	-
	Entity's liabilities	351,593

f) Information about products and services

Particulars	NPR in Mio. (Fees and Commission Income)
Retail Banking	1,334
Corporate, SME & Institutional	976
Treasury	516
Trade Finance	46
Others	107
Total	2,979

g) Information based on geographical location

	Particulars	Revenue (NPR in Mio.)
a	Domestic	24,476
	Koshi	3,538
	Madhesh	1,926
	Bagmati	11,912
	Gandaki	2,077
	Lumbini	3,155
	Karnali and Sudur Paschim	1,427
	Foreign	-
b	Total (a+b)	24,476

h) Information about major customers

Information about the extent of its reliance on its major customers, if revenue from a single external customer amounts to 10 percent or more of the entity's revenue.

Not Applicable

32. Share options and share based payment

The Group does not have any share options or share-based payment transactions in the reporting period or in earlier period.

33. Merger and acquisition

No Merger and Acquisition has been carried out during the FYE 2081/82.

34. Additional disclosures of non-consolidated entities

The Group does not have any non-consolidated entities to report for the reporting period and in the comparative previous period.

35. Events after the Balance Sheet Date

As per NRB Directives, the bank has considered interest accrued up to Asar end 2082 and received up to Shrawan 15 2082 amounting NPR. 260.23 Mio has been considered as an income to Regulatory Reserve.



36. Related Party Disclosures

(a) Board Member Allowances and Facilities

The Board of Directors has been paid meeting fees of NPR 1,964,000 during the interim period. There were 22 Board Meeting conducted during the period.

As per 24th AGM held on Poush 24, 2076, the chairperson and other members of the Board are paid NPR. 18,000 and NPR. 16,000 respectively per meeting thereafter.

The Meeting fees paid to different Board Level Committees are as follows:

Board Level Committees	No of Meetings	Meeting Allowance (NPR)
Audit Committee	5	48,000
Risk Management Committee	8	128,000
Human Resource Service Committee	7	224,000
Assets Laundering Prevention Committee	7	112,000
Other Committee	10	288,000

As per 23rd AGM held on Poush 26, 2075, monthly allowance of NPR 12,000 is paid. The total amount paid as monthly allowances to the board members during the period amounted to NPR 1,008,000

The members of the Board are:

- i Mr. Manoj Kumar Goyal Chairman (Represents Group – Promoter Shareholder)
- ii Mrs. Sharmila Hardi Prakash Member (Representative from FMO)
- iii Mr. Thakur Jang Thapa Member (Representative from Employees Provident Fund)
- iv Mr. Harischandra Subedi Member (Represents Group – Public Shareholder)
- v Mr. Uttam Bhlon Member (Represents Group – Public Shareholder)
- vi Mr. Sirish Kumar Murarka Member (Represents Group – Public Shareholder)
- vii Mrs. Bandana Pathak Independent Director

(b) Loans and Advances extended to Promoters

There are no such loans extended to promoters.

(c) Compensation Details for Key Management Personnel

Key Management Personnel includes members of Executive Committee of the Bank.

S.No	Particulars	Amount
A	Short Term Employee Benefits	84,729,699
B	Post-Employment Benefits	Nil
C	Other Long Term Benefits	Nil
D	Termination Benefits (Gratuity and Sick Leave Encashment)	Nil
E	Share Based Payment	Nil
	Total of Key Management Personnel Compensation	84,729,699

The Salary and benefits paid to CEO for the period included above is as follow:

Particulars	Basic Salary	Provident Fund	Allowance	Bonus & Welfare	Other Perquisites	Total Income
Incumbent CEO	1,789,208	178,921	2,293,310	-	733,524	4,994,964
Former CEO	6,967,742	696,774	7,145,161	3,764,837	34,839	18,609,353



Apart from details mentioned above, Key management personnel are also provided with the following benefits:

- i) Benefits as per the Employee Terms of Service By-laws,
- ii) Bonus to staff as per the Bonus Act,
- iii) Vehicle Fuel Expenses and other facilities as per the Bank's Staff Vehicle Scheme.

Existing members of Executive Committee includes:

Mr. Govind Ghimire	Chief Executive Officer
Mr. Sudesh Upadhyaya	Senior Deputy Chief Executive Officer
Mr. Pramod Dahal	Chief Officer - Services/ Operations/ Support and Company Secretary
Mr. Navin Man Manadhar	Chief Risk Officer
Mr. Shreejesh Ghimire	Chief Transformation Officer and International Business (Chief Business Officer)
Mr. Krishna Dutta Bhattarai	Chief Retail and Other Deposits
Mr. Dinesh Dulal	Chief Sustainable Energy Banking

(d) Transaction with Subsidiaries

The intra-group related figures have been excluded for presentation of the financial statement of the Group. The Bank owns three subsidiary companies, NMB Capital Limited, NMB Securities Limited and NMB Laghubitta Bittiya Sanstha Limited. NMB Capital and NMB Securities Limited are wholly owned subsidiary whereas the Bank owns fifty-one percent of the total shares of NMB Laghubitta Bittiye Sanstha. The Related party transactions of subsidiaries are as follows:

Amount in Thousand

S No	Particulars	NMB Capital	NMB Laghubitta Bittiya Sanstha	N.M.B Securities
1	Investment by NMB Bank Ltd.	400,000	172,488	200,000
2	Deposits in NMB Bank Ltd.	2,358,106	15,520	18,582
3	Borrowing from NMB Bank Ltd.	-	1,680,306	-
4	Interest Payment by NMB Bank Ltd.	17,213	-	2,490
5	Interest Payment to NMB Bank Ltd.	-	149,305	-
6	Rent Payment to NMB Bank Ltd.	-	-	1,100
7	Share Registrar Fee payment by NMB Bank	1,100	-	-
8	Debenture Trustee Fee payment by NMB Bank	450	-	-
9	Management Fee Payment to NMB Bank	-	1,246	-
10	Dividend Distribution of NMB Sulav Investment Fund 2 to NMB Bank	17,094	-	-
11	Dividend Distribution of NMB 50 to NMB Bank	26,553	-	-
12	Dividend Distribution from NMB Capital to NMB Bank	64,600	-	-

The intra-group related figures have been excluded for presentation of the financial statement of the Group.

37. Dividend

The Board of Directors in its meeting dated 21 November 2025 has proposed the issue of 5.00% Stock Dividend and 5.00% Cash Dividend (including for tax purpose) for each share held on the paid up capital of NPR. 18,366,705,959.24. This proposal awaits approval at the upcoming Annual General Meeting.



BASEL DISCLOSURES



NMB BANK LIMITED

Disclosure under New Capital Adequacy Framework for the Year Ended Asar 2082

All Amounts in NPR Thousands

1. Capital Management

The bank assesses the impact of the new rules, if any on their capital adequacy through a comprehensive capital planning and optimisation/mitigation process. The capital planning is an integral part of the Bank's medium term strategic planning and annual budget formulation process. Total risk weighted exposures for the projected level of business operations is calculated, the required capital level is projected, and a plan is formulated to maintain the required capital.

The bank has not raised any capital through hybrid capital instruments during FY 2081/82.

2. Capital Structure and Capital Adequacy:

2.1. Tier 1 Capital and a breakdown of its Components:

S.No.	Details	Amount
1.	Paid up Equity Share Capital	18,366,706
2.	Share Premium	-
3.	Proposed Bonus Equity Shares	-
4.	Statutory General Reserves	5,981,038
5.	Retained Earnings	1,901,381
6.	Debenture Redemption Reserve and Deferred Tax Reserve	-
7.	Capital Adjustment Reserve	57,326
8.	Deferred Tax Assets	-
9.	Debenture Redemption Reserve	1,960,696
10.	Less: Investment in equity of institutions with financial interest	(610,000)
11.	Less: Intangible Assets	(54,345)
12.	Less: Purchase of land & building in excess of limit and unutilized	(14,173)
	Total Core Capital	27,588,630

2.2. Tier 2 Capital and a breakdown of its Components:

S.No	Details	Amount
1.	Subordinated Term Debt	4,510,703
2.	General Loan Loss Provision	3,498,702
3.	Exchange Equalization Reserve	215,637
4.	Investment Adjustment Reserve	20,000
5.	Accrued Interest Receivable on pass loan included in Regulatory Reserve	426,041
6.	Interest Capitalized Reserve included in Regulatory Reserve	47,879
7.	Other Reserve	10,000
	Total Supplementary Capital	8,728,962

2.3. Detailed information about the Subordinated Term Debts with information on the outstanding amount, maturity, and amount rose during the year and amount eligible to be reckoned as capital funds.

The debentures and bonds issued are listed below:

Particulars	Issued Date	Expiry Date (BS)	Rate	Face Value (Mio.)	Redemption Start Year	Redemption End Year	No of Years	Redemption Per Year (Mio.)	Purpose
Energy Bond I -2092/93	20 Jestha 2078	20 Jestha 2093	4.00%	1,500	FY 2078/79	FY 2091/92	14	107.14	For CAR
Energy Bond II - 2093/94	10 Jestha 2079	10 Jestha 2094	4.00%	2,727	NA	NA	NA	NA	For CD
NMB Debenture 2084/85	29 Chaitra 2075	29 Chaitra 2085	10.00%	1,685	FY 2076/77	FY 2084/85	9	187.17	For CAR



Particulars	Issued Date	Expiry Date (BS)	Rate	Face Value (Mio.)	Redemption Start Year	Redemption End Year	No of Years	Redemption Per Year (Mio.)	Purpose
NMB Debenture 2087/88	11 Jestha 2078	11 Jestha 2088	8.50%	2,000	FY 2078/79	FY 2086/87	9	222.22	For CAR
NMB Debenture 2089/90	30th Chaitra 2079	29th Chaitra 2090	10.75%	4,000	NA	NA	NA	NA	For CD

To reflect the diminishing value of these instruments as a continuing source of strength, a cumulative discount (amortization) factor of 20% per annum has been applied for capital adequacy computations, during the last 5 years to maturity.

2.4. Deductions from Capital:

Investment in equity shares of fully owned subsidiary company NMB Capital Ltd and NMB Securities Ltd. along with financial interest amounting to NPR 610,000,000 has been deducted from Tier 1 Capital.

Similarly, the amount of deferred tax reserve has been separately credited to Regulatory reserve, which is not considered for the purpose of capital ratios.

Intangible asset has also been deducted as per NRB Directive by NPR 54,345 Thousand. The Purchase of land and building in excess of limit and unutilized amounting to NPR 14,172,950 is also deducted from Capital.

2.5. Total Qualifying Capital:

S.No	Details	Amount
1.	Core Capital (Tier 1)	27,588,630
2.	Supplementary Capital (Tier 2)	8,728,962
	Total Capital Fund	36,317,592

2.6. Capital Adequacy Ratio:

S.No	Details	Percentage
1.	Tier 1 Capital to Total Risk Weighted Exposure	9.05%
2.	Tier 1 and Tier 2 Capital to Total Risk Weighted Exposure	11.92%

2.7. Summary of the terms, conditions and main features of all capital instruments, especially in case of subordinated term debts including hybrid capital instruments.

The capital instruments of the Bank include fully paid up Equity Shares and Debenture. Both are non-convertible. The main features of Debenture have been mentioned under S.No 2.3 above.

3. Risk Exposures:

3.1. Risk Weighted Exposures for Credit Risk, Market Risk and Operational Risk:

S.No	Risk Weighted Exposure	Amount
a.	Risk Weighted Exposure for Credit Risk	279,896,121
b.	Risk Weighted Exposure for Operational Risk	13,702,893
c.	Risk Weighted Exposure for Market Risk	2,451,955
	Total Risk Weighted Exposures (a+b+c)	296,050,969
	Add: RWE equivalent to reciprocal of capital charge of 3 % of gross income.	2,759,788
	Add : 2% of the total RWE due to Supervisory add up	5,921,019
	Add: 2% of total RWE, Desired level of disclosure requirement has not been achieved.	-
	Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	304,731,776



3.2. Risk Weighted Exposures under each of categories of Credit Risk:

S.No	Particulars	Amount
1.	Claims on government and Central Bank	-
2.	Claims on other Official Entities	-
3.	Claims on Bank	6,650,614
4.	Claims on Domestic Corporate and Securities Firms	122,740,582
5.	Claims on Foreign Corporate	-
6.	Claims on Regulatory Retail Portfolio	40,553,364
7.	Claims fulfilling all criterion of regulatory retail except granularity	-
8.	Claims secured by Residential Properties (including staff)	14,233,687
9.	Claims not fully secured by residential properties	-
10.	Claims secured by Residential Properties (Overdue)	514,586
11.	Claims secured by Commercial Real Estate	102,437
12.	Past Due Claims	9,761,108
13.	High Risk Claims	16,153,116
14.	Real Estate loans for land acquisition and development (Other than mentioned in Capital Adequacy framework 2015-point 3.3(j)(1)(k))	2,781,771
15.	Lending against Shares	2,387,090
16.	Trust Receipt Loans for Trading Firms	1,232,001
17.	Personal Hirepurchase/Personal Auto Loans	2,801,170
18.	Investments	1,483,608
19.	Other Assets	7,146,901
20.	Off Balance sheet items	51,354,088
	Total	279,896,121

3.3. Total Risk Weighted Exposure calculation table:

S.No	Particulars	Amount
a.	Risk Weighted Exposure for Credit Risk	279,896,121
b.	Risk Weighted Exposure for Operational Risk	13,702,893
c.	Risk Weighted Exposure for Market Risk	2,451,955
1.	Total Risk Weighted Exposure	296,050,969
	Add: RWE equivalent to reciprocal of capital charge of 3 % of gross income.	2,759,788
	Add : 2% of the total RWE due to Supervisory add up	5,921,019
	Total Risk Weighted Exposures (After Bank's adjustments of Pillar II)	304,731,776
2.	Total Core Capital Fund (Tier 1)	27,588,630
3.	Total Capital Fund (Tier 1 & Tier 2)	36,317,592
4.	Total Core Capital to Total Risk Weighted Exposures (%)	9.05%
5.	Total Capital to Total Risk Weighted Exposures (%)	11.92%

3.4. Amount of Non-Performing Assets (NPAs)

S.No	Category	Gross	Provision	Net
1.	Restructured/Rescheduled	2,336,908	540,986	1,795,922
2.	Substandard	1,095,255	321,005	774,251
3.	Doubtful	2,596,528	1,358,961	1,237,567
4.	Loss	3,968,544	3,928,764	39,780
	Total	9,997,236	6,149,716	3,847,520



3.5. NPA Ratio

Gross NPA to Gross Advances: 4.11%

Net NPA to Gross Advances: 1.58%

3.6. Movement of Non-Performing Assets

S.No	Particulars	Asar End 2082	Asar End 2081	Movement
1	Restructure/Reschedule Loan	2,336,908	398,397	1,938,511
2	Substandard	1,095,255	2,343,590	(1,248,335)
3	Doubtful	2,596,528	1,332,756	1,263,773
4	Loss	3,968,544	2,886,116	1,082,429
	Total Non-Performing Loan	9,997,236	6,960,859	3,036,377

3.7. Movement of Loan Loss Provision & Interest Suspense on loans & advances

S.No	Category	Asar End 2081	Asar End 2082	Movement
1	Pass	2,365,912	2,180,863	(185,050)
2	Watch List	1,633,592	1,504,889	(128,702)
3	Restructured	49,800	540,986	491,186
4	Substandard	671,620	321,005	(350,615)
5	Doubtful	642,120	1,358,961	716,841
6	Loss	2,833,216	3,928,764	1,095,548
	Total Loan Provision	8,196,259	9,835,468	1,639,209
	Accrued Interest Receivable (including staff)	4,251,174	4,082,813	(168,362)

As per Guidance Note on Interest Income Recognition, 2025 Issued by Nepal Rastra Bank, the interest amount of NPR. 436.8 Mio. has been reversed and credited to Interest Suspense during the reporting period. Total interest suspense stands at NPR. 1,402.91 Mio. As on Asar end 2082.

3.8. Eligible Credit Risk Mitigants (CRM) availed

As per the provisions of the New Capital Adequacy Framework, the bank has claimed all the eligible credit risk Mitigants of NPR 16.45 billion for Balance Sheet and Off Balance Sheet exposures and availed benefit thereof.

4. Compliance with external requirement

The bank is subject to compliance requirement under NRB Directive No.1/077 which has stipulated a minimum Total Capital Adequacy Ratio (CAR) of 11%. The Bank complied with this requirement at all times during the reporting period. The compliance position at the reporting date is given below:

Capital	Regulatory Minimum	Status as on Ashad End 2082
Minimum Common Equity Capital Ratio	4.50%	6.55%
Capital Conservation Buffer (Comprised of Common Equity)	2.50%	2.50%
Counter Cyclical Buffer	0.00%	0.00%
Minimum common equity Tier 1 ratio plus capital conservation buffer and Counter Cyclical Buffer	7.00%	9.05%
Minimum Tier 1 Capital (Excluding conservation buffer and Countercyclical buffer)	6.00%	6.55%
Minimum Total Capital (MTC) Excluding conservation buffer and Countercyclical buffer)	8.50%	9.42%
Minimum Total Capital (including conservation and countercyclical buffer)	11.00%	11.92%



5. Summary of the Bank's internal approach to assess the adequacy of its capital to support current and future activities:

The bank follows Internal Capital Adequacy Assessment Process (ICAAP) and Risk Management Guideline while taking decision on any business. It has always taken note of ICAAP and has taken steps accordingly in ensuring soundness of capital position and sustainability of the business.

Risk management is essential for well-being of the overall banking business. Credit, Market and Operational Risk are managed independently at NMB Bank. Credit Risk Department reviews risk related to credit prior to disbursement of all loans, it is independent of a loan approver. Credit Risk Management Committee meets once a month to review credit portfolio risk. Market risk is closely monitored all time and managed through ALCO. Operational Risk Committee which meets once each month is a platform to assess/monitor operational risk identified vides various units, branches. Effective implementation of process/controls is periodically reviewed by an Operational Risk Unit. Operational Risk Unit also carries out assurance reviews of the units to evaluate control weakness, recommends robust controls around the risk areas and monitors execution of control in an ongoing basis.

Audit Committee is formed as per the 'Terms of Reference' prescribed by NRB with 3 members. The Coordinator of the committee is one of the Non-Executive Directors with Head Internal Audit as its secretary. The committee reviews internal/external/NRB audit reports, recommends stringent control process and escalates the significant audit findings and observations to the attention of the Board. The Committee also reviews quarterly unaudited financial reports of the Bank with recommendation to the Board. The committee selects and recommends External Auditor to the Board based on financial and technical evaluations. The Audit Committee is committed towards maintaining robust control system hence monitors closure of risk issues raised by Internal/External/NRB auditors.

Risk Management Committee with view of ensuring better risk management in the bank and in line of NRB's requirement is formed with 5 members, two board members, Chief Operating Officer, Chief Risk Officer as Secretary and Head Legal and Compliance are the members of the committee chaired by Non-Executive Director. The committee reviews high risk issues escalated by operational and credit risk committees (management level), deliberates on the risks and recommends to the Board if required. Stress testing/Capital adequacy is also reviewed at the committee with recommendation to the Board. Revised/new NRB directives, Monetary Policy with material impact on the Bank are also reviewed for its implications.



Latest Debenture Issue - Projected vs Actual of Statement of Profit or Loss

NPR in Thousand

Particulars	Projected FY 2024-25	Actual FY 2024-25	Variance (%) FY 2024-25	Reasons for Variance (for more than 20% only)
Interest income	41,233,248	22,267,952	-46%	Due to slowness in economy, reduced business volume
Interest expense	29,646,902	14,247,058	-52%	Due to slowness in economy, reduced business volume
Net interest income	11,586,346	8,020,894	-31%	
Fee and commission income	3,337,052	2,426,661	-27%	Due to slowness in economy, reduced business volume
Fee and commission expense	283,348	242,075	-15%	
Net fee and commission income	3,053,704	2,184,586	-28%	
Net interest, fee and commission income	14,640,050	10,205,480	-30%	
Net trading income	539,477	360,571	-33%	Due to decrease in derivative position
Other operating income	535,232	318,466	-40%	Due to decrease in sale of assets and Dividend Income
Total operating income	15,714,759	10,884,518	-31%	
Impairment charge/(reversal) for loans and other losses	893,912	1,638,170	83%	Due to increase in NPL
Net operating income	14,820,847	9,246,347	-38%	
Operating expense				
Personnel expenses	4,012,308	3,012,762	-25%	Due to lower operational cost as business volume reduced
Other operating expenses	1,515,760	1,109,004	-27%	Due to lower operational cost as business volume reduced
Depreciation & Amortisation	369,843	384,593	4%	
Operating Profit	8,922,936	4,739,988	-47%	
Non operating income	108,224	3,951	-96%	Due to lesser recovery of written off loan
Non operating expense	8,000	658,746	8134%	Due to increase in NPL and hence additional Loan Written off
Profit before income tax	9,023,159	4,085,193	-55%	
Income tax expense				
Current Tax	2,706,948	1,271,727	-53%	Due to decrease in profit
Deferred Tax expense/(Income)	(58,055)	(41,172)	-29%	Due to increase in Deferred Tax Assets
Profit for the period	6,374,266	2,854,638	-55%	



Latest Debenture Issue - Projected vs Actual of Statement of Financial Position

NPR in Thousand

Particulars	Projected FY 2024-25	Actual FY 2024-25	Variance (%) FY 2024-25	Reasons for Variance (for more than 20% only)
Cash and cash equivalent	31,616,804	33,385,654	6%	
Due from Nepal Rastra Bank	14,283,411	16,489,123	15%	
Placement with Bank and Financial Institutions	16,158,184	10,264,420	-36%	Lesser FCY Placements due to lesser FCY Borrowings
Derivative financial instruments	19,894,280	8,681,416	-56%	Due to decrease in derivative position
Other trading assets	-	-		
Loan and advances to B/FIs	8,628,934	10,497,119	22%	Increase in Deprived Sector Loan
Loans and advances to customers	337,632,503	228,456,304	-32%	Due to slowness in economy, reduced business volume
Investment securities	47,263,763	32,508,745	-31%	Due to lesser deposit collections
Current tax assets	115,000	166,787	45%	Advance tax deposited more
Investment in subsidiaries	572,488	772,488	35%	Due to investment in NMB Securities
Investment in associates	-	-		
Investment property	-	1,784,193	NA	Due to increase in NPL and hence NBA booking
Property and equipment	2,254,299	3,800,678	69%	Due to booking of Right of Use of Asset
Goodwill and Intangible assets	343,542	127,174	-63%	No Additional Software Purchase as projected
Deferred tax assets	465,954	316,475	-32%	Due to increase in OCI Income
Other assets	3,811,728	4,341,932	14%	
Total Assets	483,040,890	351,592,507	-27%	
Liabilities				
Due to Bank and Financial Institutions	4,723,628	6,029,457	28%	Due to increase in inter bank borrowings
Due to Nepal Rastra Bank	-	-		
Derivative financial instruments	19,715,231	8,695,560	-56%	Due to decrease in derivative position
Deposits from customers	345,291,144	280,926,468	-19%	Due to slowness in economy, reduced business volume
Borrowing	37,910,688	3,987,500	-89%	Bank's strategic call to diversify sourcing due to higher SoFR rate
Current Tax Liabilities	-	-		
Provisions	-	-		
Deferred tax liabilities	-	-		
Other liabilities	11,402,990	7,394,345	-35%	Due to decrease in Local Bodies Li.Ka Payable
Debt securities issued	24,127,854	12,384,569	-49%	Due to slowness in economy, reduced business volume
Subordinated Liabilities	-	-		
Total liabilities	443,171,534	319,417,899	-28%	
Equity				
Share capital	22,422,075	18,366,706	-18%	No Capitalization of profit
Share premium	-	-		
Retained earnings	3,488,056	1,901,381	-45%	Due to change in profit and regulatory appropriations
Reserves	13,959,225	11,906,521	-15%	
Total equity attributable to equity holders	39,869,356	32,174,608	-19%	
Total liabilities and equity	483,040,890	351,592,507	-27%	



Horizontal Analysis

Statement of Financial Position

Amount in Rs.

Particulars	16-Jul-25 (Asar 32, 2082)	2025 Vs 2024	15-Jul-24 (Asar 31, 2081)	2024 Vs 2023	16-Jul-23 (Asar 31, 2080)
Assets					
Cash and cash equivalent	33,385,654,314	48%	22,570,602,707	-6%	23,958,279,935
Due from Nepal Rastra Bank	16,489,122,616	12%	14,710,491,269	-2%	15,059,500,883
Placement with Bank and Financial Institutions	10,264,420,143	238%	3,035,765,321	302%	755,846,186
Derivative financial instruments	8,681,415,598	14%	7,583,922,347	-30%	10,850,079,131
Other trading assets	-	0%	-	-100%	24,750,000
Loan and advances to B/Fls	10,497,119,302	29%	8,130,436,626	14%	7,116,529,163
Loans and advances to customers	228,456,303,846	18%	194,304,185,821	3%	189,035,400,388
Investment securities	32,508,745,183	-4%	33,772,796,064	4%	32,374,914,828
Current tax assets	166,787,121	15%	145,037,389	223%	44,947,624
Investment in subsidiaries	772,487,600	0%	772,487,600	0%	772,487,600
Investment in associates	-	-	-	-	-
Investment property	1,784,192,730	110%	851,436,700	22%	697,707,520
Property and equipment	3,800,677,507	1%	3,758,590,533	46%	2,577,549,081
Goodwill and Intangible assets	127,174,017	-14%	148,628,163	-17%	178,689,829
Deferred tax assets	316,475,091	-25%	424,642,054	-5%	448,411,030
Other assets	4,341,932,137	-7%	4,659,139,126	20%	3,882,047,496
Total Assets	351,592,507,206	19%	294,868,161,721	2%	287,777,140,694
Liabilities					
Due to Bank and Financial Institutions	6,029,457,168	91%	3,163,179,932	16%	2,737,257,510
Due to Nepal Rastra Bank	-	0%	-	-100%	3,285,987,203
Derivative financial instruments	8,695,559,581	13%	7,710,799,737	-30%	11,060,344,567
Deposits from customers	280,926,467,853	25%	223,942,591,903	6%	210,304,687,147
Borrowing	3,987,500,055	-65%	11,552,656,301	-22%	14,814,903,379
Current Tax Liabilities	-	-	-	-	-
Provisions	-	-	-	-	-
Deferred tax liabilities	-	-	-	-	-
Other liabilities	7,394,345,466	3%	7,145,422,295	47%	4,861,210,421
Debt securities issued	12,384,568,926	0%	12,382,000,301	1%	12,278,329,070
Subordinated Liabilities	-	-	-	-	-
Total Liabilities	319,417,899,049	20%	265,896,650,469	3%	259,342,719,296
Equity					
Share capital	18,366,705,959	-	18,366,705,959	-	18,366,705,959
Share premium	-	-	-	-	-
Retained earnings	1,901,381,344	2126%	(93,840,782)	-108%	1,140,830,240
Reserves	11,906,520,854	11%	10,698,646,074	20%	8,926,885,198
Total equity attributable to equity holders	32,174,608,156	11%	28,971,511,251	2%	28,434,421,397
Non-controlling interest	-	-	-	-	-
Total equity	32,174,608,156	11%	28,971,511,251	2%	28,434,421,397
Total liabilities and equity	351,592,507,206	19%	294,868,161,721	2%	287,777,140,694



Horizontal Analysis

Statement of Profit or Loss

Particulars	16-Jul-25 (Asar 32, 2082)	2025 Vs 2024	15-Jul-24 (Asar 31, 2081)	2024 Vs 2023	16-Jul-23 (Asar 31, 2080)
Interest income	22,267,952,343	-13%	25,682,542,888	-4%	26,622,460,214
Interest expense	14,247,058,349	-23%	18,465,800,355	0%	18,374,056,559
Net interest income	8,020,893,994	11%	7,216,742,533	-13%	8,248,403,655
Fee and commission income	2,426,661,053	22%	1,987,207,424	8%	1,833,472,617
Fee and commission expense	242,074,632	25%	193,314,755	-33%	286,611,105
Net fee and commission income	2,184,586,421	22%	1,793,892,670	16%	1,546,861,512
Net interest, fee and commission income	10,205,480,415	13%	9,010,635,203	-8%	9,795,265,167
Net trading income	360,570,942	49%	242,411,149	3%	236,285,430
Other operating income	318,466,228	21%	264,011,431	29%	204,146,509
Total operating income	10,884,517,585	14%	9,517,057,783	-7%	10,235,697,106
Impairment charge/(reversal) for loans and other losses	1,638,170,232	-20%	2,037,966,876	40%	1,453,820,570
Net operating income	9,246,347,353	24%	7,479,090,907	-15%	8,781,876,536
Operating expense					
Personnel expenses	3,012,762,127	14%	2,634,448,065	-2%	2,689,175,176
Other operating expenses	1,109,003,642	-2%	1,133,473,119	26%	900,681,727
Depreciation & Amortisation	384,593,178	-16%	458,071,858	-11%	516,698,101
Operating Profit	4,739,988,406	46%	3,253,097,865	-30%	4,675,321,532
Non operating income	3,950,977	15%	3,442,011	-66%	9,985,780
Non operating expense	658,746,389	3038%	20,990,648	-72%	76,148,097
Profit before income tax	4,085,192,995	26%	3,235,549,228	-30%	4,609,159,215
Income tax expense					
Current Tax	1,271,727,053	24%	1,025,730,134	-29%	1,434,847,884
Deferred Tax expense/(Income)	(41,172,415)	19%	(34,576,210)	-28%	(48,235,961)
Profit for the period	2,854,638,357	27%	2,244,395,304	-30%	3,222,547,292



Vertical Analysis

Statement of Financial Position

Amount in Rs.

Particulars	16-Jul-25 (Asar 32, 2082)	%	15-Jul-24 (Asar 31, 2081)	%	16-Jul-23 (Asar 31, 2080)	%
Assets						
Cash and cash equivalent	33,385,654,314	9%	22,570,602,707	8%	23,958,279,935	8%
Due from Nepal Rastra Bank	16,489,122,616	5%	14,710,491,269	5%	15,059,500,883	5%
Placement with Bank and Financial Institutions	10,264,420,143	3%	3,035,765,321	1%	755,846,186	0%
Derivative financial instruments	8,681,415,598	2%	7,583,922,347	3%	10,850,079,131	4%
Other trading assets	-	0%	-	0%	24,750,000	0%
Loan and advances to B/Fls	10,497,119,302	3%	8,130,436,626	3%	7,116,529,163	2%
Loans and advances to customers	228,456,303,846	65%	194,304,185,821	66%	189,035,400,388	66%
Investment securities	32,508,745,183	9%	33,772,796,064	11%	32,374,914,828	11%
Current tax assets	166,787,121	0%	145,037,389	0%	44,947,624	0%
Investment in subsidiaries	772,487,600	0%	772,487,600	0%	772,487,600	0%
Investment in associates	-	0%	-	0%	-	0%
Investment property	1,784,192,730	1%	851,436,700	0%	697,707,520	0%
Property and equipment	3,800,677,507	1%	3,758,590,533	1%	2,577,549,081	1%
Goodwill and Intangible assets	127,174,017	0%	148,628,163	0%	178,689,829	0%
Deferred tax assets	316,475,091	0%	424,642,054	0%	448,411,030	0%
Other assets	4,341,932,137	1%	4,659,139,126	2%	3,882,047,496	1%
Total Assets	351,592,507,206	100%	294,868,161,721	100%	287,777,140,694	100%
Liabilities						
Due to Bank and Financial Institutions	6,029,457,168	2%	3,163,179,932	1%	2,737,257,510	1%
Due to Nepal Rastra Bank	-	0%	-	0%	3,285,987,203	1%
Derivative financial instruments	8,695,559,581	2%	7,710,799,737	3%	11,060,344,567	4%
Deposits from customers	280,926,467,853	80%	223,942,591,903	76%	210,304,687,147	73%
Borrowing	3,987,500,055	1%	11,552,656,301	4%	14,814,903,379	5%
Current Tax Liabilities	-	0%	-	0%	-	0%
Provisions	-	0%	-	0%	-	0%
Deferred tax liabilities	-	0%	-	0%	-	0%
Other liabilities	7,394,345,466	2%	7,145,422,295	2%	4,861,210,421	2%
Debt securities issued	12,384,568,926	4%	12,382,000,301	4%	12,278,329,070	4%
Subordinated Liabilities	-		-		-	
Total Liabilities	319,417,899,049	91%	265,896,650,469	90%	259,342,719,296	90%
Equity						
Share capital	18,366,705,959	5%	18,366,705,959	6%	18,366,705,959	6%
Share premium	-	0%	-	0%	-	0%
Retained earnings	1,901,381,344	1%	(93,840,782)	0%	1,140,830,240	0%
Reserves	11,906,520,854	3%	10,698,646,074	4%	8,926,885,198	3%
Total equity attributable to equity holders	32,174,608,156	9%	28,971,511,251	10%	28,434,421,397	10%
Non-controlling interest	-		-		-	
Total equity	32,174,608,156	9%	28,971,511,251	10%	28,434,421,397	10%
Total liabilities and equity	351,592,507,206	100%	294,868,161,721	100%	287,777,140,694	100%



Vertical Analysis

Statement of Profit or Loss

Amount in Rs.

Particulars	16-Jul-25 (Asar 32, 2082)	%	15-Jul-24 (Asar 31, 2081)	%	16-Jul-23 (Asar 31, 2080)	%
Interest income	22,267,952,343	100%	25,682,542,888	100%	26,622,460,214	100%
Interest expense	14,247,058,349	64%	18,465,800,355	72%	18,374,056,559	69%
Net interest income	8,020,893,994	36%	7,216,742,533	28%	8,248,403,655	31%
Fee and commission income	2,426,661,053	11%	1,987,207,424	8%	1,833,472,617	7%
Fee and commission expense	242,074,632	1%	193,314,755	1%	286,611,105	1%
Net fee and commission income	2,184,586,421	10%	1,793,892,670	7%	1,546,861,512	6%
Net interest, fee and commission income	10,205,480,415	46%	9,010,635,203	35%	9,795,265,167	37%
Net trading income	360,570,942	2%	242,411,149	1%	236,285,430	1%
Other operating income	318,466,228	1%	264,011,431	1%	204,146,509	1%
Total operating income	10,884,517,585	49%	9,517,057,783	37%	10,235,697,106	38%
Impairment charge/(reversal) for loans and other losses	1,638,170,232	7%	2,037,966,876	8%	1,453,820,570	5%
Net operating income	9,246,347,353	42%	7,479,090,907	29%	8,781,876,536	33%
Operating expense						
Personnel expenses	3,012,762,127	14%	2,634,448,065	10%	2,689,175,176	10%
Other operating expenses	1,109,003,642	5%	1,133,473,119	4%	900,681,727	3%
Depreciation & Amortisation	384,593,178	2%	458,071,858	2%	516,698,101	2%
Operating Profit	4,739,988,406	21%	3,253,097,865	13%	4,675,321,532	18%
Non operating income	3,950,977	0%	3,442,011	0%	9,985,780	0%
Non operating expense	658,746,389	3%	20,990,648	0%	76,148,097	0%
Profit before income tax	4,085,192,995	18%	3,235,549,228	13%	4,609,159,215	17%
Income tax expense						
Current Tax	1,271,727,053	6%	1,025,730,134	4%	1,434,847,884	5%
Deferred Tax expense/(Income)	(41,172,415)	0%	(34,576,210)	0%	(48,235,961)	0%
Profit for the period	2,854,638,357	13%	2,244,395,304	9%	3,222,547,292	12%



Continuing Sustainable Banking Journey - Accelerating Impact

Building on the foundations laid last year, NMB is now moving from intent to scale. We are accelerating deployment of sustainable capital, strengthening governance and risk frameworks, and deepening the integration of ESG and ESMS across underwriting, product design and portfolio management. Our emphasis is on measurable impact: directing finance to the real economy, scaling renewable energy and enabling the broader energy transition, positioning the Bank as a preferred partner in bring international capital to Nepal and expanding inclusive access to financial services.

To translate ambition into action, we are prioritizing three mutually reinforcing streams:

1. Scaling financing for renewable energy projects with a strong focus on hydropower and solar;
2. Collaborating with international partners to design innovative and blended financial solutions that mobilize international capital into Nepal; and
3. Advancing toward international best practices through strengthened Environmental and Social Management, robust climate risk assessment, deeper GESI integration and digital transformation -leveraging end-to-end platforms that enhance client access, reduce transaction costs, and lower our operational footprint.

Measurable Commitments

We will translate our three strategic streams into measurable outcomes through a focused set of monitoring indicators, with progress tracked and reflected in our future disclosures.

1. Scaling Renewable Energy and Real-Economy Financing
 - Direct a significant share of the Bank's loan portfolio toward renewable energy projects—particularly hydropower and solar—supported by increased financing to other sustainable real-economy sectors.
 - The bank has been providing financing facilities for roof top solar projects under the RESCO (Renewable Energy Service Company) and CAPEX (Capital Expenditure) models. This has gained significant attraction and support in the market.
2. Mobilizing International Capital and Innovative Financing
 - Issue Green Bonds and/or establish blended finance facilities in international markets to mobilize long-term capital in support of Nepal's renewable energy sector.
 - Scale advisory and structuring services to support clients and partners in accessing concessional finance and international funding aligned with global sustainability standards.
3. Strengthening ESG, Risk Management and Digital Transformation Advance ESMS maturity to Level 5, aligned with international best practices.
 - Integrate robust environmental, social and climate risk assessments across credit appraisal and portfolio management processes.
 - Deepen GESI integration, targeting 50% female workforce representation and increased participation of women in leadership roles.
 - Accelerate end-to-end digital adoption across Banks's services including retail, SME and agriculture segments to enhance financial inclusion, reduce transaction costs, and lower paper use and travel-related emissions.



CLIMATE IMPACT BY PORTFOLIO - FY 2023/24

INDUSTRY	Exposure (USD million)	Scope 1 tCO2e	Scope 2 tCO2e	Total Scope 1 & 2 tCO2e	Climate Impact Intensity tCO2e/\$mil
Business Loans	883.22	123,160	37,954	161,114	182.42
Project Finance	281.04	130,906	5,703	136,609	486.08
Grand Total	1,164.26	254,066	43,657	297,723	255.72

Scope 3: 23,981

(Energy, Mining, Transportation, Construction Building Materials and Industry Activities only)

Scope 3 Emissions

INDUSTRY	Scope 3 tCO2e
Business Loans	140,794.58
Project Finance	33,206.13
Total	174,000.71

For NACE L2 Sectors: Energy & Mining (05-09, 19, 20) and; Transportation, construction, buildings, materials, and industrial activities (i.e., NACE L2: 10-18, 21-33, 41-43, 49-53, 81)

Avoided Emissions by Sector

Industry Sector	Avoided Emissions (tCO2e)	Bank's Exposure
Production of Electricity (Hydropower)	4,514	92.0
Production of Electricity (Grid Solar)	145	3.9
Total	4,659	95.9

Note: Avoided emission are calculated using actual energy generation of each project, adjusted by the bank's attribution factor and multiplied by Nepal's National Grid Emission Factor.

Calculation Methodology

Classification Type	Exiobase Sector Classification
Methodology Option	Option 3B
Activity Variable	Assets
Country	Emerging Economies Emission Factors data as Nepal specific data are not available.
Emission Factor Source/ Year	PCAF Database 2019

Our Pledge

NMB will continue to act as a catalytic partner mobilizing capital, supporting clients on transition pathways, and advocating for increased green funding flows from the global community. By combining robust policy frameworks, product innovation, digital delivery, and sustained stakeholder engagement, we aim to transform sustainability from a differentiator into a core, value-creating business model that delivers resilient returns for investors, tangible benefits for communities, and long-term stewardship of the planet.



AMENDMENTS TO THE MOA OF THE BANK PRESENTED AS A SPECIAL RESOLUTION IN THE 30TH GENERAL MEETING DATED 8 JANUARY 2026

Article/ Section	Existing Arrangement	Proposed Arrangement	Justification to the Amendment
On the MOA Side			
6(b)	The issued capital of the Bank will be NPR 21,366,705,959.24 (in words: Twenty-One Billion Three Hundred Sixty-Six Million Seven Hundred Five Thousand Nine Hundred Fifty-Nine and 24/100 only). This capital has been divided into 183,667,059.59 (in words: One Hundred Eighty-Three Million Six Hundred Sixty-Six Thousand Seven Hundred Fifty-Nine and 59/100) units of ordinary shares and 300,000,000.00 (in words: Three Hundred Million) units of preference shares each having a par value of NPR 100 per share with total of 213,667,059.59 (in words: Two Hundred Thirteen Million Six Hundred Sixty-Six Thousand Seven Hundred Fifty-Nine and 59/100) shares	The issued capital of the Bank will be NPR 22,285,041,257.20 (in words: Nepalese Rupees Twenty-Two Billion Two Hundred Eighty-Five Million Forty-One Thousand Two Hundred Fifty-Seven and 20/100 only). This capital has been divided into 192,850,412.57 (in words: One Hundred Ninety-Two Million Eight Hundred Fifty Thousand Four Hundred Twelve and 57/100) units of ordinary shares and 300,000,000.00 (in words: Three Hundred Million) units of preference shares each having a par value of NPR 100 per share with total of 222,850,412.57 (in words: Two Hundred Twenty-Two Million Eight Hundred Fifty Thousand Four Hundred Twelve and 57/100) units of shares	As per the proposal made on 30th Annual General Meeting of the Bank to issue 5% bonus shares.
6(c)	The paid-up capital of the Bank will be NPR 21,366,705,959.24 (in words: Twenty-One Billion Three Hundred Sixty-Six Million Seven Hundred Five Thousand Nine Hundred Fifty-Nine and 24/100 only). This capital has been divided into 183,667,059.59 (in words: One Hundred Eighty-Three Million Six Hundred Sixty-Six Thousand Seven Hundred Fifty-Nine and 59/100) units of ordinary shares and 300,000,000.00 (in words: Three Hundred Million) units of preference shares	The paid-up capital of the Bank will be NPR 22,285,041,257.20 (in words: Nepalese Rupees Twenty-Two Billion Two Hundred Eighty-Five Million Forty-One Thousand Two Hundred Fifty-Seven and 20/100 only). This capital has been divided into 192,850,412.57 (in words: One Hundred Ninety-Two Million Eight Hundred Fifty Thousand Four Hundred Twelve and 57/100) units of ordinary shares and 300,000,000.00 (in words: Three Hundred Million) units of preference shares each having a par value of NPR 100 per share.	

AMENDMENTS TO THE AOA OF THE BANK PRESENTED AS A SPECIAL RESOLUTION IN THE 30TH GENERAL MEETING DATED 8 JANUARY 2026

32(b)	Per meeting allowance received by the Chairman and other Directors shall be NPR 18,000 and NPR 16,000 respectively.	Per meeting allowance received by the Chairman and other Directors shall be NPR 22,000 and NPR 20,000 respectively.	Due to the time relative necessity to increase the allowance received by the Board of Directors
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नेपाल राष्ट्र बैंक बैंक सुपरिवेक्षण विभाग

प.सं: बै.सु.वि./अफसाइट/एजिएम/१२/२०८२/८३
च.नं: २०४
एनएमबी बैंक लिमिटेड,
बबरमहल, काठमाडौं।

केन्द्रीय कार्यालय
बालुवाटार, काठमाडौं।
फोन नं.: ०१-५७९९६४९/४२
Site: www.nrb.org.np
Email: bsdooffice@nrb.org.np
पोष्ट बक्स: ७३

मिति: २०८२/०८/१६

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

महाशय,

त्यस बैंकबाट पेश गरिएका वित्तीय विवरण तथा अन्य कागजातहरूका आधारमा बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा ४७ को उपदफा (२) का प्रावधानहरू पालना गरेको देखिएको हुँदा, सोही ऐनको उपदफा (१) बमोजिम बैंकले आ.व.२०८१/८२ को संचित मुनाफा रु.१,९०,१३,८१,३४४.०० (एक अर्ब नब्बे करोड तेह्र लाख एकासी हजार तीन सय चवालिस) (ऋणपत्र भुक्तानी कोषमा जम्मा नभएको रकम रु.३२,९३,६५,०७९.०० समेत) बाट शेयरधनीहरूलाई चुक्ता पुँजी रु.१८,३६,६७,०५,९५९.२४ को ५ प्रतिशतले हुने रकम रु.९१,८३,३५,२९७.९६ (अक्षरेपी एकानब्बे करोड त्रियासी लाख पैतिस हजार दुई सय सन्तानब्बे रुपैयाँ पैसा छयानब्बे) बराबरको बोनस शेयर र सोही चुक्ता पुँजीको ५ प्रतिशतले हुने रकम रु.९१,८३,३५,२९७.९६ (अक्षरेपी एकानब्बे करोड त्रियासी लाख पैतिस हजार दुई सय सन्तानब्बे रुपैयाँ पैसा छयानब्बे) बराबरको नगद लाभांश (कर प्रयोजनका लागि समेत) गरी कुल रु.१,८३,६६,७०,५९५.९२ (अक्षरेपी एक अर्ब त्रियासी करोड छयसठ्ठी लाख सत्तरी हजार पाँच सय पन्चानब्बे रुपैयाँ पैसा बयानब्बे) अन्य प्रचलित कानूनी व्यवस्थाको समेत पालना गर्ने गरी वार्षिक साधारण सभाबाट स्वीकृत भएको अवस्थामा मात्रै वितरण गर्न स्वीकृतिका साथै आ.व.२०८१/८२ को वार्षिक हिसाब वार्षिक साधारण सभामा स्वीकृतिको लागि पेश गर्ने प्रयोजनार्थ देहायका निर्देशन सहित सार्वजनिक गर्न सहमति प्रदान गरिएको व्यहोरा निर्णयानुसार जानकारी गराउँदछु।

- लेखापरीक्षण प्रतिवेदनमा उल्लेख गरिएका कैफियतहरू पूर्णरूपले सुधार गर्न तथा त्यस्ता कैफियतहरू पुनः दोहोरिन नदिने आवश्यक व्यवस्था मिलाउनुहुन।
- यस बैंकबाट जारी गरिएको एकीकृत निर्देशनको निर्देशन नं. १० को बुँदा नं. ७ बमोजिम इजाजतपत्रप्राप्त कुनै एक बैंक तथा वित्तीय संस्थाको संस्थापक शेयरमा लगानी गर्दा चुक्ता पुँजीको बढीमा १५ प्रतिशत र अन्य बैंक तथा वित्तीय संस्थाहरूमा चुक्ता पुँजीको बढीमा १ प्रतिशतसम्म मात्र लगानी गर्न सकिने व्यवस्था रहेकोले उल्लिखित सीमाभन्दा बढी शेयर धारण गर्ने संस्थापक शेयरधनीहरू रहेमा ती संस्थापक शेयरधनीहरूले आफ्नो शेयर सो सीमाभित्र नल्याएसम्म प्रस्तावित बोनस शेयर तथा नगद लाभांश वितरण रोक्का राख्ने व्यवस्था मिलाउनुहुन।
- बैंक तथा वित्तीय संस्था सम्बन्धी ऐन २०७३ को दफा ११ को उपदफा (३) मा बैंकको चुक्ता पुँजीको २ प्रतिशत भन्दा बढी शेयर धारण गरेका संस्थापकहरूले आफुले धारण गरेको संस्थापक शेयर बिक्री तथा धितो बन्धक राख्दा नेपाल राष्ट्र बैंकको स्वीकृति लिनु पर्ने व्यवस्था रहेकोले नेपाल राष्ट्र बैंकको स्वीकृति नलिई आफुले धारण गरेको शेयर धितो बन्धक राखी अन्य बैंक तथा वित्तीय संस्थाबाट कर्जा उपयोग गरेका संस्थापक शेयरधनीहरू रहेमा ती संस्थापक शेयरधनीहरूलाई सोको स्वीकृति नलिएसम्म वा शेयर धितो बन्धक राखी उपयोग गरेको कर्जा पूर्ण रूपमा चुक्ता गरी शेयर फुकुवा नगरेसम्म प्रस्तावित बोनस शेयर तथा नगद लाभांश वितरण रोक्का राख्ने व्यवस्था मिलाउनुहुन।
- विदेशी शेयरधनीलाई लाभांश प्रदान गर्ने सिलसिलामा सो रकम विदेश पठाउँदा (Repatriation) प्रचलित कानूनी व्यवस्था पालना गर्नु हुन।

उपरोक्त निर्देशनहरूलाई त्यस बैंकको वार्षिक प्रतिवेदनको छुट्टै पानामा प्रकाशित गर्नुहुन।

भवदीय,

सृजना क्षेत्री
सहायक निर्देशक

बोधार्थ:

- नेपाल राष्ट्र बैंक, बैंक तथा वित्तीय संस्था नियमन विभाग।
- बैंक सुपरिवेक्षण विभाग, कार्यान्वयन इकाई-१।
- नेपाल राष्ट्र बैंक, विदेशी विनिमय व्यवस्थापन विभाग।

Replies to the Instructions Received by NMB Bank from Nepal Rastra Bank Regarding the Publication of Financial Statements of Fiscal Year 2024/25

1. All the remarks mentioned in the audit report have been rectified by giving priority and arrangements shall be made to prevent the recurrence of such incidents.
2. In distributing or paying dividends, the Bank shall fully comply with the directions stated in Clause No. 2, 3, and 4 of the approval letter issued by Nepal Rastra Bank for dividend declaration and distribution. Accordingly, dividends shall not be distributed to promoter shareholders holding fifteen percent or more shares, shareholders holding more than two percent shares who have obtained loans from other banks or financial institutions by pledging their shares without prior approval of Nepal Rastra Bank, and foreign shareholders, unless the required approvals and conditions as prescribed by Nepal Rastra Bank are duly fulfilled.



Executive Management Group



Govind Ghimire
Chief Executive Officer



Sudesh Upadhyaya
Senior Deputy Chief Executive Officer



Pramod Kumar Dahal
Chief Officer - Support/Operations
/Services



Navin Man Manandhar
Chief Risk Officer



Shreejesh Ghimire
Chief Transformation Officer and
International Business



Krishna Dutta Bhattarai
Chief Retail and Other Deposits



Dinesh Dulal
Chief Sustainable Energy Banking

Total Branch Network

Koshi Province

Dharan, Sunsari
Biratnagar, Morang
Birtamod, Jhapa
Urlabari, Morang
Belbari, Morang
Tarahara, Sunsari
Pathari, Morang
Dudhe, Jhapa
Letang, Morang
Kerabari, Morang
Kanchanbari, Morang
Madhumalla, Morang
Chandragadhi, Jhapa
Ithari, Sunsari
Kerkha, Jhapa
Phidim, Panchthar
Katari, Udayapur
Taplejung, Taplejung
Salleri, Solukhumbu
Damak, Jhapa
Gaighat, Udayapur
Ilam, Ilam
Bhojpur, Bhojpur
Chulachuli, Ilam
Dhulabari, Jhapa
Gothgaun, Morang
Mahendra Chowk, Morang
Tanki Sinuwari, Morang
Jhumka, Sunasari
Inaruwa, Sunasari

Madhesh Province

Birgunj, Parsa
Janakpur, Dhanusa
Lahan, Siraha
Nijgadh, Bara
Golbazar, Siraha
Bardibas, Mahottari
Bateshwar, Dhanusa
Surunga, Saptari
Sakhuwan, Siraha
Nawarajpur, Siraha
Aurahi, Siraha
Bishrampur, Bara
Pachrauta, Bara
Mahottari, Mahottari
Sonama, Mahottari
Hanshapur, Dhanusa
Tilathi, Saptari
Kalaiya, Bara
Malangwa, Sarlahi
Garuda, Rautahat
Jeetpur Simra, Bara
Mirchaiya, Siraha
Siraha, Siraha
Lalbandi, Sarlahi
Harion, Sarlahi
Barahathwa, Sarlahi
Chandrapur, Rautahat

Bagmati Province

Babarmahal, Kathmandu
Banepa, Kavrepalanchok
Putalisadak, Kathmandu
Lubhu, Lalitpur
Thaiba, Lalitpur
Thamel, Kathmandu
Newroad, Kathmandu
Kumaripati, Lalitpur
Chabahil, Kathmandu
Kirne, Dolakha
Manthali, Ramechhap
Kantipath, Kathmandu
Buddhachok, Bharatpur, Chitwan
Dhunchu, Rasuwa
Bhaktapur, Bhaktapur
Kalanki, Kathmandu
Basundhara, Kathmandu
Sitapaila, Kathmandu
Thapathali, Kathmandu
Naxal, Kathmandu
Teku, Kathmandu
Pulchowk, Lalitpur
Timure, Rasuwa
Hetauda, Makwanpur
Galchi, Dhading
Tinkune, Kathmandu
Kapan, Kathmandu
Lions Chowk, Chitwan
Bharatpur, Chitwan
Baghdarbar, Kathmandu
Maharajgunj, Kathmandu
Golmadi, Bhaktapur
Boudha, Kathmandu
Mainroad, Chitwan
Parsa, Chitwan
Tandi, Chitwan
Chanauli, Chitwan
Gangabu, Kathmandu
Satdobato, Lalitpur
Baneshwor, Kathmandu
Gwarko, Lalitpur
Balkhu, Kathmandu
Battar, Nuwakot
Gatthaghar, Bhaktapur
Budhanilkantha, Kathmandu
Naikap, Kathmandu
Nakkhu, Lalitpur
Balaju, Kathmandu
Furtichowk, Chitwan
Bhandara, Chitwan
Khusibu, Kathmandu

Gandaki Province

Pokhara, Kaski
Waling, Syangja
Burtibang, Baglung
Beni, Myagdi
Kawasoti, Nawalparasi East
Sardi Bagaicha, Nawalparasi East
Chipledhunga Pokhara, Kaski
Bagar, Kaski
Amarsinghchowk, Kaski
Hemja, Kaski
Bhimad, Tanahu
Bhotewodar, Lamjung
Safa Sadak Damauli, Tanahu
Nagdanda, Kaski
Turture, Tanahu
Manang, Manang
Shishuwa, Kaski
Baglung, Baglung
Lamachaur Branch, Kaski
Bandipur Branch, Tanahu
Kushmishera Branch, Baglung
Besishahar Branch, Lamjung
Rambazar Branch, Kaski
Bhairabtole Branch, Kaski
Jomsom Branch, Mustang
Galyang Branch, Syangja
Lakeside Branch, Kaski
Lekhnath Branch, Kaski
Bank Road, Gorkha
Aarughat, Gorkha
Dumre, Tanahu
Dulegaunda, Tanahu
Aabukhareni, Tanahu
Manakamana, Gorkha
Birauta, Kaski
Zero Kilometer, Kaski
Gaidakot, Nawalparasi East
Chauthe, Kaski

Lumbini Province

Butwal, Rupandehi
Nepalgunj, Banke
Traffic Chowk - Butwal, Rupandehi
Manigram, Rupandehi
Jeetpur, Kapilbastu
Pharsatikar, Rupandehi
Sunawal, Rupandehi
Murgiya, Rupandehi
Chandrauta, Kapilbastu
Thutipipal, Rupandehi
Chutrabesi, Arghakhanchi
Bhalwari, Rupandehi
Charnumber, Rupandehi
Gorusinge, Kapilbastu
Aryabhanjyang, Palpa
Tamghas, Gulmi
Drivertole, Rupandehi
Bangai, Kapilbastu
Bhairahawa, Rupandehi
Palpa, Palpa
Kohalpur, Banke
Tulsipur, Dang
Kudiya Tribeni Susta, Nawalparasi West
Mayadevi Pakadi, Kapilbastu
Lamahi, Dang
Bardaghat, Nawalparasi West
Madichour, Rolpa
Devinagar, Rupandehi
Ramgram, Nawalparasi West
Taulihawa, Kapilbastu
Ghorahi, Dang
Karkado, Banke

Karnali Province

Dailekh, Dailekh
Birendranagar, Surkhet
Naumule, Dailekh
Aathbiskot, Rukum West

Sudurpashchim Province

Dhangadi Chauraha, Kailali
Dipayal, Doti
Lamki, Kailali
Masuriya, Kailali
Mahendranagar, Kanchanpur
K. I. Singh, Doti
Beldandi, Kanchanpur
Attariya, Kailali
Jhalari, Kanchanpur
Dhangadhi Mainroad, Kailali
Punarbash, Kanchanpur
Dadeldhura, Dadeldhura
Daijee, Kanchanpur
Belauri, Kanchanpur
Sukhad, Kailali
Bauniya, Kailali
Tikapur, Kailali
Gulariya, Kanchanpur
Phulbari, Kailali
Baitadi, Baitadi