Interim Financial Statement

(Unaudited)

Quarter ending Chaitra 2082

सप्तकोशी डेभलपमेन्ट बैंक लिमिटेड
SAPTAKOSHI DEVELOPMENT BANK LIMITED
"हाम्रो समुदाय हाम्रो बैंक"

Saptakoshi Development Bank Limited
Condensed Statement of Financial Position
As on Quarter ended Chaitra 30, 2082

	Bank	
Assets	**This Quarter Ending**	**Immediate Previous Year Ending**
Cash and cash equivalent	2,004,004,275.38	1,398,169,024
Due from Nepal Rastra Bank	444,554,831	351,736,891
Placement with Bank and Financial Institutions	-	-
Derivative financial instruments	-	-
Other trading assets	-	-
Loan and advances to B/FIs	327,001,240	441,178,957
Loans and advances to customers	5,369,156,467	5,041,805,354
Investment securities	613,681,499	624,704,311
Current tax assets	21,249,089	(9,476,956)
Investment in subsidiaries	-	-
Investment in associates	-	-
Investment property	258,424,398	179,630,590
Property and equipment	122,464,925.17	139,874,095
Goodwill and intangible assets	1,629,421	1,712,566
Deferred tax assets	147,423,417	95,425,810
Other assets	188,417,268	194,019,918
Total Assets	**9,498,006,830**	**8,458,780,560**
Liabilities		
Due to bank and financial institutions	128,285,223	231,678,403
Due to Nepal Rastra Bank	-	-
Derivative financial instruments	-	-
Deposits from customers	8,387,618,051	7,357,138,905
Borrowing	-	-
Current tax liabilities	-	-
Provisions	-	-
Deferred tax liabilities	-	-
Other liabilities	373,834,441	331,119,177
Debt securities issued	-	-
Subordinated Liabilities	-	-
Total liabilities	**8,889,737,715**	**7,919,936,485**
Equity		
Share capital	834,338,432	834,338,432
Share premium	-	-
Retained earnings	(634,518,352)	(621,088,393)
Reserves	408,449,035	325,594,037
Total equity attributable to equity holders	**608,269,115**	**538,844,075**
Non-controlling interest	-	-
Total equity	**608,269,115**	**538,844,075**
Total liabilities and equity	**9,498,006,830**	**8,458,780,560**

Saptakoshi Development Bank Limited
Condensed Statement of Profit or Loss
For the Quarter ended Chaitra 30, 2082

Particulars	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Interest income	125,425,080	388,336,171	145,320,521	445,939,779
Interest expense	79,731,655	234,690,949	80,857,044	271,846,249
Net interest income	**45,693,425**	**153,645,221**	**64,463,477**	**174,093,530**
Fee and commission income	10,397,876	29,379,898	7,200,864	27,984,876
Fee and commission expense	-	-	-	-
Net fee and commission income	**10,397,876**	**29,379,898**	**7,200,864**	**27,984,876**
Net interest, fee and commission income	**56,091,301**	**183,025,119**	**71,664,340**	**202,078,405**
Net trading income	-	-	-	-
Other operating income	260,005	1,338,134	346,987	1,465,479
Total operating income	**56,351,306**	**184,363,253**	**72,011,327**	**203,543,884**
Impairment charge/(reversal) for loans and other losses	(42,713,374)	(82,861,841)	24,903,235	89,224,949
Net operating income	**99,064,680**	**267,225,094**	**47,108,092**	**114,318,936**
Operating expense				
Personnel expenses	31,103,075	90,838,856	25,108,696	78,573,135
Other operating expenses	19,144,836	83,323,879	16,667,870	53,776,622
Depreciation and amortization	2,982,981	8,958,359	3,225,633	9,781,081
Operating Profit	**45,833,788**	**84,103,999**	**2,105,893**	**(27,811,902)**
Non operating income	173,000	217,101	14,062	14,062
Non operating expense	-	-	-	-
Profit before income tax	**46,006,788**	**84,321,100**	**2,119,954**	**(27,797,840)**
Income tax expense				
Current Tax	25,296,330	25,296,330	-	-
Deferred Tax	-	-	-	-
Profit for the period	**20,710,458**	**59,024,770**	**2,119,954**	**(27,797,840)**

Statement of Comprehensive Income

Particulars	Bank			
	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Profit or Loss for the period	20,710,458	59,024,770	2,119,954	(27,797,840)
Other comprehensive income				
(a) Items that will not be reclassified to profit or loss				
-Gains/ (losses) from investment in equity instruments measured at fair value	(1,679,496)	(1,679,496)	2,935,629	2,935,629
-Gains/ (losses) on revaluation	-	-	-	-
-Actuarial gain/ loss on defined benefit plans	-	-	-	-
-Income tax relating to above items	503,849	503,849	(880,689)	(880,689)
Net other comprehensive income that will not be reclassified to profit or loss	(1,175,647)	(1,175,647)	2,054,940	2,054,940
(b) Items that are or may be reclassified to profit or loss				
-Gains/ (losses) on cash flow hedge	-	-	-	-
-Exchange gains/ (losses) arising from translating financial assets of foreign operation	-	-	-	-
-Income tax relating to above items	-	-	-	-
Net other comprehensive income that are or may be reclassified to profit or loss	-	-	-	-
Other comprehensive income for the period, net of income tax	**(1,175,647)**	**(1,175,647)**	**2,054,940**	**2,054,940**
Total comprehensive income for the period	**19,534,810**	**57,849,123**	**4,174,895**	**(25,742,900)**
Profit attributable to:				
Equity holders of the Bank	19,534,810	57,849,123	4,174,895	(25,742,900)
Non-controlling interest	-	-	-	-
Total	**19,534,810**	**57,849,123**	**4,174,895**	**(25,742,900)**
Earnings per share				
Basic earnings per share		7.07		(3.33)
Annualized basic earnings per share		9.43		(4.44)
Diluted earnings per share		9.43		(4.44)

Ratios as per NRB Directive

Particulars	Current Year		Previous Year Corresponding	
	This Quarter	Up to This Quarter (YTD)	This Quarter	Up to This Quarter (YTD)
Capital fund to RWA		8.83%		10.08%
Tier 1 Capital to RWA		4.71%		8.50%
Return on Equity (Annualised)		12.94%		-5.74%
Return on Assets (Annualised)		0.83%		-0.45%
Non-performing loan (NPL) to total loan		7.60%		12.91%
Net Non-performing loan to Total loan (Net NPL)		1.92%		5.49%
Total loan loss provision to total NPL		113.10%		68.71%
Cost of funds	4.04%		4.51%	
Credit to deposit ratio	71.87%		83.78%	
Base rate	6.31%		7.03%	
Interest rate spread	3.99%		4.17%	

Notes:

1. Above unaudited Financial Statements are prepared in accordance with the Nepal Financial Reporting Standards (NFRS) and certain carve -outs as issued by ICAN.
2. These figures may vary with the audited figures at the instance of statutory auditor and regulatory authorities.
3. Loans and advances are presented net of impairment charges.
4. Figures have been regrouped and rearranged wherever necessary.
5. NFRS adjustments which are subject to regulatory adjustments as per NRB directives have been shown as regulatory adjustments.

Saptakoshi Development Bank Limited
Condensed Statement of Cash Flows
for the period Shrawan 01, 2082 to Chaitra 30, 2082

Particulars	Bank	
	Upto This Quarter	**Corresponding Previous Year Up to this Quarter**
CASH FLOWS FROM OPERATING ACTIVITIES		
Interest received	395,075,017	614,609,522
Fees and other income received	29,379,898	30,271,697
Dividend received	-	-
Receipts from other operating activities	683,193	(287,471)
Interest paid	(222,978,501)	(414,777,097)
Commission and fees paid	-	-
Cash payment to employees	(81,469,845)	(104,486,403)
Other expenses paid	(58,164,081)	(63,992,539)
Operating cash flows before changes in operating assets and liabilities	**62,525,681**	**61,337,709**
(Increase)/ Decrease in operating assets	**(355,057,106)**	**(822,935,123)**
Due from Nepal Rastra Bank	(92,817,940)	(97,059,783)
Placement with bank and financial institutions	-	-
Other trading assets	-	-
Loan and advances to bank and financial institutions	114,177,717	(207,120,774)
Loans and advances to customers	(244,489,272)	(396,590,620)
Other assets	(131,927,611)	(122,163,945)
Increase/ (Decrease) in operating liabilities	**935,639,738**	**1,854,448,163**
Due to bank and financial institutions	(103,393,180)	(70,388,178)
Due to Nepal Rastra Bank	-	-
Deposit from customers	1,030,479,147	1,941,013,836
Borrowing	-	-
Other liabilities	8,553,772	(16,177,495)
Net Cash flow from operating activities before tax paid	**643,108,313**	**1,092,850,750**
Income taxes paid	(56,022,375)	(221,693)
Net cash flow from operating activities	**587,085,938**	**1,092,629,056**
CASH FLOWS FROM INVESTING ACTIVITIES		
Purchase of investment securities	9,343,316	(796,478,239)
Receipts from sale of investment securities	-	-
Purchase of property and equipment	8,816,456	(6,663,735)
Receipt from the sale of property and equipment	-	-
Purchase of intangible assets	(282,500)	(185,524)
Receipt from the sale of intangible assets	-	-
Purchase of investment properties	-	-
Receipt from the sale of investment properties	-	-
Interest received	-	-
Dividend received	872,041	715,546
Others (Merger)	-	-
Net cash used in investing activities	**18,749,313**	**(802,611,952)**
CASH FLOWS FROM FINANCING ACTIVITIES		
Receipt from issue of debt securities	-	-
Repayment of debt securities	-	-
Receipt from issue of subordinated liabilities	-	-
Repayment of subordinated liabilities	-	-
Receipt from issue of shares	-	-
Dividends paid	-	-
Interest paid	-	-
Other receipt/payment	-	-
Net cash from financing activities	**-**	**-**
Net increase/ (decrease) in cash and cash equivalents	**605,835,251**	**290,017,104**
Cash and cash equivalents as on Shrawan 01, 2081	1,398,169,024	1,000,719,418
Effect of exchange rate fluctuations on cash and cash equivalents held	-	-
Cash and cash equivalents as at Chaitra 30, 2082	**2,004,004,275**	**1,290,736,523**

Saptakoshi Development Bank Limited

Statement of Distributable Profit or Loss

For the period ended Chaitra 30, 2082

Particulars	Bank	
	Current Period (Upto this qtr YTD)	**Previous Period (Upto this qtr YTD)**
Net profit for the period ended Chaitra 30, 2082	**59,024,770**	**(27,797,840)**
Appropriations		
a. General reserve	(11,804,954)	-
b. Capital redemption reserve	-	-
c. Exchange fluctuation fund	-	-
d. Corporate social responsibility fund	(590,248)	-
e. Employees' training fund	-	-
f. Other	-	-
Profit or loss before regulatory adjustment	**46,629,568**	**(27,797,840)**
Regulatory Adjustment		
a. Interest receivable (-)/previous accrued interest received (+)	3,353,924	(7,856,581)
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 (+)	(39,215,678)	(46,615,322)
e. Deferred tax assets recognised (-)/ reversal (+)	-	-
f. Goodwill recognised (-)/ impairment of Goodwill (+)	-	-
g. Bargain purchase gain recognised (-)/resersal (+)	-	-
h. Actuarial loss recognised (-)/reversal (+)	-	-
i. Other (+/-)	-	-
- Gains/(losses) from investments in equity instruments	-	-
Net Profit for the Year Available for Distribution	**10,767,813**	**(82,269,744)**
Opening Balance of Retained Earning	**(645,286,166)**	**(423,231,845)**
Adjustment: (+/ -)	**0**	
Distribution:		
Bonus Shares Issued	**-**	**-**
Cash Dividend Paid	**-**	**-**
Distributable Profit or (Loss)	**(634,518,351)**	**(505,501,588)**
Annualized Distributable Profit/Loss Per Share	-	-

Saptakoshi Development Bank Limited
Condensed Statement of Changes in Equity
for the period Shrawan 01, 2082 to Chaitra 30, 2082

	Bank									
	Attributable to equity holders of the Bank									
Particulars	**Share capital**	**Share premium**	**General reserve**	**Exchange equalization reserve**	**Regulatory reserve**	**Fair value reserve**	**Revaluation reserve**	**Retained earning**	**Other reserve**	**Total**
Balance at Shrawan 01, 2081	**834,338,432**	**-**	**64,645,027**	**-**	**235,430,109**	**4,091,888**	**-**	**(662,992,395)**	**(890,925)**	**474,622,136**
Profit for the period	-	-	-	-	-	-	-	**17,706,229**	-	**22,520,437**
Other comprehensive income	-	-	-	-	-	(3,981,182)	-	-	-	**282,569**
Other comprehensive income	-	-	15,955,808	-	42,761,244	-	-	-	-	-
Transfer to reserve during the year	-	-	-	-	-	-	-		-	**43,737,695**
Transfer from reserve during the year	-	-	-	-	-	-	-	-	3,355,759	**(43,874,227)**
Contributions from and distributions to owners	-	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-
Others	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions	**-**	**-**	**15,955,808**	**-**	**42,761,244**	**(3,981,182)**	**-**	**17,706,229**	**3,355,759**	**22,666,474**
Balance at Ashad 31, 2082	**834,338,432**	**-**	**80,600,835**	**-**	**278,191,353**	**110,706**	**-**	**(645,286,166)**	**2,464,834**	**497,288,610**
Balance at Shrawan 01, 2082	**834,338,432**	**-**	**80,600,835**	**-**	**278,191,353**	**110,706**	**-**	**(645,286,166)**	**2,464,834**	**550,419,994**
Profit for the period	-	-	-	-	-	-	-	**59,024,770**	-	**59,024,770**
Other comprehensive income	-	-	-	-	-	(1,175,647)	-	-	-	**(1,175,647)**
Total comprehensive income	-	-	-	-	-	-	-	-	-	-
Transfer to reserve during the year	-	-	11,804,954	-	35,861,755	-	-	-	590,248	**48,256,956**
Transfer from reserve during the year	-	-	-	-	-	-	-	(48,256,956)	-	**(48,256,956)**
Contributions from and distributions to owners	-	-	-	-	-	-	-	-	-	-
Share issued	-	-	-	-	-	-	-	-	-	-
Share based payments	-	-	-	-	-	-	-	-	-	-
Dividends to equity holders	-	-	-	-	-	-	-	-	-	-
Bonus shares issued	-	-	-	-	-	-	-	-	-	-
Cash dividend paid	-	-	-	-	-	-	-	-	-	-
Other	-	-	-	-	-	-	-	-	-	-
Total contributions by and distributions	**-**	**-**	**11,804,954**	**-**	**35,861,755**	**(1,175,647)**	**-**	**10,767,814**	**590,248**	**57,849,123**
Balance at Chaitra 30, 2082	**834,338,432**	**-**	**92,405,789**	**-**	**314,053,108**	**(1,064,941)**	**-**	**(634,518,352)**	**3,055,082**	**608,269,115**

सप्तकोशी डेभलपमेन्ट बैंक लिमिटेड
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आ.व.२०८२/८३ को तेस्रो त्रैमासिक प्रतिवेदन

(धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को उपनियम १ सँग सम्बन्धित)

१. वित्तीय विवरण :

क) यस बैंकको तेस्रो त्रैमासिक अवधिको वासलात, नाफा नोक्सान सम्बन्धी अपरिष्कृत विवरण यसै साथ प्रकाशित गरिएको छ ।

ख) प्रमुख वित्तीय अनुपातहरू :

प्रति शेयर आम्दानी (वार्षिक)	रू.९।४३	प्रति शेयर कुल सम्पत्तिको मूल्य	रू.१,१३८.३९
प्रति शेयर नेटवर्थ	रू.७२.९०	तरलता अनुपात	३३.६१ प्रतिशत
मूल्य आम्दानी अनुपात	९०।९६	पूँजीकोष अनुपात	८.८३ प्रतिशत

२. व्यवस्थापकीय विश्लेषण :

क) बैंकको तरलताको अवस्था संतोषजनक अवस्थामा रहेको छ । यस त्रैमासिक अवधिमा बैंक नाफामा रहेको छ ।

ख) विश्वभर फैलिएको कोरोना भाइरस (कोभिड पछिको आर्थिक कारोबारमा प्रभाव) र युक्रेन रसियाबीचको युद्ध तथा हालै शुरु भएको अमेरिका र इरान बीचको युद्ध कारणले विश्वको अर्थतन्त्रलाई ठूलो असर गरेको सन्दर्भमा हाम्रो देशको आर्थिक गतिविधिलाई पनि असर गरेको र सोको कारणले गर्दा हालसम्म पनि कतिपय व्यवसायहरु पुनरउत्थान हुन नसकी बन्द भएका, विगतको स्तरमा व्यवसाय पुग्न नसकेको आदि देखिन्छ । साथ साथै विगत लामो समयदेखिको बजार तरलता अभाव, घरजग्गाको कारोवारमा आएको मन्दी, विश्व परिवेशका कारण भएको मुल्य बृद्धि, मुद्राको अवमुल्यन, उपभोक्ता मागमा आएको कमीका कारण उद्योगको उत्पादनमा आएको कमी, रोजगारीको अवशरमा आएको कमी आदि कारणहरुले ग्राहकहरुको आम्दानी/कर्जा तिर्न सक्ने क्षमतामा ह्रास आएका कारण बैंकको कर्जा असुलीमा असर गरेको भएता पनि यस त्रैमासमा खराब कर्जाको अंशमा केही कमी आएको छ । तथापी यो नियमाकीय सिमा भित्र आइनसकेको अवस्था रहेको छ ।

ग) विगतको अनुभवबाट यस बैंकको बैंक मौज्दात, नाफा वा नगद प्रवाहमा तात्विक असर पार्न सक्ने घटना, अवस्था आदि यस त्रैमासिक अवधिमा भएको छैन ।

३. कानूनी कार्यवाही सम्बन्धी विवरण :

क) यस त्रैमासिक अवधिमा संगठित संस्थाले वा संस्थाको विरूद्धमा कुनै मुद्दा दायर भएको जानकारीमा छैन ।

ख) यस त्रैमासिक अवधिमा बैंकको संस्थापक वा सञ्चालकले वा संस्थापक वा सञ्चालकका विरूद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर गरेको वा भएको सम्बन्धमा कुनै जानकारी प्राप्त भएको छैन ।

ग) यस त्रैमासिक अवधिमा बैंकको संस्थापक वा सञ्चालक विरूद्ध आर्थिक अपराध गरेको सम्बन्धमा कुनै मुद्दा दायर भएको सम्बन्धमा कुनै जानकारी प्राप्त भएको छैन ।

४.संस्थाको शेयर कारोवार सम्बन्धी विवरण :

क) शेयरको मूल्य तथा कारोवार धितोपत्र बजारको नीति नियम बमोजिम खुल्ला बजारले निर्धारण गर्ने हुँदा यस बैंकको व्यवस्थापन शेयरको मूल्य तथा कारोवार प्रति तटस्थ छ र प्रचलित कानून बमोजिम उपलब्ध गराउनु पर्ने सूचना बैंकले उपलब्ध गराएको छ ।

ख) यस त्रैमासिक अवधिमा बैंकको शेयरको अधिकतम, न्यूनतम, अन्तिम मूल्य, कारोवार भएको कुल दिन तथा कारोवार संख्याको विवरण देहाय बमोजिम रहेको छ ।

अधिकतम मूल्य	रू.१,०४८.३०	कुल कारोवार भएको दिन	५३
न्यूनतम मूल्य	रू.८०९.००	कुल कारोवार शेयर संख्या कित्ता	४१,२२,४९२
अन्तिम मूल्य	रू.८५८.००	कुल कारोवार संख्या	२८,५५६

(नेपाल स्टक एक्सचेन्जको वेवसाईट www.nepalstock.com बमोजिम)

५. समस्या तथा चुनौती :

आन्तरिक

कर्मचारी तथा सञ्चालन खर्चमा भएको वृद्धि, दक्ष कर्मचारीको निरन्तरता, कर्मचारी दक्षता अभिवृद्धि साथै कर्जाको वक्यौता असुलीमा समस्या आदि रहेका छन् ।

बाह्य

विश्वभर फैलिएको कोभिडको हालसम्म रहेको प्रभाव, देशको आर्थिक गतिविधिको अवस्था, लामो समयदेखिको बजार तरलतामा अभाव, बैंकिङ्ग क्षेत्रमा बढ्दो प्रतिस्पर्धा, उत्पादनशील क्षेत्रमा कम लगानी हुनु, रुस र युक्रेन बिचको युद्धका कारण हुन गएको विश्वव्यापी मुद्रास्फीती साथै नेपाली मुद्राको अवमुल्यन, उत्पादनको मागमा आएको कमी, उद्योगको उत्पादनमा आएको कमी, रोजगारीको अवसरमा आएको कमी आदि कारणले कर्जाको असुलीमा पर्न सक्ने थप प्रभाव आदि समस्याका रुपमा रहेका छन् ।

रणनीति

आवश्यकता र औचित्यका आधारमा खर्च गर्ने, कर्मचारीको दिगोपनकालागि समयानुकूल धान्न सक्ने गरी सुविधा उपलब्ध गराउने, कर्मचारीलाई आधुनिक बैंकिङ्ग प्रणाली एवं प्रविधि सँग अभ्यस्त गराउने, आन्तरिक नियन्त्रण प्रणालीलाई सुदृढ पार्ने, आधुनिक बैंकिङ्ग प्रविधिको सुरक्षित तथा अधिकतम प्रयोग गर्ने, कर्जाको सांवा तथा व्याज बक्यौता असुली गरि निस्कृय कर्जाको स्तरलाई ५ प्रतिशत भन्दा न्यून कायम गर्ने तथा बाह्य चुनौतीका कारण उत्पन्न हुन सक्ने जोखिमको पूर्वानुमान गरी समाधानकालागि आवश्यक रणनीति तयार गरी कार्यान्वयन गर्दै जाने रणनीति बैंकले अंगिकार गरेको छ ।

६. संस्थागत सुशासन :

यस बैंकबाट नेपाल राष्ट्र बैंकबाट जारी गरिएका संस्थागत सुशासन सम्बन्धी व्यवस्थाको प्रभावकारी पालना भएको छ । साथै आफ्ना शेयरधनी, निक्षेपकर्ता, कर्जा ग्राहक तथा सरोकारवालाको हित संरक्षण गर्नका लागि बैंक सदैव प्रतिवद्ध रहेको छ ।

७. सत्य, तथ्यता सम्बन्धमा कार्यकारी प्रमुखको उद्घोषण :

आजका मितिसम्म यस प्रतिवेदनमा उल्लेखित जानकारी तथा विवरणहरूको शुद्धता सम्बन्धमा म व्यक्तिगत रूपमा उत्तरदायित्व लिन्छु । साथै म यो उद्घोष गर्दछु की मैले जानेबुझेसम्म यस प्रतिवेदनमा उल्लेखित विवरणहरू सत्य, तथ्य र पूर्ण छन् र लगानीकर्ताहरूलाई सु-सूचित गर्ने तथा निर्णय लिन आवश्यक कुनै विवरण, सूचना तथा जानकारीहरू लुकाइएको छैन ।