कुमारी बैंक लिमिटेड
KUMARI BANK LIMITED
सबैका लागि, सधैंका लागि

Interim Financial Statements

As on 30 Chaitra End 2082
(13 April 2026)

Kumari Bank Limited

Kumari Bank Limited
Condensed Consolidated Statement of Financial Position
As at Third Quarter (13th April 2026) of the Fiscal Year 2025/26

Amount in NPR

Particulars	Group		Bank	
	This Quarter Ending	Immediate Previous Year Ending	This Quarter Ending	Immediate Previous Year Ending
Assets				
Cash and Cash Equivalents	15,013,811,183	35,734,760,503	14,748,428,191	35,350,484,074
Due from Nepal Rastra Bank	21,473,544,196	21,339,804,952	21,473,544,196	21,339,804,952
Placement with Bank and Financial Institutions	20,034,273,773	13,387,665,129	20,034,273,773	13,387,665,129
Derivative Financial Instruments	3,906,733,566	1,176,104,630	3,906,733,566	1,176,104,630
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	13,949,786,940	14,153,339,391	13,949,786,940	14,153,339,391
Loans and Advances to Customers	273,212,562,813	260,322,398,319	273,212,562,813	260,322,398,319
Investment Securities	110,748,142,834	80,511,938,582	110,110,825,090	80,098,703,721
Current Tax Assets	634,079,845	540,217,320	615,412,479	536,113,916
Investment in Subsidiaries	-	-	600,000,000	600,000,000
Investment in Associates	591,851,765	1,431,127,503	42,994,596	960,017,596
Investment Property	2,511,127,178	2,538,824,508	2,511,127,178	2,538,824,508
Property and Equipment	2,514,553,314	2,701,876,978	2,472,153,357	2,657,414,617
Goodwill and Intangible Assets	170,308,824	188,977,866	167,254,139	184,391,875
Deferred Tax Assets	954,129,955	1,093,571,769	954,129,955	1,092,503,225
Other Assets	10,042,409,875	7,514,136,863	9,507,607,274	7,285,874,319
Total Assets	**475,757,316,060**	**442,634,744,312**	**474,306,833,546**	**441,683,640,272**
Liabilities				
Due to Bank and Financial Institutions	17,495,162,952	11,008,829,728	17,574,949,544	11,085,042,708
Due to Nepal Rastra Bank	1,755,700,000	3,895,761,000	1,755,700,000	3,895,761,000
Derivative Financial Instruments	3,952,156,949	1,168,560,453	3,952,156,949	1,168,560,453
Deposits from Customers	381,666,666,912	364,639,161,514	381,666,666,912	364,639,161,514
Borrowings	-	1,380,591,727	-	1,380,591,727
Current Tax Liabilities	-	-	-	-
Provisions	-	3,100,000	-	3,100,000
Deferred Tax Liabilities	-	-	-	-
Other Liabilities	14,569,928,459	8,825,072,304	13,799,040,498	8,412,759,020
Debt Securities Issued	13,983,523,718	13,981,837,110	13,983,523,718	13,981,837,110
Subordinated Liabilities	-	-	-	-
Total Liabilities	**433,423,138,991**	**404,902,913,835**	**432,732,037,621**	**404,566,813,532**
Equity				
Share Capital	26,225,861,340	26,225,861,340	26,225,861,340	26,225,861,340
Share Premium	-	-	-	-
Retained Earnings	(1,284,103,921)	(3,269,598,783)	(1,989,509,171)	(3,849,526,718)
Reserves	17,392,419,650	14,775,567,920	17,338,443,755	14,740,492,118
Total Equity Attributable to Equity Holders	**42,334,177,069**	**37,731,830,477**	**41,574,795,924**	**37,116,826,740**
Non-Controlling Interest	**-**	**-**	**-**	**-**
Total Equity	**42,334,177,069**	**37,731,830,477**	**41,574,795,924**	**37,116,826,740**
Total Liabilities and Equity	**475,757,316,060**	**442,634,744,312**	**474,306,833,546**	**441,683,640,272**

Condensed Consolidated Statement of Profit or Loss
For the Third Quarter Ended (13th April 2026) of the Fiscal Year 2025/26

Amount in NPR

Particulars	Group				Bank			
	Current Year		Previous Year		Current Year		Previous Year	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Interest income	6,405,305,596	21,591,229,483	7,444,969,217	23,801,175,120	6,402,463,163	21,578,301,418	7,438,518,624	23,775,589,028
Interest expense	3,883,749,907	12,276,064,041	4,855,932,777	15,879,024,418	3,883,749,907	12,276,078,492	4,855,932,777	15,879,038,870
Net interest income	**2,521,555,689**	**9,315,165,442**	**2,589,036,441**	**7,922,150,702**	**2,518,713,256**	**9,302,222,926**	**2,582,585,847**	**7,896,550,159**
Fee and commission income	739,036,275	2,529,237,493	728,181,871	2,169,171,980	739,036,275	2,529,237,493	728,181,871	2,169,171,980
Fee and commission expense	76,091,756	257,087,486	81,975,369	252,246,233	76,091,756	257,087,486	81,975,369	252,246,233
Net fee and commission income	**662,944,519**	**2,272,150,007**	**646,206,502**	**1,916,925,747**	**662,944,519**	**2,272,150,007**	**646,206,502**	**1,916,925,747**
Net interest, fee and commission Income	**3,184,500,208**	**11,587,315,449**	**3,235,242,943**	**9,839,076,449**	**3,181,657,775**	**11,574,372,933**	**3,228,792,349**	**9,813,475,906**
Net trading income	246,750,302	559,901,892	106,675,461	255,649,923	246,750,302	559,901,892	106,675,461	255,649,923
Other operating income	452,636,180	1,127,070,752	658,341,483	1,137,107,034	171,732,834	678,800,883	76,841,908	426,801,079
Total operating income	**3,883,886,690**	**13,274,288,093**	**4,000,259,887**	**11,231,833,406**	**3,600,140,912**	**12,813,075,708**	**3,412,309,718**	**10,495,926,908**
Impairment charge/ (reversal) for Loans and other losses	59,451,338	1,566,902,761	1,894,030,878	5,167,172,791	59,451,338	1,566,902,761	1,894,030,878	5,167,172,791
Net operating income	**3,824,435,352**	**11,707,385,332**	**2,106,229,009**	**6,064,660,614**	**3,540,689,574**	**11,246,172,946**	**1,518,278,840**	**5,328,754,116**
Operating expense								
Personnel expenses	1,036,343,386	3,567,152,971	1,016,877,375	3,179,662,679	1,001,452,983	3,505,550,204	1,002,679,484	3,137,782,854
Other operating expenses	260,196,381	768,760,824	205,367,333	794,539,980	228,233,764	701,052,992	186,276,671	740,780,003
Depreciation & Amortization	171,810,834	539,620,641	194,087,555	596,370,176	172,549,401	534,606,117	192,484,873	591,792,354
Operating Profit	**2,356,084,751**	**6,831,850,896**	**689,896,745**	**1,494,087,778**	**2,138,453,426**	**6,504,963,633**	**136,837,812**	**858,398,905**
Non-operating income	58,796,169	67,738,900	11,810,332	30,840,419	58,796,169	67,738,900	11,810,332	30,840,419
Non-operating expense	82,237,816	116,947,171	85,658,706	135,831,274	82,237,816	116,947,171	85,658,706	135,831,274
Profit before income tax	**2,332,643,104**	**6,782,642,625**	**616,048,371**	**1,389,096,923**	**2,115,011,779**	**6,455,755,362**	**62,989,438**	**753,408,050**
Income tax expense	718,188,210	2,352,101,808	63,535,080	497,213,417	657,048,954	2,277,706,953	52,896,832	467,584,985
Current Tax	661,068,336	2,277,287,312	61,178,070	501,199,469	657,048,954	2,259,299,727	52,896,832	467,584,985
Deferred Tax	57,119,874	74,814,496	2,357,009	(3,986,052)	-	18,407,226	-	-
Profit/(loss) for the period	**1,614,454,894**	**4,430,540,817**	**552,513,291**	**891,883,507**	**1,457,962,824**	**4,178,048,409**	**10,092,607**	**285,823,064**
Condensed Consolidated Statement of Comprehensive income								
Profit/(loss) for the period	**1,614,454,894**	**4,430,540,817**	**552,513,291**	**891,883,507**	**1,457,962,824**	**4,178,048,409**	**10,092,607**	**285,823,064**
Other Comprehensive income	472,851,026	281,652,081	231,453,224	167,237,974	472,851,026	279,920,772	(985,201)	167,237,974
Total Comprehensive income for the period	**2,087,305,919**	**4,712,192,898**	**783,966,515**	**1,059,121,481**	**1,930,813,850**	**4,457,969,181**	**9,107,405**	**453,061,039**
Basic earnings per share		22.53		4.53		21.24		1.45
Diluted earnings per share		22.53		4.53		21.24		1.45
Profit attributable to:								
Equity holders of the Bank	**2,087,305,919**	**4,712,192,898**	**783,966,515**	**1,059,121,481**	**1,930,813,850**	**4,457,969,181**	**9,107,405**	**453,061,039**
Non-controlling interest	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**

Condensed Consolidated Statement of Comprehensive Income

For the Quarter End Chaitra 2082

Amount in NPR

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Profit/(loss) for the period	**1,614,454,894**	**4,430,540,817**	**552,513,291**	**891,883,507**	**1,457,962,824**	**4,178,048,409**	**10,092,607**	**285,823,064**
Other Comprehensive income	-	-	-	-	-	-	-	-
a) Items that will not be reclassified to Profit or Loss								
- Gain / (Loss) from Investments in equity instruments measured at fair value	675,501,465	402,360,115	330,647,462	238,911,392	675,501,465	399,886,817	330,647,462	238,911,392
- Gain / (Loss) on revaluation	-	-	-	-	-	-	-	-
- Actuarial Gain / (Loss) on defined benefit plans	-	-	-	-	-	-	-	-
- Income tax relating to above items	(202,650,440)	(120,708,035)	(99,194,239)	(71,673,418)	(202,650,440)	(119,966,045)	(99,194,239)	(71,673,418)
Net Other comprehensive income that will not be reclassified to profit or loss	**472,851,026**	**281,652,081**	**231,453,224**	**167,237,974**	**472,851,026**	**279,920,772**	**231,453,224**	**167,237,974**
b) Items that are or may be reclassified to Profit or Loss								
- Gain / (Loss) on cash flow hedge	-	-	-	-	-	-	-	-
- Exchange Gains / (Losses) (arising from translating financial assets of foreign operation)	-	-	-	-	-	-	-	-
- Income tax relating to above items	-	-	-	-	-	-	-	-
Net Other comprehensive income that are or may be reclassified to profit or loss	-	-	-	-	-	-	-	-
c) Share of other comprehensive income of associate accounted as per equity method	-	-	-	-	-	-	-	-
Total Comprehensive income for the period	**2,087,305,919**	**4,712,192,898**	**783,966,515**	**1,059,121,481**	**1,930,813,850**	**4,457,969,181**	**241,545,830**	**453,061,039**
Profit attributable to:	-		-		-		-	
Equity holders of the Bank	2,087,305,919	4,712,192,898	783,966,515	1,059,121,481	1,930,813,850	4,457,969,181	241,545,830	453,061,039
Non-contorting interest	-	-	-	-	-	-	-	-
Total	**2,087,305,919**	**4,712,192,898**	**783,966,515**	**1,059,121,481**	**1,930,813,850**	**4,457,969,181**	**241,545,830**	**453,061,039**
Earnings per share	-							
Basic earnings per share		22.53		4.53		21.24		1.45
Annualized Basic earnings per share		22.53		4.53		21.24		1.45
Diluted earnings per share		22.53		4.53		21.24		1.45

Ratios as per NRB Directives

Particulars	Group				Bank			
	Current Year		Previous Year Corresponding		Current Year		Previous Year Corresponding	
	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)	This Quarter	Upto this Quarter (YTD)
Tier 1 Capital to RWA		9.12%		7.31%		9.12%		7.31%
CET 1 Capital to RWA		9.12%		7.31%		9.12%		7.31%
Capital fund to RWA		12.82%		11.82%		12.82%		11.82%
Non-Performing Loan (NPL) to Total Loan		6.94%		6.98%		6.94%		6.98%
Net Non-Performing Loan to Total Loan		2.69%		1.93%		2.69%		1.93%
Total loan loss provision to Total NPL		133.07%		136.62%		133.07%		136.62%
Cost of Funds	3.88%		5.05%		3.88%		5.05%	
Credit to Deposit Ratio	77.14%		79.84%		77.14%		79.84%	
Base Rate (FTM)	5.35%		6.78%		5.35%		6.78%	
Interest Rate Spread	3.13%		3.52%		3.13%		3.52%	
Return on Equity	13.40%		1.08%		13.40%		1.08%	
Return on Assets	1.17%		0.09%		1.17%		0.09%	

Condensed Consolidated Statement of Changes in Equity

For the Quarter ended Chaitra 2082

Amount in NPR

Particulars	Group											
	Attributable to the equity holders of the bank											
	Share Capital	**Share Premium**	**General Reserve**	**Exchange equalization reserve**	**Regulatory Reserve**	**Fair Value Reserve**	**Revaluation Reserve**	**Retained Earnings**	**Other Reserve**	**Total**	**Non-controlling interest**	**Total Equity**
Balance at Shrawan 1 2081	**26,225,861,340**	**-**	**5,830,291,066**	**68,454,329**	**4,942,793,363**	**328,482,886.52**	**393,177,536**	**(4,861,025,889)**	**2,404,400,265**	**35,332,434,896**	**-**	**35,332,434,896**
Profit for the period	-	-	-	-	-	-	-	1,970,466,910	-	1,970,466,910	-	1,970,466,910
Other Comprehensive Income	-	-	-	-	-	-	-	396,258,699	-	396,258,699	-	396,258,699
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,366,725,609**	**-**	**2,366,725,609**	**-**	**2,366,725,609**
Transfer to / from Reserve During the Year	**-**	**-**	**374,772,346**	**(15,660,146)**	**(993,067,815)**	**445,410,323**	**(23,248,492)**	**(710,298,503)**	**1,019,762,260**	**97,669,972**	**-**	**97,669,972**
Contributions from and distributions to owners										**-**	**-**	**-**
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to equity holders												
Bonus share issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	(65,000,000)	-	(65,000,000)	-	(65,000,000)
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contribution by and distributions	-	-	-	-	-	-	-	(65,000,000)	-	**(65,000,000)**	-	**(65,000,000)**
Balance at Asadh end 2082	**26,225,861,340**	**-**	**6,205,063,411**	**52,794,183**	**3,949,725,547**	**773,893,209**	**369,929,043**	**(3,269,598,783)**	**3,424,162,525**	**37,731,830,477**	**-**	**37,731,830,477**
Balance at Shrawan 1 2082	**26,225,861,340**	**-**	**6,205,063,411**	**52,794,183.46**	**3,949,725,547**	**773,893,209**	**369,929,043**	**(3,269,598,783)**	**3,424,162,525**	**37,731,830,477**	**-**	**37,731,830,477**
Profit for the period	-	-	-	-	-	-	-	4,430,525,817	-	4,430,525,817	-	4,430,525,817
Other Comprehensive Income	-	-	-	-	-	-	-	279,920,772	-	279,920,772	-	279,920,772
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,710,446,589**	**-**	**4,710,446,589**	**-**	**4,710,446,589**
Transfer to / from Reserve During the Year	**-**	**-**	**853,084,196**	**32,343,378.81**	**625,215,652**	**279,920,772**	**-**	**(2,337,030,954)**	**826,387,731**	**-**	**-**	**-**
Contributions from and distributions to owners								**(279,920,773)**		**(279,920,773)**	**-**	**(279,920,773)**
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to equity holders												
Bonus share issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	(108,000,000)	-	(108,000,000)	-	(108,000,000)
Other (From Merger)	-	-	-	-	-	-	-	-	-	-	-	-
Total Contribution by and distributions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(108,000,000)**	**-**	**(108,000,000)**	**-**	**(108,000,000)**
Balance at Chaitra end 2082	**26,225,861,340**	**-**	**7,058,147,608**	**85,137,562**	**4,574,941,200**	**1,053,813,981**	**369,929,043**	**(1,284,103,921)**	**4,250,550,256**	**42,334,277,069**	**-**	**42,334,277,069**

Condensed Consolidated Statement of Changes in Equity

For the Quarter ended Chaitra 2082

Amount in NPR

Particulars	Bank											
	Attributable to the equity holders of the bank											
	Share Capital	Share Premium	General Reserve	Exchange equalization reserve	Regulatory Reserve	Fair Value Reserve	Revaluation Reserve	Retained Earnings	Other Reserve	Total	Non-controlling interest	Total Equity
Balance at Shrawan 1 2081	**26,225,861,340**	**-**	**5,809,870,410**	**68,454,329**	**4,942,793,363**	**327,359,447**	**393,177,536**	**(5,367,424,481)**	**2,403,107,477**	**34,803,199,422**	**-**	**34,803,199,422**
Profit for the period	-	-	-	-	-	-	-	1,819,698,647	-	1,819,698,647	-	1,819,698,647
Other Comprehensive Income	-	-	-	-	-	-	-	396,258,699	-	396,258,699	-	396,258,699
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**2,215,957,346**	**-**	**2,215,957,346**	**-**	**2,215,957,346**
Transfer to / from Reserve During the Year	**-**	**-**	**363,939,729**	**(15,660,146)**	**(993,067,815)**	**444,802,453**	**(23,248,492)**	**(301,800,885)**	**1,018,963,827**	**493,928,671**	**-**	**493,928,671**
Contributions from and distributions to owners						**444,802,453**		**(396,258,699)**		**48,543,754**	**-**	**48,543,754**
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to equity holders												
Bonus share issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-	-	-
Total Contribution by and distributions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at Asadh end 2082	**26,225,861,340**	**-**	**6,173,810,140**	**52,794,183**	**3,949,725,547**	**772,161,900**	**369,929,043**	**(3,849,526,718)**	**3,422,071,304**	**37,116,826,740**	**-**	**37,116,826,740**
Balance at Shrawan 1 2082	**26,225,861,340**	**-**	**6,173,810,140**	**52,794,183**	**3,949,725,547**	**772,161,900**	**369,929,043**	**(3,849,526,718)**	**3,422,071,304**	**37,116,826,740**	**-**	**37,116,826,740**
Profit for the period	-	-	-	-	-	-	-	4,178,048,409	-	4,178,048,409	-	4,178,048,409
Other Comprehensive Income	-	-	-	-	-	-	-	279,920,772	-	279,920,772	-	279,920,772
Total Comprehensive Income	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**4,457,969,181**	**-**	**4,457,969,181**	**-**	**4,457,969,181**
Transfer to / from Reserve During the Year	**-**	**-**	**835,609,682**	**32,343,379**	**625,215,652**	**279,920,772**	**-**	**(2,597,951,634)**	**824,862,152**	**-**	**-**	**-**
Contributions from and distributions to owners										**-**	**-**	**-**
Share Issued	-	-	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-	-	-
Dividend to equity holders	-	-	-	-	-	-	-	-	-	-	-	-
Bonus share issued	-	-	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-	-	-
Other (From Merger)	-	-	-	-	-	-	-	-	-	-	-	-
Total Contribution by and distributions	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**
Balance at Chaitra end 2082	**26,225,861,340**	**-**	**7,009,419,821**	**85,137,562**	**4,574,941,200**	**1,052,082,672**	**369,929,043**	**(1,989,509,172)**	**4,246,933,456**	**41,574,795,923**	**-**	**41,574,795,923**

Condensed Consolidated Statement of Cash Flow

For the Quarter ended Chaitra 2082

Amount in NPR

Particulars	Group		Bank	
	Upto this Quarter	Corresponding Previous Year Upto this Quarter	Upto this Quarter	Corresponding Previous Year Upto this Quarter
CASH FLOWS FROM OPERATING ACTIVITIES				
Interest Received	20,528,490,084	23,760,927,553	20,515,562,019	23,735,341,461
Fee and Other Income Received	2,529,237,493	2,169,171,980	2,529,237,493	2,169,171,980
Dividend Received	-	-	-	-
Receipts from Other Operating Activities	1,339,606,813	684,263,633	969,084,206	505,950,937
Interest Paid	(11,157,827,370)	(15,203,141,571)	(11,157,841,822)	(15,203,156,022)
Commissions and Fees Paid	(257,087,486)	(252,246,233)	(257,087,486)	(252,246,233)
Cash Payment to Employees	(2,943,483,840)	(2,708,916,713)	(2,881,881,073)	(2,667,036,888)
Other Expenses Paid	(2,021,959,630)	(5,825,355,653)	(1,985,016,104)	(5,804,872,676)
Operating Cash Flows before Changes in Operating Assets and Liabilities	**8,016,976,063**	**2,624,702,996**	**7,732,057,233**	**2,483,152,558**
(Increase) Decrease in Operating Assets				
Due from Nepal Rastra Bank	(133,739,244)	6,206,097,283	(133,739,244)	6,206,097,283
Placement with Banks and Financial Institutions	(6,646,608,644)	(9,835,660,354)	(6,646,608,644)	(9,835,660,354)
Other Trading Assets	-	-	-	-
Loans and Advances to BFIs	203,552,451	(3,067,437,962)	203,552,451	(3,067,437,962)
Loans and Advances to Customers	(12,890,164,495)	4,004,924,946	(12,890,164,495)	4,004,924,946
Other Assets	(4,424,425,093)	(2,442,898,640)	(3,889,622,491)	(2,095,219,257)
Increase (Decrease) in Operating Liabilities				
Due to Banks and Financial Institutions	7,010,120,245	(2,639,096,162)	6,489,906,836	(3,166,116,360)
Due to Nepal Rastra Bank	(2,140,061,000)	680,761,000	(2,140,061,000)	680,761,000
Deposit from Customers	17,027,505,398	16,967,901,715	17,027,505,398	16,967,901,715
Borrowings	(1,380,591,727)	39,598,217	(1,380,591,727)	39,598,217
Other Liabilities	8,253,183,330	2,772,004,958	7,482,295,369	2,272,741,306
Net Cash Flow from Operating Activities before Tax Paid	**12,895,747,284**	**15,310,897,997**	**11,854,529,687**	**14,490,743,093**
Income Tax Paid	(2,431,660,511)	(14,253,269)	(2,338,598,291)	7,788,566
Net Cash Flow from Operating Activities	**10,464,086,774**	**15,296,644,728**	**9,515,931,396**	**14,498,531,659**
CASH FLOWS FROM INVESTING ACTIVITIES				
Purchase of Investment Securities	(29,732,416,113)	(19,786,960,392)	(29,196,486,860)	(19,434,831,606)
Receipts from Sale of Investment Securities	-	-	101,388,492	101,388,492
Purchase of Property and Equipment	(364,047,484)	(1,096,621,261)	(321,647,526)	(1,049,253,007)
Receipts from Sale of Property and Equipment	-	-	-	-
Purchase of Intangible Assets	14,083,052	23,073,706	17,137,737	27,198,443
Receipts from Sale of Intangible Assets	-	-	-	-
Purchase of Investment Properties	-	-	-	-
Receipts from Sale of Investment Properties	-	-	-	-
Interest Received	-	-	-	-
Dividend Received	337,357,469	207,340,484	337,357,469	207,340,484
Net Cash Used in Investing Activities	**(29,745,023,076)**	**(20,653,167,463)**	**(29,062,250,689)**	**(20,148,157,195)**
CASH FLOWS FROM FINANCING ACTIVITIES				
Receipts from Issue of Debt Securities	1,686,608	1,426,771	1,686,608	1,426,771
Repayments of Debt Securities	-	-	-	-
Receipts from Issue of Subordinated Liabilities	-	-	-	-
Repayments of Subordinated Liabilities	-	-	-	-
Receipt from Issue of Shares (Including Premium)	-	-	-	-
Dividends Paid	-	-	-	-
Interest Paid	(1,057,423,197)	(603,534,248)	(1,057,423,197)	(603,534,247)
Other Receipts/Payments	-	-	-	-
Net Cash from Financing Activities	**(1,055,736,589)**	**(602,107,476)**	**(1,055,736,589)**	**(602,107,475)**
Net Increase (Decrease) in Cash and Cash Equivalents	**(20,336,672,891)**	**(5,958,630,211)**	**(20,602,055,882)**	**(6,251,733,011)**
Cash and Cash Equivalents at Shrawan 01, 2082	**35,350,484,074**	**19,581,636,193**	**35,350,484,074**	**19,581,636,193**
Effect of Exchange Rate fluctuations on Cash and Cash Equivalents Held	-	-	-	-
Cash and Cash Equivalents at Chaitra 2082	**15,013,811,183**	**13,623,005,982**	**14,748,428,191**	**13,329,903,182**

Statement of Distributable Profit or Loss
For the Quarter end of Chaitra 2082
(As per NRB Regulation)

Amount in NPR

Particulars	Current Year Upto this Qtr YTD	Previous Year Corresponding Qtr YTD
Net profit or (loss) as per statement of profit or loss	**4,178,048,409**	**285,823,064**
Appropriations:		
a. General reserve	(835,609,682)	(57,164,613)
b. Foreign exchange fluctuation fund	(32,343,379)	(4,810,617)
c. Capital redemption reserve	(781,250,000)	(781,250,000)
d. Corporate social responsibility fund	(40,354,832)	1,985,238
e. Employees' training fund	(3,257,320)	(34,849,834)
f. Other (Investment adjustment reserve)	-	-
Profit or (loss) before regulatory adjustment	**2,485,233,196**	**(590,266,762)**
Regulatory adjustment :		
a. Interest receivable (-)/previous accrued interest received (+)	(656,128,138)	(227,532,533)
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 (+)	13,784,961	(315,111,033)
e. Deferred tax assets recognised (-)/ reversal (+)	17,127,529	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/reversal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-) Interest Capialization	-	-
Net Profit for the quarter ended Chaitra 2082 available for distribution	**1,860,017,548**	**(1,132,910,328)**
Opening Retained Earnings as on Shrawan 2082	**(3,849,526,718)**	**(5,367,424,480)**
Adjustment:	-	-
Distribution:		
Bonus Shares Issued	-	-
Cash Dividend Paid	-	-
Total Distributable Profit or (Loss) as on quarter ended Chaitra 2082	**(1,989,509,171)**	**(6,500,334,808)**
Annualised Distributable Profit/Loss per share	**-**	**-**

NOTES TO THE INTERIM FINANCIAL STATEMENTS
Period ended 13th April 2026

1. BASIS OF PREPARATION

The interim financial statements of the Group (Bank and its subsidiary, Kumari Capital Limited and K.B.L. Securities Limited) have been prepared on accrual basis of accounting except the cash flow information that is prepared, on a cash basis, using the direct method.

The interim financial statements comprise of the Condensed Statement of Financial Position, Condensed Statement of Profit or Loss and Condensed Statement of Other Comprehensive Income, the Condensed Statement of Changes in Equity, the Condensed Statement of Cash Flows and the Notes to the Accounts of the Group and Separate Financial Statements of the Bank. The Significant Accounting Policies applied in the presentation of the Financial Statements are set out below. These policies are consistently applied to all the years presented, except for the changes in the accounting policies disclosed specifically.

1.1 Reporting Period and Approval of Financial Statements

a) Reporting Period

The Bank has prepared the interim financial statements in accordance with NFRS depicting financial performance for period ended 13th April 2026 of FY 2025/26.

b) Responsibility for Financial Statements

The preparation and presentation of Interim Financial Statements is the responsibility of the Management as per the governing provisions.

1.2 Functional and Presentation Currency

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

2. STATEMENT OF COMPLIANCE

The Interim Financial Statements of Bank for the period ended 13th April 2026 comprising Condensed Consolidated Statement of Financial Position, Condensed Consolidated Statement of Profit or Loss, Statement of Comprehensive Income, Condensed Consolidated Statement of Changes in Equity, Condensed Consolidated Statement of Cash Flows and Notes to the Interim Financial Statements (including Significant Accounting Policies), have been prepared in accordance with Nepal Financial Reporting Standards (hereafter referred as NFRS), laid down by the Institute of Chartered Accountants of Nepal and in compliance with the requirements of all applicable laws and regulations.

3. USE OF ESTIMATES, ASSUMPTIONS AND JUDGEMENTS

The preparation of Interim Financial Statements in conformity with Nepal Financial Reporting Standards requires the management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ due to these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised and in any future periods affected.

The most significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have most significant effect in the Interim Financial Statements are as follows:

3.1 Going Concern

The Bank's ability to continue as a going concern is proper and that it has the resources to continue in business for the foreseeable future. Furthermore, there are no any material uncertainties that may provide significant doubt upon Bank's ability to continue as a going concern and there is no intension either to liquidate or to cease operations of it. Therefore, the Interim Financial Statements continue to be prepared on the going concern basis.

3.2 Fair Value of Financial Instruments

Where the fair values of financial assets and financial liabilities recorded in the condensed consolidated statement of financial position can be derived from active markets, they are derived from observable market data. However, if this is not available, judgment is required to establish fair values.

3.3 Financial Instruments - Impairment (Expected Credit Loss)

3.3.1 Basis of Preparation

In accordance with the "NFRS 9 Expected Credit Loss Related Guidelines, 2024" issued by Nepal Rastra Bank, the Bank has adopted the Expected Credit Loss (ECL) model for recognizing impairment losses on its financial assets. This represents a significant change from the previous incurred loss model under NAS 39.

The ECL model is forward-looking and requires the Bank to recognize an impairment allowance based on expected credit losses at each reporting date, rather than only when a loss event has been incurred.

3.3.2 Measurement of Expected Credit Losses

The ECL allowance is measured as the difference between the contractual cash flows and the cash flows the Bank expects to receive, discounted at the asset's original effective interest rate. The calculation involves:

i. Probability of Default (PD): The likelihood that a counterparty will default within a given time horizon.
ii. Loss Given Default (LGD): The estimated loss arising in the event of default, considering the value of any collateral held.
iii. Exposure at Default (EAD): The amount exposed to loss at the time of default.
iv. The ECL is measured on either a collective basis (for groups of homogenous assets) or an individual basis (for assets that are individually significant or have unique risk characteristics).

3.3.3 Write-off Policy

Financial assets are written off (either partially or in full) when there is no reasonable expectation of recovery, such as when a borrower is declared bankrupt. Write-offs are made against the related ECL allowance. Subsequent recoveries of amounts previously written off are credited to the statement of profit or loss.

3.3.4 Significant Judgments and Estimates

The calculation of ECL involves significant judgment, particularly in:

i. Determining significant increases in credit risk.
ii. The selection of forward-looking macroeconomic variables and their impact on PD, LGD, and EAD.
iii. The estimation of cash flows from collateral for LGD calculations.

iv. These estimates are regularly reviewed and adjusted as new information becomes available.

3.3.5 Impairment Methodology

General Approach

The Bank measures expected credit losses on financial assets measured at amortized cost (primarily loans and advances to customers) by considering the risk of default over the asset's expected life. The calculation is based on historical experience, current conditions, and reasonable and supportable forward-looking information.

Financial assets are grouped into one of three stages based on the change in credit risk since initial recognition:

i. **Stage 1 (Performing / Low Credit Risk):** Includes assets that have not experienced a significant increase in credit risk since initial recognition or have low credit risk. For these assets, a 12-month ECL is recognized, and interest revenue is calculated on the gross carrying amount.

ii. **Stage 2 (Underperforming / Significantly Increased Credit Risk):** Includes assets that have experienced a significant increase in credit risk since initial recognition but do not have objective evidence of impairment. For these assets, a lifetime ECL is recognized. Interest revenue is still calculated on the gross carrying amount.

iii. **Stage 3 (Credit-Impaired / Non-Performing):** Includes assets with objective evidence of impairment at the reporting date. For these assets, a lifetime ECL is recognized. Interest revenue is calculated based on the amortized cost (i.e., gross carrying amount less ECL allowance).

Simplified Approach

The Bank applies the simplified approach for measuring expected credit losses as permitted by NFRS 9 and Nepal Rastra Bank guidelines to the following financial instruments:

i. Trade receivables without a significant financing component
ii. Contract assets without a significant financing component
iii. All lease receivables.

Under the simplified approach, the Bank recognizes lifetime expected credit losses on these assets from initial recognition. The measurement of ECL does not involve tracking changes in credit risk, and these assets are not subject to the three-stage impairment approach applied to other financial instruments.

3.3.6 Governance and Oversight of Expected Credit Loss Framework

The Bank's Expected Credit Loss (ECL) framework is governed by a robust three-tier model ensuring rigorous oversight and clear segregation of duties. Ultimate responsibility rests with the Board of Directors, which sets the risk appetite and approves all key ECL policies and models. Senior Management provides strategic leadership, drives implementation, and reviews significant assumptions and results. Day-to-day execution is managed by the Finance and Credit Risk departments, which handle calculation, reporting, and risk parameter analysis. Independent assurance over the entire process is provided by Internal Audit. This structured governance framework ensures the integrity, reliability, and transparency of our ECL estimations in compliance with NFRS 9 and Nepal Rastra Bank guidelines.

3.3.7 Use of Forward-Looking Information

The Bank incorporates forward-looking macroeconomic information to convert through-the-cycle probability of default (PD) estimates into point-in-time PDs for expected credit loss calculations. Our methodology utilizes multiple economic variables—including GDP growth, inflation, unemployment, and fiscal indicators—primarily sourced from the IMF's World Economic Outlook database. These variables are weighted based on their historical correlation with portfolio performance across product segments.

We employ a scenario-based approach, generating base, best, and worst-case economic forecasts using statistical techniques including standard deviation analysis. The resulting PD estimates are probability-weighted, with a 68.27% weighting to the base case, 10.58% to the best case, and 21.15% to the worst-case scenario, reflecting a normal distribution of potential economic outcomes. This approach ensures our ECL calculations appropriately reflect reasonable and supportable forward-looking information as required by NFRS 9.

3.3.8 Credit Risk Exposure

The Bank makes available to its customers, guarantees which may require that the Bank makes payments on their behalf and enters into commitments to extend credit lines to secure their liquidity needs. Letters of credit and guarantees (including standby letters of credit) commit the Bank to make payments on behalf of customers in the event of a specific act, generally related to the import or export of goods. Such commitments expose the Bank to risks similar to loans and are mitigated by the same control processes and policies.

The gross carrying amounts of financial assets, categorized by stage and by product type or sector including off-balance sheet exposures—were presented as follows:

Amount in Million

Sector	As at 13 April 2026			Total
	Stage-1	Stage-2	Stage-3	
Agriculture and Forest related	9,377.92	797.62	2,341.06	**12,516.60**
Loan Against Securities	11,060.78	91.91	55.59	**11,208.29**
Mining Related (Or 'Construction')	938.18	25.18	335.15	**1,298.50**
Non Food Production	31,309.82	826.32	1,937.31	**34,073.46**
Power and Energy	53,171.44	52.50	551.85	**53,775.79**
Professional Loan	60.71	9.42	19.17	**89.29**
Real Estate	10.67	-	-	**10.67**
Retail - Other	41,007.74	2,538.35	3,696.89	**47,242.98**
Service Sector	27,780.53	3,243.62	7,167.15	**38,191.30**
Wholesale & Retail	38,170.92	3,386.06	10,631.57	**52,188.55**
Staff Loans	6,153.59	11.34	15.77	**6,180.70**
Credit Cards	1,738.78	72.43	171.33	**1,982.55**
External Placements	24,689.34	-	-	**24,689.34**
Construction	39,492.33	1,427.19	9,619.23	**50,538.76**
Direct Deprived Sector Lending	14,072.34	-	-	**14,072.34**

Sector	As at 13 April 2026			Total
	Stage-1	Stage-2	Stage-3	
Food Production, and Bevarages	10,206.11	669.43	1,186.96	**12,062.50**
Hire Purchase	859.06	55.53	128.55	**1,043.14**
Home Loan	9,203.06	952.83	943.42	**11,099.31**
Home Loan/ Real Estate	5,633.99	774.67	983.38	**7,392.04**
Loan Against FD	1,054.41	12.22	16.11	**1,082.74**
Gross Carrying Amount	**325,991.72**	**14,946.62**	**39,800.50**	**380,738.85**
Less: Impairment	1,848.13	925.82	6,373.81	**9,147.77**
Net Carrying Value	**324,143.59**	**14,020.80**	**33,426.69**	**371,591.08**

3.3.9 Impairment Charges on Financial & Non-Financial Assets

Amount in Million

Particulars	Stage 1	Stage 2	Stage 3	Total
Cash & Cash Equivalents	-	-	-	**-**
Placements with Banks	605.26	-	-	**605.26**
Loans & Advances	1,233.49	925.53	6,373.81	**8,532.83**
Debt Instruments	-	-	-	**-**
Impairment charge/(reversal) on financial assets measured at FVOCI	-	-	-	**-**
Debt Instruments	-	-	-	**-**
Impairment charge/(reversal) on loan commitments and financial guarantee contracts	-	-	-	**-**
Impairment charge/(reversal) on PPE, Intangible Assets and Prepayments	-	-	-	**-**
Other Impairment Charges	-	-	-	**-**
Guarantees, Letters of Credit & Acceptances	9.39	0.29	-	**9.68**
Grand Total	**1,848.13**	**925.82**	**6,373.81**	**9,147.77**

3.3.10 Financial Assets Measured at Amortized Cost - Loans & Advances to Customers

Amount in Million

Particulars	Amount
Gross Loans & Advances Carrying Amount	
Stage 1	325,991.72
Stage 2	14,946.62
Stage 3	39,800.50
Less: Accumulated Impairment Under:	
Stage 1	1,848.13
Stage 2	925.82
Stage 3	6,373.81
Net Loans & Advances	**371,591.07**

3.3.11 Expected Credit Loss (ECL) Coverage

The following table provides a breakdown of the ECL allowance and the corresponding coverage ratios by impairment stage as of Chaitra end 2082. The coverage ratio, calculated as ECL Amount divided by Gross Carrying Amount, represents the proportion of the portfolio's gross carrying amount that is covered by impairment allowances.

Amount in Million

Stages	Expected Credit Loss Amount	Gross Carrying Amount	ECL Coverage Ratio
Stage-1	1,848.13	325,991.72	0.57%
Stage-2	925.82	14,946.62	6.19%
Stage-3	6,373.81	39,800.50	16.01%
Grand Total	**9,147.77**	**380,738.84**	**2.40%**

Further Financial Statement Items-wise Expected Credit Loss summary are as follows:

Amount in Million

Financial Statement Items	Gross Carrying Amount (Stage)				ECL Provision (Stage)			
	1	2	3	Total	1	2	3	Total
Loans and advances to customers	256,721.42	14,905.83	39,800.50	311,428	1,233.49	925.53	6,373.81	8,533
Loan Commitments	6,887.55	40.80	-	6,928	6.21	0.29	-	7
Financial guarantee contracts	37,693.41	-	-	37,693	3.18	-	-	3
Placement with Bank and Financial Institutions	24,689.34	-	-	24,689	605.26	-	-	605
Total	**325,991.72**	**14,946.62**	**39,800.50**	**380,739**	**1,848.13**	**925.82**	**6,373.81**	**9,148**

3.3.12 Regulatory Compliance in Provisioning

The Bank applies the expected credit loss (ECL) model under Nepal Financial Reporting Standard (NFRS) 9 for recognizing impairment loss on financial assets. As per the non-optional carve-out provided by the Institute of Chartered Accountants of Nepal (ICAN) until FY 2082/83, the Bank measures impairment loss on loans and advances as the higher of:

i. The amount determined under the Expected loss model as per ECL guideline issued by Nepal, and

ii. The amount of loan loss provision required as per the unified directives issued by Nepal Rastra Bank (NRB).

The following table summarizes the calculated provisions for the current and comparative years:

Particulars	2080/81	2081/82	2082/83 (Chaitra 2082)
Total Loan loss provision as per norms prescribed by Nepal Rastra Bank (NRB Directive No. 2) and circular issued.	23,185,329,351	26,636,750,689	28,203,653,451
Total Impairment*	11,709,105,232	19,169,793,321	9,147,766,645

*Note:

- The Impairment from FY 2081-82 is calculated as per Expected Credit Loss model under NFRS 9, whereas for the previous FY 2080-81, it was calculated based on the Incurred Loss Model under NAS 39.
- The final provision recorded in the financial statements for each year represents the higher of the two calculated amounts, ensuring full compliance with both accounting and regulatory requirements.

3.3.13 Credit Risk – Key Inputs and Assumptions for Expected Credit Loss Calculations

The model incorporates a broad range of quantitative forward-looking economic variables, with data primarily sourced from the International Monetary Fund's (IMF) World Economic Outlook Database. The following variables, their direction of correlation with default rates, and their respective codes are used:

Macro-Economic Indicator	Code	2025	2026	2027	2028	2029	2030
Gross domestic product, constant prices	NGDP_RPCH	4.05%	5.48%	5.04%	5.00%	5.00%	5.00%
Inflation, average consumer prices	PCPIPCH	4.86%	4.95%	5.08%	5.00%	5.00%	5.00%
Unemployment Rate	UNEMP	10.00%	9.80%	10.00%	10.92%	10.00%	10.69%

3.3.14 Implementation of Expected Credit Loss (ECL) Framework

During the year, the Bank fully implemented the Expected Credit Loss (ECL) model as mandated by Nepal Financial Reporting Standard (NFRS) 9 and guided by the detailed "NFRS 9- Expected Credit Loss Related Guidelines, 2024" and First Amendment to ECL Guideline, 2024 issued by Nepal Rastra Bank (NRB). This forward-looking model replaces the previous incurred loss approach and requires the Bank to recognize expected credit losses based on past events, current conditions, and reasonable and supportable forecasts of future economic conditions.

The implementation involved the development of robust models for estimating Probability of Default (PD), Loss Given Default (LGD), and Exposure at Default (EAD). Our models incorporate a minimum of three economic scenarios (base, best, worst-case) and use forward-looking information from credible sources such as International Monetary Fund.

3.4 Write off of Loan and Interest Suspense

As per policy of the Bank and in compliance with directive issued by NRB, the bank has write off following loan during the period i.e. Shrawan 2082 to Chaitra 2082:

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
1	Ek Bahadur Rana Magar	478,260	700,544	1,178,804	23-Nov-25
2	Janak K.C	2,512,618	7,641,590	10,154,208	23-Nov-25
3	Kiran Khadka	500,000	7,658,616	8,158,616	23-Nov-25
4	Kishor Kumar Mandal	122,530	820,347	942,877	23-Nov-25
5	Kumar Chandra Karki	500,000	7,307,059	7,807,059	23-Nov-25
6	Lekhnath Adhikari	643,335	12,964,152	13,607,487	23-Nov-25
7	Mahabinayak Trade And Suppliers Pvt.Ltd.	545,514	755,320	1,300,834	23-Nov-25
8	Mina Shrestha	551,440	1,960,054	2,511,494	23-Nov-25

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
9	Nir Pd Dahal/Nar Hari Timalsina	325,085	1,305,266	1,630,351	23-Nov-25
10	Parsu Ram Giri	389,356	1,581,626	1,970,983	23-Nov-25
11	Pathari Rajbansi	919,825	399,227	1,319,052	23-Nov-25
12	Pathivara Tu Suppliers	521,363	1,382,035	1,903,398	23-Nov-25
13	Rabin Regmi	1,599,832	5,698,879	7,298,711	23-Nov-25
14	Raja Ram Thapa	4,905,889	15,708,556	20,614,445	23-Nov-25
15	Rajesh Kumar Sah	1,056,296	1,092,064	2,148,359	23-Nov-25
16	Ram Bdr Thapa Magar	525,724	2,924,441	3,450,165	23-Nov-25
17	Red Agro Tourism Pvt.Ltd	2,063,474	2,260,891	4,324,365	23-Nov-25
18	Rishi Bahadur Shrestha	475,557	980,066	1,455,623	23-Nov-25
19	Sete Man Tamang	97,992	462,952	560,944	23-Nov-25
20	Shankar Giri	208,999	3,139,134	3,348,133	23-Nov-25
21	Shiv Shankar Iron Tatha General Sto	1,222,277	5,401,997	6,624,274	23-Nov-25
22	Shrestha Khadhayana Store	514,058	2,283,952	2,798,011	23-Nov-25
23	Surendra Bahadur Basnet	618,200	1,283,812	1,902,012	23-Nov-25
24	Suresh Thapa	1,777,306	7,326,520	9,103,826	23-Nov-25
25	Tika Hardware & Electrical	509,258	214,807	724,065	23-Nov-25
Total		**23,584,191**	**93,253,906**		
1	Abina Rai	42,491	11,832	54,324	28-Dec-25
2	Ajit Rajbanshi	33,253	28,474	61,726	28-Dec-25
3	Amosh Darnal	177,179	71,881	249,060	28-Dec-25
4	Amrita Nepali	138,063	1,099	139,162	28-Dec-25
5	Anju Maya Shrestha	67,522	47,432	114,954	28-Dec-25
6	Arbind Kumar Chaurasiya	27,793	18,191	45,984	28-Dec-25
7	Arjun Sapkota	118,226	22,660	140,886	28-Dec-25
8	Ayush Shrivastav	73,283	47,814	121,096	28-Dec-25
9	Bal Kumari Chaudhari	66,538	22,444	88,983	28-Dec-25
10	Balbir B.K	64,862	16,012	80,874	28-Dec-25
11	Bhim Bahadur Sherpa	132,215	280,253	412,468	28-Dec-25
12	Bhojendra Thakur Lohar	109,970	21,732	131,702	28-Dec-25
13	Bhusan Shrestha	188,186	30,672	218,858	28-Dec-25
14	Bibek Rana Magar	50,037	23,014	73,051	28-Dec-25
15	Bikram Pariyar	65,913	22,599	88,512	28-Dec-25
16	Bimala Ghimire	29,388	11,221	40,609	28-Dec-25
17	Bimala Sinchuri	38,967	10,598	49,565	28-Dec-25
18	Binay Kumar Ray	54,424	30,636	85,060	28-Dec-25
19	Binayak Prakash Pradhan	183,265	30,710	213,975	28-Dec-25
20	Binod Rai	213,985	35,107	249,092	28-Dec-25
21	Bishnu Gurung	18,454	18,871	37,325	28-Dec-25
22	Bishnu Maya Tamang	50,516	14,784	65,300	28-Dec-25
23	Chameli Danuwar	28,071	38,320	66,391	28-Dec-25
24	Dalli Danuwar	33,468	54,606	88,074	28-Dec-25

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
25	Devi Dahal	32,650	53,170	85,821	28-Dec-25
26	Dhan Bahadur B.K	56,486	24,401	80,887	28-Dec-25
27	Dhiraj Kumar Chaudhary	37,849	34,748	72,596	28-Dec-25
28	Dhurba Prasad Neupane	108,500	21,287	129,787	28-Dec-25
29	Dil Krishna Khatri	86,059	18,694	104,753	28-Dec-25
30	Dil Kumari Gharti	11,750	3,452	15,202	28-Dec-25
31	Dil Maya Bulun	14,742	3,390	18,132	28-Dec-25
32	Dil Maya Darai	46,045	34,058	80,103	28-Dec-25
33	Dilip Karki	45,075	24,641	69,716	28-Dec-25
34	Dinesh Nepali	89,435	17,834	107,269	28-Dec-25
35	Dipa Karki	9,477	10,192	19,670	28-Dec-25
36	Dipak Bahadur Thakurathi	37,193	26,107	63,300	28-Dec-25
37	Dipak Thakur	172,319	94,529	266,848	28-Dec-25
38	Dipendra Bishwas	28,540	13,448	41,988	28-Dec-25
39	Durpati Raut	111,778	49,553	161,331	28-Dec-25
40	Earic Hussain	38,005	22,860	60,865	28-Dec-25
41	Ganesh Kumar Shrestha	51,485	112,324	163,809	28-Dec-25
42	Ganga Maya Bishwokarma	17,049	23,736	40,784	28-Dec-25
43	Goma Sarki	14,280	18,180	32,460	28-Dec-25
44	Gyanendra Prasad Dahal	99,530	20,237	119,768	28-Dec-25
45	Harishankar Prasad Guro	101,385	16,447	117,832	28-Dec-25
46	Hira Devi Shrestha	24,337	33,228	57,565	28-Dec-25
47	Hira Maya Lama	7,627	7,251	14,878	28-Dec-25
48	Hisi Dorje Sherpa	169,327	74,279	243,606	28-Dec-25
49	Ilmudin Ansari	10,431	9,792	20,223	28-Dec-25
50	Jarina Khatun	81,983	23,497	105,480	28-Dec-25
51	Jeevan Shrestha	30,267	7,997	38,264	28-Dec-25
52	Jivan Ghising	22,886	11,053	33,939	28-Dec-25
53	Jog Maya Damai	34,726	37,685	72,411	28-Dec-25
54	Kabita Thapa	10,591	2,627	13,218	28-Dec-25
55	Kamal Pande	64,507	22,896	87,403	28-Dec-25
56	Kamal Baniya	22,923	23,217	46,140	28-Dec-25
57	Kamala Bishwokarma	6,282	5,473	11,755	28-Dec-25
58	Kamala Bogati	11,372	13,727	25,099	28-Dec-25
59	Karan Singh Chayada	46,247	12,251	58,498	28-Dec-25
60	Khuma Kumari Budha	63,028	38,497	101,525	28-Dec-25
61	Koshila Mali	55,065	98,731	153,797	28-Dec-25
62	Krishna Bahadur B.K	116,486	34,775	151,261	28-Dec-25
63	Krishna Maya Tamang	17,273	21,580	38,853	28-Dec-25
64	Krishna Prasad Kafle	413,967	263,402	677,369	28-Dec-25
65	Laxmi Pariyar	61,571	39,446	101,017	28-Dec-25
66	Laxmi Gurung	195,865	84,536	280,401	28-Dec-25

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
67	Laxmi Prasad Sapkota	96,158	44,689	140,847	28-Dec-25
68	Lilawati Chaudhari	49,413	14,143	63,556	28-Dec-25
69	Madan Singh Ghimire	36,844	27,259	64,103	28-Dec-25
70	Magari Mahato	154,022	77,434	231,456	28-Dec-25
71	Maiya Damai	34,132	57,069	91,201	28-Dec-25
72	Maiya Gautam	15,962	20,971	36,933	28-Dec-25
73	Mamata Tamang	87,087	53,166	140,253	28-Dec-25
74	Masali Maya Tamang	24,991	37,853	62,844	28-Dec-25
75	Maya Kumari Mahoto	94,553	51,544	146,097	28-Dec-25
76	Meriya Mahato	106,017	51,194	157,211	28-Dec-25
77	Mohamad Majhar Alam	102,508	40,470	142,978	28-Dec-25
78	Nabin Thapa	57,003	14,379	71,383	28-Dec-25
79	Nanu Shrestha	16,191	17,311	33,502	28-Dec-25
80	Nawaraj Adhikari	114,881	22,130	137,011	28-Dec-25
81	Neha Khadgi	173,781	308,202	481,983	28-Dec-25
82	Nikil Tamrakar	16,582	18,829	35,410	28-Dec-25
83	Nirmala Mijar	59,078	16,227	75,306	28-Dec-25
84	Paban Subedi	119,177	22,608	141,785	28-Dec-25
85	Parbati Shrestha	53,258	29,057	82,315	28-Dec-25
86	Phool Maya Bogati	22,175	32,697	54,871	28-Dec-25
87	Pradip Regmi	35,936	28,207	64,144	28-Dec-25
88	Prakash Pathak	38,838	25,210	64,048	28-Dec-25
89	Prakash Shah	54,690	24,468	79,159	28-Dec-25
90	Prasanna Sagar Lama	133,343	23,649	156,992	28-Dec-25
91	Prasansha Kharel Rai	26,280	37,527	63,807	28-Dec-25
92	Purna Maya Bishwokarma	24,380	36,499	60,878	28-Dec-25
93	Purna Maya Gurung	173,781	300,116	473,897	28-Dec-25
94	Radha Devi Thapa	19,936	27,292	47,228	28-Dec-25
95	Radhika Bhattarai	117,976	76,979	194,955	28-Dec-25
96	Radhika Kumari Pabe	24,020	6,434	30,454	28-Dec-25
97	Radhika Tamang	39,184	21,356	60,540	28-Dec-25
98	Raj Kumari Tamang	6,650	6,897	13,547	28-Dec-25
99	Ram Bahadur Ranabhat	107,507	20,378	127,884	28-Dec-25
100	Ram Maharjan	173,781	300,149	473,930	28-Dec-25
101	Rama Devi Shrestha	79,000	37,442	116,442	28-Dec-25
102	Ranjan Dahal	64,359	15,650	80,009	28-Dec-25
103	Ravin Subedi	100,797	80,444	181,241	28-Dec-25
104	Resham Shrestha	40,325	31,399	71,724	28-Dec-25
105	Reshma Nepali	89,535	42,477	132,012	28-Dec-25
106	Roshan Bahadur Karki	28,345	27,059	55,404	28-Dec-25
107	Roshani Pariyar	97,641	50,711	148,352	28-Dec-25
108	Rupa Shrestha	108,154	90,558	198,712	28-Dec-25

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
109	Rupa Kumari Gurung	137,443	110,606	248,050	28-Dec-25
110	Sabina B.K.	18,527	3,703	22,229	28-Dec-25
111	Sabitri Shahi	46,119	26,245	72,364	28-Dec-25
112	Sahil Gupta	89,321	47,727	137,048	28-Dec-25
113	Sajni Shakya	46,488	211,335	257,823	28-Dec-25
114	Sakar Acharya	41,076	29,556	70,631	28-Dec-25
115	Sancha Maya Tamang	4,625	2,776	7,401	28-Dec-25
116	Sandesh Bohara	55,496	14,813	70,309	28-Dec-25
117	Sandhya Shrestha	151,014	25,719	176,733	28-Dec-25
118	Sanjog Shrestha	65,380	29,542	94,922	28-Dec-25
119	Sanju Mahato	21,770	5,963	27,733	28-Dec-25
120	Sannani Tamang	17,694	23,037	40,730	28-Dec-25
121	Santosh Khanal	132,817	62,925	195,741	28-Dec-25
122	Santu B.K	132,016	64,883	196,900	28-Dec-25
123	Sanu Maya Chaudhari	51,610	15,523	67,134	28-Dec-25
124	Sanu Maya Lama Hok	9,615	10,122	19,737	28-Dec-25
125	Sarashwoti Tamang	7,973	8,250	16,222	28-Dec-25
126	Sarita B.K	16,447	19,739	36,185	28-Dec-25
127	Shamjhana Rana Magar	37,478	11,504	48,982	28-Dec-25
128	Sharmila Mahato	157,327	87,420	244,747	28-Dec-25
129	Sharmila Rana Magar	33,050	31,311	64,361	28-Dec-25
130	Shiva Bahadur Mijar	73,214	19,145	92,360	28-Dec-25
131	Shree Sanu Kanchha Shrestha	80,563	23,171	103,734	28-Dec-25
132	Shreenarayan Ray	123,924	23,178	147,102	28-Dec-25
133	Shrijana Lama	87,850	40,004	127,853	28-Dec-25
134	Sirjana Dami Nepali	10,432	-	10,432	28-Dec-25
135	Sita Chaudhari (Mallaha)	53,466	15,889	69,355	28-Dec-25
136	Sita Maya Tamang	4,131	1,976	6,107	28-Dec-25
137	Subash Nepali	50,337	20,142	70,479	28-Dec-25
138	Suchit Prasad Shrestha	110,354	20,737	131,091	28-Dec-25
139	Sudeep Srivastava	52,884	36,502	89,387	28-Dec-25
140	Sudip Bhandari	119,075	22,954	142,029	28-Dec-25
141	Suk Maya Thapa	36,726	26,426	63,152	28-Dec-25
142	Suman Dangol	113,483	16,106	129,589	28-Dec-25
143	Suman Shrestha	53,179	14,338	67,517	28-Dec-25
144	Sumin Mahato	49,816	13,523	63,338	28-Dec-25
145	Sumit Shrestha	32,035	19,827	51,862	28-Dec-25
146	Sundari Tamang	11,911	15,128	27,039	28-Dec-25
147	Suraj Lataula	62,903	29,654	92,557	28-Dec-25
148	Suraj Shakya	120,304	22,855	143,159	28-Dec-25
149	Surendra Mahato	19,010	19,698	38,707	28-Dec-25
150	Suresh Maharjan	69,496	133,256	202,752	28-Dec-25

S.No.	Name of Account	Total Principle	Total Interest	Total	Date of Write off
151	Surya Maya Sarki	10,740	13,426	24,166	28-Dec-25
152	Sushant Katuwal	42,641	1,100	43,741	28-Dec-25
153	Sushila Magar	97,328	42,849	140,177	28-Dec-25
154	Sushmita Poudel	128,632	22,739	151,371	28-Dec-25
155	Sushree Bhoj Kumari Gurau	118,954	71,567	190,521	28-Dec-25
156	Swata Panta	138,106	237,402	375,508	28-Dec-25
157	Tara Chaudhary	53,164	20,262	73,427	28-Dec-25
158	Teja Subba Rai	70,114	19,975	90,088	28-Dec-25
159	Tek Bahadur Tamang	173,781	308,201	481,982	28-Dec-25
160	Tul Maya Magar	127,329	64,640	191,968	28-Dec-25
161	Usha Pariyar	20,213	5,156	25,369	28-Dec-25
162	Yak Bahadur Lama	16,721	19,333	36,054	28-Dec-25
163	Yak Maya Bishwokarma	20,880	30,659	51,538	28-Dec-25
164	Yogesh Shahi	47,893	28,643	76,535	28-Dec-25
Total		**11,375,608**	**6,951,480**		
165	New S.K. Jwelers	19,939,636	11,581,051	31,520,686	5-Feb-25
166	Shrestha Roda Udyog	7,537,964	13,909,650	21,447,614	5-Feb-25
167	Laxmi Ganesh Sellar Mill	9,767,034	12,031,697	21,798,731	5-Feb-25
168	S.K. Motors	3,471,568	8,119,489	11,591,058	5-Feb-25
169	Bhawani Kirana Pasal	1,693,709	2,906,507	4,600,217	5-Feb-25
170	Ludra Kumari Pun	122,799	466,367	589,166	5-Feb-25
171	Sumiz Das Maskey	28,009	44,840	72,849	5-Feb-25
172	Yubraj Khadka	534,430	3,622,353	4,156,784	5-Feb-25
Total		**43,095,150**	**52,681,954**		
173	White Rose Academy Pvt Ltd	5,141,523	16,716,507	21,858,030	6-Feb-25
174	Sifa Traders	1,251,162	5,027,663	6,278,825	6-Feb-25
175	Radhe Radhe Packaging Udhyog	18,468,031	16,709,984	35,178,015	6-Feb-25
176	Galaxy Lumbini Inn Pvt.Ltd	7,919,421	7,145,698	15,065,119	6-Feb-25
177	Sanil Man Singh Basnet / Kumar K.C	1,426,488	2,989,025	4,415,513	6-Feb-25
178	Ruplal Sah	2,053,522	2,226,115	4,279,637	6-Feb-25
179	Lil Bahadur Thapa	1,225,608	1,883,363	3,108,971	6-Feb-25
Total		**37,485,755**	**52,698,355**		
180	New Dipak Impex	1,914,899	2,479,637	4,394,535	7-Feb-25
Total		**1,914,899**	**2,479,637**		
Grand Total		**117,455,602**	**208,065,332**		

3.5 Impairment of Investments measured through OCI

Bank reviews its investments classified as available for sale, at each reporting date to assess whether they are impaired. Objective evidence that an available for sale debt security is impaired includes among other things significant financial difficulty of the issuer, a breach of contract such as a default or delinquency in interest or principal payments etc. The Bank also records impairment charges on available for sale equity investments where there is significant or prolonged decline in fair value below their cost. The determination of what is ‘significant’ or ‘prolonged’ requires judgment.

3.6 Taxation

The Bank is subject to income tax and judgment is required to determine the total provision for current, deferred and other taxes due to the uncertainties that exist with respect to the interpretation of the applicable tax laws, at the time of preparation of these Interim Financial Statements.

Deferred tax assets are recognized in respect of tax losses to the extent that it is probable that future taxable profit will be available against which the losses can be utilized. Judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits, together with future tax planning strategies.

3.7 Fair Value of Property, Plant and Equipment

The freehold land and buildings of the bank are not reflected at fair value and no revaluation has been carried at the reporting date. Cost of acquisition has been considered as the fair value for Property and Equipment on the basis that these assets value are comparable to fair value.

3.8 Useful Life-time of the Property, Plant and Equipment

Property, Plant and Equipment is recognized on cost model. Cost includes the purchase price and other directly attributable costs to the acquisition of individual asset item. Bank reviews the residual values, useful lives and methods of depreciation of property, plant and equipment at each reporting date. Judgment of the management is exercised in the estimation of these values, rates, methods and hence they are subject to uncertainty.

a) Fixed Assets

Fixed assets except land are stated at acquisition cost less accumulated depreciation. Acquisition cost includes expenditures that are directly attributable to the acquisition of the assets. Assets with a value less than Rs. 10,000 are charged off as a revenue expense irrespective of its useful life in the year of purchase. Leasehold improvements are capitalized at cost and amortized over the period of five years. The amount of amortization is charged as revenue expenses.

b) Computer Software

Acquired computer software licenses are capitalized on the basis of cost incurred to acquire and bring to use the specific software and are amortized over their useful life estimated as 5 years from the date of acquisition.

Depreciation/Amortization on newly acquired property and equipment and intangible assets are charged from the next month of booking. It ceases when it is derecognized at the time of its disposal or write off.

3.9 Provisions for Liabilities and Contingencies

The Bank receives legal claims against it in the normal course of business. Management has made judgments as to the likelihood of any claim succeeding in making provisions. The time of concluding legal claims is uncertain, as is the amount of possible outflow of economic benefits.

4 CHANGES IN ACCOUNTING POLICIES

The bank has changed its accounting policies, wherever required, to ensure compliance with NFRS. The effect of change in accounting policy at the date of transition has been given to the retained earnings (and reserves, if applicable).

4.1 Discounting

When the realization of assets and settlement of obligation is for more than one year, the Bank considers the discounting of such assets and liabilities where the impact is material. Various internal and external factors have been considered for determining the discount rate to be applied to the cash flows of company. Effective interest rate calculation under Loan Administration fee and share/debenture issue expenses are considered as immaterial. Thus those fee and expenses as immaterial and impracticable to determine reliably, has not been considered in computation of effective interest rate as per Carve-out (optional) pronounced on 20th September 2018.

4.2 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 Condensed Consolidated 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 Condensed Consolidated Statement of Profit or Loss unless required or permitted by an Accounting Standard.

4.3 Comparative Information

The Interim Financial Statement of the Bank provides comparative information in respect of previous periods. The accounting policies have been consistently applied by Bank with those of the previous financial year. Further, comparative information is reclassified wherever necessary to comply with the current presentation.

5. SIGNIFICANT ACCOUNTING POLICIES

The accounting policies set out below have been applied consistently to all periods presented in these Interim Financial Statements, and deviations if any have been disclosed accordingly.

5.1 Basis of Measurement

The financial statements have been prepared on historical cost basis except for following material items in the statement of financial position:

- Financial assets other than measured at amortized cost are measured at fair value.
- Investment securities are measured at fair value.
- Inventories are measured at cost or net realizable value whichever is lower.
- Liabilities for defined benefit obligations are recognized at the present value of the defined benefit obligation less the fair value of the plan assets.
- Investment property is measured at cost.
- Non-derivative financial instruments at fair value through profit or loss are measured at fair value.
- Derivative financial instruments are measured at fair value.
- Liabilities for cash-settled, share-based-payment arrangements are measured at fair value.
- Investment securities are measured at fair value.

- Trading Assets like Bonds, Treasury Bills, Equities, etc. held for trading purpose are measured at fair value.
- Impairment of asset is measured at fair value and related disposal cost.
- Assets acquired & Liabilities assumed in a business combination are recognized at fair value.
- Any other requirements or options provided by standards.

5.2 Basis of consolidation

The Group's financial statements comprise consolidation of the financial statements of the Bank and those of the following entities:

a. The Subsidiary, in accordance with NFRS 10 – "Consolidated Financial Statements" inclusive of the alternative treatment prescribed on carve-out in NFRS; and
b. The proportionate share of the profit or loss and net assets of the Associate Company in accordance with NAS – 28 "Investments in Associates and Joint Ventures" inclusive of the alternative treatment prescribed on carve-out in NFRS.

a. Subsidiaries

Subsidiaries are entities that are controlled by the Bank. The Bank is presumed to control an investee when it is exposed or has rights to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. At each reporting date the Bank reassesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more elements of control mentioned above.

The Interim Financial Statements of Subsidiaries are fully consolidated from the date on which control is transferred to the Bank and continue to be consolidated until the date when such control ceases. The Interim Financial Statements of the Bank's Subsidiaries are prepared for the same reporting period as per the Bank, using consistent accounting policies.

The cost of acquisition of a Subsidiary is measured as the fair value of the consideration, including contingent consideration, given on the date of transfer of title. The acquired identifiable assets, liabilities are measured at their fair values at the date of acquisition. Subsequent to the initial measurement, the Bank continues to recognize the investments in Subsidiaries at cost.

The Group has recognized Kumari Capital Limited and K.B.L. Securities Limited as a Subsidiary company in which the Bank held 100% controlling interest at the report date.

b. Transaction elimination on consolidation

Intra group balances and transactions, any unrealized income and expenses arising from intra group transactions, are eliminating in preparing the condensed consolidated financial statements. Unrealized gains/losses arising from transactions with equity accounted investees are eliminated against the investments to the extent of group interest of investee.

c. Business combination

Business combinations are accounted for using the acquisition method. As of the acquisition date, the amount of non-controlling interest is measured either at fair value or at the non-controlling interest's proportionate share of the acquirer's identifiable net assets. Acquisition related costs are expensed in the periods in which the costs are incurred and the services are received.

The Group elects on a transaction by transaction basis whether to measure non-controlling interest at its fair value, or at its proportionate share of the recognized amount of the identifiable net assets, at the acquisition date. Transaction costs, other than those associated with the issue of debt or equity securities, that the Group incurs in connection with a business combination are expensed as incurred.

5.3 Financial Assets and financial liabilities

a. Recognition

All financial assets and liabilities are initially recognized on the trade date, i.e. the date that Bank becomes a party to the contractual provisions of the instrument. This includes ‘regular way trades’. Regular way trade means purchases or sales of financial assets that required delivery of assets within the time frame generally established by regulation or convention in the market place.

The classification of financial instruments at the initial recognition depends on their purpose and characteristics and the management’s intention in acquiring them.

b. Classification and Measurement

Classification of Financial Assets

The Group classifies the financial assets as subsequently measured at amortized cost or fair value on the basis of the Group’s business model for managing the financial assets and the contractual cash flow characteristics of the financial assets. The two classes of financial assets are as follows:

1. Financial assets measured at amortized cost

The Group classifies a financial asset measured at amortized cost if both of the following conditions are met:

i. The asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows and
ii. The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

2. Financial asset measured at fair value

Financial assets other than those measured at amortized cost are measured at fair value. Financial assets measured at fair value are further classified into two categories as below:

i. Financial assets at fair value through profit or loss

Financial assets are classified as fair value through profit or loss (FVTPL) if they are held for trading purpose or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in profit or loss as incurred. Such assets are subsequently measured at fair value and changes in fair value are recognized in Statement of Profit or Loss.

ii. Financial assets at fair value through other comprehensive income

Investment in an equity instrument that is not held for trading and at the initial recognition, the Group makes an irrevocable election that the subsequent changes in fair value of the instrument is to be recognized in other comprehensive income are classified as financial assets at fair value though other comprehensive income. Such assets are subsequently measured at fair value and changes in fair value are recognized in other comprehensive income.

Classification and Subsequent Measurement of Financial Liabilities

At the inception, Bank determines the classification of its financial liabilities. Accordingly, financial liabilities are classified as:

1. Financial liabilities at fair value through profit or loss

Financial liabilities are classified as fair value through profit or loss (FVTPL) if they are held for trading or are designated at fair value through profit or loss. Upon initial recognition, transaction costs are directly attributable to the acquisition are recognized in Statement of Profit or Loss as incurred. Subsequent changes in fair value is recognized at profit or loss.

2. **Financial liabilities measured at amortized cost**
   All financial liabilities other than measured at fair value though profit or loss are classified as subsequently measured at amortized cost using effective interest rate method.

Measurement of Financial Assets

Initial Measurement
A financial asset or financial liability is measured initially at fair value plus, for an item not at fair value through profit or loss, transaction costs that are directly attributable to its acquisition or issue. Transaction cost in relation to financial assets and liabilities at fair value through profit or loss are recognized in Statement of Profit or Loss.

Subsequent Measurement
A financial asset or financial liability is subsequently measured either at fair value or at amortized cost based on the classification of the financial asset or liability. Financial asset or liability classified as measured at amortized cost is subsequently measured at amortized cost using effective interest rate method.

The amortized cost of a financial asset or financial liability is the amount at which the financial asset or financial liability is measured at initial recognition minus principal repayments, plus or minus the cumulative amortization using the effective interest method of any difference between that initial amount and the maturity amount, and minus any reduction for impairment or uncollectibility.

Financial assets classified at fair value are subsequently measured fair value. The subsequent changes in fair value of financial assets at fair value through profit or loss are recognized in Statement of Profit or Loss whereas of financial assets at fair value through other comprehensive income are recognized in other comprehensive income.

De-recognition
Financial assets are derecognized when the right to receive cash flows from the assets have expired or where the Bank has transferred substantially all risks and rewards of ownership. If substantially all the risks and rewards have been neither retained nor transferred and the Bank has retained control, the assets continue to be recognized to the extent of the Bank's continuing involvement.

On de-recognition of a financial asset, the difference between the carrying amount of the asset (or the carrying amount allocated to the portion of the asset de-recognized) and the sum of the consideration received (including any new asset obtained less any new liability assumed) and any cumulative gain or loss that had been recognized in other comprehensive income is recognized in profit or loss, except for equity instruments elected FVOCI.

Financial liabilities are de-recognized when they are extinguished. A financial liability is extinguished when the obligation is discharged, cancelled or expired and this is evaluated both qualitatively and quantitatively.

Fair Value Measurement

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 recognizes 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.

The fair value hierarchy gives the highest priority to quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1 inputs) and the lowest priority to unobservable inputs (Level 3 inputs).

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date.

Level 2 inputs are inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly. If the asset or liability has a specified (contractual) term, a Level 2 input must be observable for substantially the full term of the asset or liability

Level 3 inputs are unobservable inputs for the asset or liability. Unobservable inputs shall be used to measure fair value to the extent that relevant observable inputs are not available, thereby allowing for situations in which there is little, if any, market activity for the asset or liability at the measurement date.

c. Impairment

At each reporting date, Bank assesses whether there is any objective evidence that a financial asset or group of financial assets not carried at fair value through profit or loss is impaired. A financial asset or group of financial assets is deemed to be impaired if and only if there is objective evidence of impairment as a result of one or more events, that have occurred after the initial recognition of the asset (an 'incurred 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.

Objective evidence of impairment may include: indications that the borrower or a group of borrowers is experiencing significant financial difficulty; the probability that they will enter bankruptcy or other financial reorganization; default or delinquency in interest or principal payments; and where observable data indicates that there is a measurable decrease in the estimated future cash flows, such as changes in arrears or economic conditions that correlate with defaults.

Impairment of Financial Assets carried at Amortized Cost

For financial assets carried at amortized cost, such as amounts due from banks, held to maturity investments etc., Bank first assesses individually whether objective evidence of impairment exists for financial assets that are individually significant or collectively for financial assets that are not individually significant. In the event Bank determines that no objective evidence of impairment exists for an individually assessed financial asset, financial assets in a group with similar credit risk characteristics are collectively assesses for impairment. However, assets that are individually assessed for impairment and for which an impairment loss is or continues to be recognized are not included in a collective assessment of impairment.

If there is an objective evidence that an impairment loss has been incurred, the amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the use of an allowance account and the amount of the loss is recognized in the income statement. Interest income continues to be accrued on the reduced carrying amount and is accrued using the rate of interest used to discount the future cash flows for the purpose of measuring the impairment loss.

If a loan has a variable interest rate, the discount rate for measuring any impairment loss is the current rate closely approximates effective interest rate. If the Bank has reclassified trading assets to loans and advances, the discount rate for measuring any impairment loss is the new closely approximates effective interest rate determined at the reclassification date. The calculation of the present value of the estimated future cash flows of collateralized financial assets reflects the cash flows that may result from foreclosure less costs for obtaining and selling the collateral, whether or not foreclosure is probable.

Impairment of investment in equity instrument classified as fair value through other comprehensive income

Objective evidence of impairment of investment in an equity instrument is a significant or prolonged decline in its fair value below its cost. Impairment losses are recognized by reclassifying the losses accumulated in the fair value reserve in equity to profit or loss. The cumulative loss that is reclassified from equity to profit or loss is the difference between the acquisition cost, net of any principal repayment and the current fair value, less any impairment loss recognized previously in profit or loss.

5.4 Trading Assets

Financial assets such as government securities, equity etc. held for short term with an intention to trade have been classified as trading assets. Trading assets are measured at fair value with any changes in fair value being recognized in Profit or Loss.

5.5 Derivative assets and derivative liabilities

Derivative financial instruments such as forward foreign exchange contracts are valued using a valuation technique with market observable inputs. The most frequently applied valuation technique is forward pricing model which incorporates various inputs including foreign exchange spot and forward premiums.

Forward contracts are the contracts to purchase or sell a specific quantity of a financial instrument, a commodity, or a foreign currency at a specified price determined at the outset, with delivery or settlement at a specified future date. Settlement is at maturity by actual delivery of the item specified in the contract, or by a net cash settlement.

5.6 Property and Equipment

Recognition

Property, plant and equipment are tangible items that are held for use in the production or supply of services, for rental to others or for administrative purposes and are expected to be used during more than one period. The Bank applies the requirements of the Nepal Accounting Standard - NAS 16 (Property, Plant and Equipment) in accounting for these assets. Property, plant and equipment are recognized if it is probable that future economic benefits associated with the asset will flow to the entity and the cost of the asset can be measured reliably measured.

Measurement

An item of property, plant and equipment that qualifies for recognition as an asset is initially measured at its cost. Cost includes expenditure that is directly attributable to the acquisition of the asset and cost incurred subsequently to add to, replace part of an item of property, plant & equipment. The cost of self-constructed assets includes the cost of materials and direct labor, any other costs directly attributable to bringing the asset to a working condition for its intended use and the costs of dismantling and removing the items and restoring the site on which they are located. Purchased software that is integral to the functionality of the related equipment is capitalized as part of computer equipment. When parts of an item of property or equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Cost Model
Property and equipment is stated at cost excluding the costs of day–to–day servicing, less accumulated depreciation and accumulated impairment in value. Such cost includes the cost of replacing part of the equipment when that cost is incurred, if the recognition criteria are met.

Depreciation
Depreciation is calculated by using the straight line method on cost or carrying value of property, plant & equipment other than freehold land.

The depreciable amount of an item of property, plant and equipment is allocated on systematic basis over its useful life, under written down value method of depreciation except for Leasehold properties and is depreciated as follows:

Asset Category	Estimated Useful Life of Asset (Years)
Buildings	40 Years
Vehicles	10 Years
Office Equipment	8 Years
Furniture & Fixtures (Metal & Wooden)	8 Years
Computer Hardware	8 Years
Battery	6 Years
Leasehold Properties	5 Years

Salvage Value is assumed to be 10% of the cost of the asset in case of asset depreciated on Diminishing Value Method.
Depreciation on newly acquired property and equipment are charged from the month of booking. Depreciation of property and equipment ceases when it is de-recognized at the time of its disposal.

5.7 Intangible Assets and Goodwill

Recognition
An intangible asset is an identifiable non-monetary asset without physical substance, held for use in the production or supply of goods or services, for rental to others or for administrative purposes. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the entity and the cost of the asset can be measured reliably. An intangible asset is initially measured at cost. Expenditure incurred on an intangible item that was initially recognized as an expense by the Bank in previous annual Financial Statements or interim Financial Statements are not recognized as part of the cost of an intangible asset at a later date.

Computer Software
Cost of purchased licenses and all computer software costs incurred, licensed for use by the Bank, which are not integrally related to associated hardware, which can be clearly identified, reliably measured, and it’s probable that they will lead to future economic benefits, are included in the Statement of Financial Position

under the category 'Intangible assets' and carried at cost less accumulated amortization and any accumulated impairment losses.

Subsequent Expenditure

Expenditure incurred on software is capitalized only when it is probable that this expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standard of performance and this expenditure can be measured and attributed to the asset reliably. All other expenditure is expensed as incurred.

Amortization of Intangible Assets

Intangible Assets, except for goodwill, are amortized on a straight–line basis in the Statement of Profit or Loss from the date when the asset is available for use, over the best of its useful economic life based on a pattern in which the asset's economic benefits are consumed by the bank. Amortization methods, useful lives, residual values are reviewed at each financial year end and adjusted if appropriate. The Bank assumes that there is no residual value for its intangible assets.

Asset Category	For the period ended 13 April 2026	For the year ended 16 July 2025
Computer Software	5 years	5 years

Goodwill Intangible Assets

Goodwill represents the residual of the cost of acquisition over the fair value of the identifiable net assets and contingents acquired. Goodwill represents those intangibles that are not identifiable. Goodwill is allocated to a cash-generating unit (CGU), which may be larger than the entity acquired, and is not amortized. It is assessed for impairment on an annual basis by comparing the present value of the expected cash flows generated by the CGU to the carrying value of the net assets of that CGU (including the goodwill). To the extent, impairment is identified, this is charged to the income statement at that time.

5.8 Investment Property

Investment property is property (land or a building or part of a building or both) held (by the owner or by the lessee under a finance lease) to earn rentals or for capital appreciation or both but not for sale in the ordinary course of business.

5.9 Income Tax

As per Nepal Accounting Standard- NAS 12 (Income Taxes) tax expense is the aggregate amount included in determination of profit or loss for the period in respect of current and deferred taxation. Income Tax expense is recognized in the condensed consolidated statement of Profit or Loss, except to the extent it relates to items recognized directly in equity or other comprehensive income in which case it is recognized in equity or in other comprehensive income. The Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to tax authorities.

5.10 Deposits, debt securities issued and subordinated liabilities

Deposits, debt securities issued and subordinated liabilities are the Bank's sources of funding. Deposits include non-interest bearing deposits, saving deposits, term deposits, call deposits and margin deposits. The estimated fair value of deposits with no stated maturity period is the amount repayable on demand. The fair value of fixed interest bearing deposits is considered as the interest receivable on these deposits plus carrying amount of these deposits. The fair value of debt securities issued is also considered as the carrying amount of these debt securities issued. Sub-ordinate liabilities are liabilities subordinated, at the event of winding up, to the claims of depositors, debt securities issued and other creditors.

5.11 Provisions

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

5.12 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to Bank and the revenue can be reliably measured. The following specific recognition criteria must also be met before revenue is recognized.

Interest Income

For all financial instruments measured at amortized cost, interest bearing financial assets classified as measured at fair value through OCI and financial instruments designated at fair value through profit or loss, interest income or expense is recorded using the EIR. EIR is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument or a shorter period, where appropriate, to the net carrying amount of the financial asset or financial liability. Loan Administration Fees that are integral part of EIR is treated immaterial and not considered while calculating the Effective Interest Rate (EIR).

The Bank has adopted the Expected Credit Loss (ECL) model under NFRS 9. Consequently, recognition of interest income is based on the Guidance Note on Interest Income Recognition (2025) issued by the NRB.

Fee and Commission Income

Fees earned for the provision of services over a period of time are accrued over the period, which include service fees and commission income.

Dividend Income

Dividend income is recognized when the right to receive payment is established.

Net Trading Income

Net trading income comprises gains less losses relating to trading assets and liabilities, and includes all realized interest, dividend and foreign exchange differences as wells as unrealized changes in fair value of trading assets and liabilities.

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

Interest expense
For all financial liabilities measured at amortized cost, interest expense is recognized using the EIR. EIR is the rate that exactly discounts estimated future cash payments through the expected life of the financial liabilities or a shorter period, where appropriate, to the net carrying amount of the financial liability.

Employee Benefits
Employee benefits include:

- Short-term employee benefits such as the following, if expected to be settled wholly before twelve months after the end of the annual reporting period in which the employees render the related services:
  - i. Wages, salaries and social security contributions;
  - ii. Paid annual leave and paid sick leave;
  - iii. Profit sharing and bonuses, and
  - iv. Non-monetary benefits (such as medical care, housing, cars and free or subsidized goods or services) for current employees;

Short term employee benefits are measured on an undiscounted basis and are expensed as the related service is provided. A liability is recognized for the amount expected to be paid under short term cash bonus or profit sharing plans if the Bank has present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

- Post-employment benefits, such as the following:
  - i. Retirement benefits (e.g.: pensions, lump sum payments on retirement); and
  - ii. Other post-employment benefits such as post-employment life insurance and post-employment medical care;
- Other long term employee benefits and
- Termination benefits

5.13 Foreign currency translation
All foreign currency transactions are translated into the functional currency, which is Nepalese Rupees, using the exchange rates prevailing at the dates when the transactions were affected.

5.14 Segment Reporting
An operating segment is a component of an entity:

- that engages in business activities from which it may earn revenues and incur expenses (including revenues and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to make decisions about resources to be allocated to the segment and assess its performance, and
- For which discrete financial information is available.

The bank has identified the key segments of business on the basis of nature of operations that assists the Executive Committee of the bank in decision making process and to allocate the resources. It will help the management to assess the performance of the business segments. The business segments identified are

Banking (including loan, deposit and trade operations), Payment solutions (Cards), Remittance, Treasury and Micro Banking. All operations between the segments are conducted on pre-determined transfer price. Treasury department acts as the fund manager of the Bank.

5.15 Cash Flow Statement

The cash flow statement has been prepared using 'The Direct Method', whereby gross cash receipts and gross cash payments of operating activities, finance activities and investing activities have been recognized.

5.16 Comparative Figures

The comparative figures and phrases have been rearranged wherever necessary to conform to the current year's presentation.

6. SEGEMENTAL INFORMATION

The Bank has identified the key segments of business based on nature of banking operations. It helps the management to assess the performance of the business segments. The business segments identified are Banking (including loans, deposits and trade operations), Cards, Remittance and Treasury.

A. Information about reportable segments

In 000

Particulars	Banking		Treasury		Card		Remittance		Total	
	Current Qtr.	Corresponding Previous Yr Qtr	Current Qtr	Corresponding Previous Yr Qtr	Current Qtr	Corresponding Previous Yr Qtr	Current Qtr	Corresponding Previous Yr Qtr	Current Qtr	Corresponding Previous Yr Qtr
Revenues from external customers	19,977,321	22,189,393	4,391,373	3,535,482	914,318	827,877	130,968	105,300	25,413,981	26,658,052
Intersegment Revenues	-	-	-	-	-	-	-	-	-	-
Segment Profit / (Loss) Before tax	2,826,849	-2,061,484	2,908,992	2,174,332	628,383	575,907	91,532	64,652	6,455,755	753,408
Segment Assets	333,594,015	323,797,045	140,478,488	103,167,015	181,641	217,110	52,689	64,180	474,306,834	427,245,350
Segment Liabilities	421,300,803	391,628,972	11,418,560	350,040	12,591	10,997	83	-920	432,732,038	391,989,090

B. Reconciliation of reportable segment profit or loss

Particulars	Current Qtr	Corresponding Previous Yr Qtr
Profit before tax for reportable segments	7,156,808,354	1,494,188,053
Elimination of inter-segment profit	-	-
Elimination of discontinued operation	-	-
Unallocated Amounts:	-	-
- Other Corporate Expenses	(701,052,992)	(740,780,003)
Profit before tax	6,455,755,362	753,408,050

7. **Concentration of Borrowings and Deposits**

A. Concentration of Borrowings

Particulars	**Current Year**	**Previous Year**
Borrowing from 10 largest Lenders	14,940,000,000	24,733,700,000
Percentage of borrowings from ten largest lenders to total depositors	3.82%	6.52%

B. Concentration of Credit exposures

Particulars	Current Year	Previous Year
Total exposures to twenty largest borrowers		
a. As per group (related party)	53,800,462,027	39,174,671,242
b. As per individual customer	2,907,029,985	2,224,511,302
Percentage of exposures to twenty largest borrowers to Total Loans and Advances		
a. As per group (related party)	17.62%	13%
b. As per individual customer	0.95%	0.76%

C. Concentration of Deposits

Particulars	Current Year	Previous Year
Total deposits from twenty largest depositors		
a. Group-wise	94,825,967,343	97,564,493,105
b. As per individual customer	2,728,816,336	2,698,590,461
Percentage of deposits from twenty largest depositors to Total Deposits		
a. Group-wise	24.27%	25.70%
b. As per individual customer	0.70%	0.71%

8. **RELATED PARTY DISCLOSURES**

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial or operational decisions and include major shareholders, subsidiary companies, associates, retirement funds, directors and key management personnel and their close family members.

Banking transactions with the related parties are executed substantially on the same terms, including mark-up rates and collateral, as those prevailing at the time for comparable transactions with unrelated parties and do not involve more than a normal risk.

a) Subsidiary

Transactions between the Bank and its subsidiary, Kumari Capital Limited and K. B.L. Securities Ltd, meet the definition of related party.

Transactions during the year (Kumari Capital Limited)	FY 2082-83 (Rs)	FY 2081-82 (Rs)
Equity Investment by Kumari Bank Limited on Kumari Capital Ltd.	-	-
Deposits held by Kumari Capital Limited at Kumari Bank Ltd.	67,374,550	63,604,784
Interest Expenses incurred by Kumari Bank Limited, which formed part of income of Kumari Capital Limited	529,490	1,252,574
Expenses of Kumari Capital Limited paid by Kumari Bank Ltd, reimbursable	-	-
RTS Fee income of Kumari Capital Limited for the service rendered to Kumari Bank Limited	1,500,000	1,500,000
Share/Debenture Credit Charge received from KBL	-	-
ASBA Fee received from KBL	-	-
Auction Management Fee received from KBL	-	-
Amount transferred in relation to Dividend Payable of Kumari Bank Limited for subsequent payment to shareholders	68,000,000	60,000,000

Transactions during the year (KBL Securities Limited)	FY 2082-83 (Rs)	FY 2081-82 (Rs)
Equity Investment by Kumari Bank Limited on K.B.L Securities Ltd.	-	-
Deposits held by K.B.L Securities Ltd at Kumari Bank Ltd.	12,412,042	12,608,196
Expenses of K.B.L. Securities Limited paid by Kumari Bank Ltd, reimbursable	-	1,700,000
Interest Expenses incurred by Kumari Bank Limited, which formed part of income of K.B.L Securities Limited	4,754.67	109,564
Amount transferred in relation to Dividend Payable of Kumari Bank Limited for subsequent payment to shareholders	40,000,000	5,000,000

b) Associates

Associates are an entity over which the investor has significant influence. Where an entity holds 20% or more of the voting power (directly or through subsidiaries) on an investee, it will be presumed the investor has significant influence unless it can be clearly demonstrated that this is not the case. If the holding is less than 20%, the entity will be presumed not to have significant influence unless such influence can be clearly demonstrated. The existence of significant influence by an entity is usually evidenced in one or more of the following ways:

- representation on the board of directors or equivalent governing body of the investee;
- participation in the policy-making process, including participation in decisions about dividends or other distributions;
- material transactions between the entity and the investee;
- interchange of managerial personnel; or
- provision of essential technical information

Transactions between the Bank and its associates also meet the definition of related parties. The Bank exercise significant influence in the financial and operating policy decisions of any of its investees as at and Chaitra 30, 2082 as the bank has representation on the board of directors in case of following investees:

S.N	Associate	Representative From KBL
1	National Microfinance Laghubitta Bittiya Sanstha Limited	Mr. Kshitij Khadka
2	First Microfinance Laghubitta Bittiya Sanstha Limited.	Mr. Chandan Karki

Particulars	Chaitra End 2082-83 (Rs.)	Ashad End 2081-82 (Rs.)
National Microfinance Bittiya Sanstha Limited		
Investment in shares-Promoter	20,000,000	20,000,000
First Microfinance Laghu Bittiya Sanstha Limited		
Investment in shares-Promoter	20,414,200	20,414,200
Investment in shares-Ordinary	2,580,396	2,580,396
Mero Micro Finance Bittiya Sanstha Ltd		
Investment in shares- Promoter	-	37,023,000
Aviyan Laghubitta Bittiya Sanstha Ltd		
Investment in shares- Promoter	-	25,000,000
Avasar Equity and Diversified Fund		
Investment in shares- Promoter	-	880,000,000
Total Investment in Associates	**42,994,596**	**985,017,596**

c) Directors and other Key Managerial Personnel (KMP)

Key Management Personnel and their immediate family members are also considered to be related parties for disclosure purpose as per NAS-24 "Related Party Disclosures".

As per Nepal Financial Reporting Standard (NAS 24) "Related Party Disclosures", Key Management Personnel are those having authority and responsibility for planning, directing and controlling the activities of the entity. The Bank considers the members of its Board, Chief Executive Officer and all managerial level executives as Key Management Personnel (KMP) of the Bank.

Following is a list of Board of Directors and CEO bearing office at Chaitra 30, 2082.

Mr. Amir Pratap J. B. Rana	Chairman
Mr. Pashupati Murarka	Director

Mr. Mahesh Prasad Pokharel	Director
Mr. Bijay Kumar Shrestha	Director
Mr. Rajaram Khadka	Director
Mr. Bijay Sthapit	Director
Ms. Simran Agrawal	Director
Mr. Ram Chandra Khanal	Chief Executive Officer

Compensation to the members of the Board

All members of the Board are non-executive directors and no executive compensation is paid to the directors. Specific non-executive allowances paid to directors are as under:

Board Meeting fees	Rs. 2,833,000
Other benefits	Rs. 751,574

The Annual General Meeting of the Bank approves these allowances and benefits.

Compensation to Chief Executive Officer and Senior Management of the Bank

Amount in NPR

Description	Chief Executive Officer	Senior Management
Salary	13,096,080	14,631,750
Allowance (Including Dasain Allowance)	1,393,200	7,102,466
Annual Leave Allowance	-	1,346,441
Vehicle Facility Allowance	-	6,644,530
Total	**14,489,280**	**29,725,187**

Staff of AGM level and above represent Senior Management Personnel

- Benefits and perquisites for Senior Management are governed by the Bank's Employee Service Regulations and Human Resource Policy. This includes provisions for vehicle-related benefits where applicable.

- Employees receive a bonus as mandated by the Bonus Act, 2030. Provident Fund contributions are made in accordance with the Labor Act, 2074. Life Insurance, Medical Insurance, and Accident Insurance coverage is provided to employees as stipulated in the Bank's Employee Service Regulations.

- All salaries, allowances, and benefits disbursed are subject to applicable tax deductions as per prevailing legislation.

9. Construction of Corporate Building

Fixed assets under construction relate to the development of the Bank's new corporate building. Costs previously incurred included soil testing at the Naxal site. As of the balance sheet date, the carrying amount of Capital WIP is NPR 550,838,315. As these assets are not yet ready for their intended use, they continue to be classified as Capital Work in Progress.

Movement during the year

The carrying amount of Capital Work-in-Progress is as follows:

Amount in NPR

Description	Amount
Opening Balance as of Shrawan 1, 2082	**550,838,315**
Add: Additions during the year	-
Less: Amounts transferred to Property, Plant and Equipment	-
Closing Balance as of 30th Chaitra 2082	**550,838,315**

As of the reporting date, the carrying amount of NPR 550,838,315 relates solely to the development of the new corporate building. This includes initial costs such as soil testing conducted at the project site in Naxal.

No depreciation is charged on Capital Work-in-Progress, as stipulated by NAS 16, since the asset is not yet available for use. The project is ongoing, and further costs are expected to be incurred in subsequent periods until its completion.

10. Issues, repurchase, and repayments of debt and equity securities

There is no repurchase and repayments of debt and equity securities during the interim period as on Chaitra end 2082.

11. Events after interim period

There is no material event after the Interim Financial Statement date affecting financial status of the Group as well as of Bank as on Chaitra end 2082.