प्रभु बैंक लिमिटेड, बबरमहल, काठमाडौंको एक्काईसौं बार्षिकसाधारण सभा सम्बन्धी सूचना

आदरणीय शेयरधनी महानुभावहरु,

मिति २०७९ साल मंसिर २१ गते बसेको सञ्चालक समितिको दुई सय एकहत्तरौं बैठकको निर्णय बमोजिम यस **प्रभु बैंक लिमिटेड**को एक्काइसौं वार्षिक साधारण सभा देहायको मिति, स्थान र समयमा निम्नलिखित बिषयहरु उपर छलफल तथा निर्णय गर्न बस्ने भएकोले शेयरधनी महानुभावहरुको उपस्थितिको लागि अनुरोध छ ।

सभा हुने मिति, स्थान र समय :

मिति : २०७९ साल पौष १४ गते बिहीवार (तदनुसार सन् २०२२ डिसेम्बर २९ तारेख)

स्थान : बैंकको केन्द्रीय कार्यालय, बबरमहल, काठमाडौं ।

समय : बिहानको ९:०० बजे ।

छलफलका प्रस्तावहरु :

(क) सामान्य प्रस्ताव :

१. आ.व.२०७८/०७९ को सञ्चालक समितिको प्रतिवेदन उपर छलफल गरी पारित गर्ने ।

२. लेखापरीक्षकको प्रतिवेदन सहित आ.व.२०७८/०७९ को वासलात, नाफा-नोक्सान हिसाब र सोही अवधिको नगद प्रवाह विवरण लगायतका वित्तीय विवरण उपर छलफल गरी पारित गर्ने ।

३. यस बैंकको सहायक कम्पनी प्रभु क्यापिटल लिमिटेडको आ.व.२०७८/०७९ को वित्तीय विवरण सहितको एकीकृत (Consolidated) वित्तीय विवरण उपर छलफल गरी पारित गर्ने ।

४. बैंक तथा वित्तीय संस्था सम्बन्धी ऐन, २०७३ को दफा ६३ तथा कम्पनी ऐन, २०६३ को दफा १११ बमोजिम आ.व.२०७९/०८० का लागि लेखापरीक्षण समितिको सिफारिश बमोजिम लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक निर्धारण गर्ने प्रस्ताव उपर छलफल गरी पारित गर्ने ।

५. सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व.२०७८/०७९ को मुनाफासमेतबाट सोही अवधिमा कायम चुक्ता पूँजी रु.१२,७०,८७,०४,१७५/- को १.५० प्रतिशतले हुने रकम रु.१९,०६,३०,५६२/६३ (रु.उन्नाईस करोड छ लाख तीस हजार पाँच सय बासट्ठी पैसा त्रिसट्ठी मात्र) नगद लाभांश (बोनस शेयर र नगद लाभांशमा लाग्ने कर समेतका लागि) वितरण गर्ने प्रस्ताव उपर छलफल गरी पारित गर्ने ।

(ख) विशेष प्रस्ताव :

१. बैंकको अधिकृत पूँजी रु.१२,७०,८७,०४,१७५/- लाई बृद्धि गरी रु.२४,००,००,००,०००/- (रु.चौबीस अर्ब) कायम गर्ने ।

२. सञ्चालक समितिले प्रस्ताव गरे बमोजिम आ.व.२०७८/०७९ को मुनाफासमेतबाट सोही अवधिमा कायम चुक्ता पूँजी रु.१२,७०,८७,०४,१७५/- को ६.५० प्रतिशतले हुने रु.८२,६०,६५,७७१/३८ (रु.बयासी करोड साठी लाख पैंसट्ठी हजार सात सय एकहत्तर पैसा अठतीस मात्र) बराबरको बोनस शेयर वितरण गर्न स्वीकृत गर्ने तथा बोनस शेयर वितरणका कारणले बैंकको जारी तथा चुक्ता पूँजी बृद्धि गर्ने विशेष प्रस्ताव उपर छलफल गरी पारित गर्ने ।

३. सञ्चालकहरुको भत्ता तथा सुविधा बृद्धि गर्न नियमावलीमा संसोधन गर्ने सम्बन्धमा ।

४. प्रभु बैंक लिमिटेडले सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गर्ने सम्बन्धमा सञ्चालक समितिको तर्फबाट प्रस्तुत प्रतिवेदन उपर छलफल गरी पारित गर्ने तथा संयुक्त प्राप्ति समितिले गरेका निर्णय लगायतका सम्पूर्ण काम कारवाही अनुमोदन गर्ने ।

५. प्रभु बैंक लिमिटेडले सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गर्ने प्रयोजनका लागि मूल्याङ्कनकर्ता श्याम कार्की एण्ड कम्पनी, चार्टर्ड एकाउण्टेण्ट्सबाट प्राप्त लक्षित संस्थाको चल/अचल सम्पत्ति, दायित्व तथा कारोवारको मूल्याङ्कन प्रतिवेदन (Due Diligence Audit Report) को आधारमा निर्धारण गरिएको शेयर स्वाप अनुपातमा वर्तमान बजार मूल्य, संस्थाहरुको व्यवसायिक अवसर तथा भविष्यको बजार विस्तारको सम्भावना समेतका बिषयहरुको आधारमा सेञ्चुरी कमर्सियल बैंक लिमिटेडको १०० क्ित्ता शेयर बरावर प्रभु बैंक लिमिटेडको १०० क्ित्ता शेयर प्रदान गर्ने (Share Swap Ratio 1:1) गरी सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गर्न स्वीकृति प्रदान गर्ने ।

६. प्रभु बैंक लिमिटेडले सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गर्ने सम्बन्धी अन्तिम सम्झौता स्वीकृत गर्ने तथा प्राप्ति (एक्विजिसन) सम्बन्धी अन्य प्रकृया पुरा भएको हुँदा प्रभु बैंक लिमिटेडले सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गर्ने सम्बन्धी स्वीकृति प्रदान गर्ने ।

७. प्रभु बैंक लिमिटेडले सेञ्चुरी कमर्सियल बैंक लिमिटेडलाई प्राप्ति (एक्विजिसन) गरे पछि सम्झौतापत्र अनुसार बैंकको पूँजी संरचनामा परिवर्तन हुने हुँदा सो बमोजिम हुने गरी प्रबन्धपत्रका विभिन्न दफामा आवश्यक संशोधन, हरेफेर गर्ने ।

८. प्रबन्धपत्र, नियमावलीमा गरिने संशोधन उपर नियमनकारी निकाय वा कार्यालयबाट कुनै संशोधन एवं परिमार्जन गर्न निर्देशन भएमा सोही बमोजिम प्रबन्धपत्र, नियमावलीका बिभिन्न दफा/नियममा आवश्यक संशोधन एवं परिमार्जन गर्न तथा प्राप्ति (एक्विजिसन) का सम्बन्धमा गर्नु पर्ने अन्य आवश्यक कार्य गर्न सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने ।

९. बैंकले अन्य बैंक तथा वित्तीय संस्थाहरु गाभ्ने/गाभिने, प्राप्ति (एक्विजिसन) तथा खरिद सम्बन्धी प्रक्रिया अगाडी बढाउनका लागि सञ्चालक समितिलाई अख्तियारी प्रदान गर्ने प्रस्ताव पारित गर्ने ।

१०. बैंकको चल अचल सम्पत्ति र दायित्व तथा कारोवारको मूल्याङ्कन (Due Diligence Audit DDA) गर्न मान्यता प्राप्त मूल्याङ्कनकर्ता नियुक्त गरी निजको पारिश्रमिक तोक्ने तथा गाभ्ने/गाभिने, प्राप्ति (एक्विजिसन) तथा खरिद सम्बन्धी समझदारीपत्र (Memorandum of Understanding) तर्जुमा गर्न र सो सम्बन्धी आवश्यक सम्पूर्ण प्रक्रिया पुरा गर्न सचालक समितिलाई अख्तियारी प्रदान गर्ने प्रस्ताव पारित गर्ने ।

ग. विविध ।

सञ्चालक समितिको आज्ञाले
अमित भण्डारी
(कम्पनी सचिव)

साधारण सभा सम्बन्धी अन्य जानकारी :

१. शेयरधनी महानुभावहरुको सुविधाका लागि हाजिरी पुस्तिका सभास्थलमा सभा हुने दिन बिहानको ७:०० बजेदेखि खुल्ला रहनेछ ।

२. बैंकको शेयरधनी दर्ता किताबमा नाम दर्ता भएका शेयरधनीहरुले आफैं वा प्रतिनिधि मार्फत सभामा भाग लिन र छलफलमा सहभागि हुन पाउने छन् । नाबालक शेयरधनीहरुको तर्फबाट नाबालकको संरक्षक वा निजले नियुक्त गरेको प्रतिनिधिले सभामा भाग लिन र छलफल गर्न सक्नेछन् । शेयरधनीहरुको दर्ता किताबमा संरक्षकको रुपमा नाम लेखिएको व्यक्तिलाई मात्र संरक्षक मानिनेछ ।

३. संयुक्तरुपमा एकजना भन्दा बढी व्यक्तिको नाममा शेयर लिएको अवस्थामा त्यस्ता साझेदारहरुद्वारा मनोनित साझेदार वा निजहरुले मनोनित गरेको प्रतिनिधिले र सो बमोजिम कुनै साझेदार मनोनित नगरेकोमा शेयरधनीहरुको दर्ता किताबमा जसको नाम पहिले उल्लेख भएको छ सोहि व्यक्तिले साधारण सभामा भाग लिन पाउनेछ ।

४. सभामा भाग लिन र छलफल गर्नका लागि प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीले बैंकको अर्को कुनै शेयरधनीलाई मात्र प्रतिनिधि (प्रोक्सी) नियुक्त गर्न सक्नेछन् ।

५. प्रतिनिधि (प्रोक्सी) नियुक्त हुने शेयरधनीले सभा सुरु हुनु भन्दा ४८ घण्टा अगावै प्रतिनिधिपत्र यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड कमलादी, काठमाडौंमा बुझाई सक्नु पर्नेछ ।

६. प्रतिनिधि (प्रोक्सी) नियुक्त गरी सोको लागि प्रतिनिधिपत्र यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड कमलादी, काठमाडौंमा बुझाई सकेपछि प्रतिनिधि बदर गरी अर्को प्रतिनिधि दिन चाहेमा सोको सूचना सभा सुरु हुन भन्दा २४ घण्टा अगावै यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड कमलादी, काठमाडौंमा दिनु पर्नेछ । नयाँ प्रतिनिधि (प्रोक्सी) को हकमा दफा ४ र ५ बमोजिम हुनेछ ।

७. एकै शेयरधनीले एक भन्दा बढी प्रतिनिधि (प्रोक्सी) नियुक्त गरेको अवस्थामा दफा ६ बमोजिम बदर गरिएकोमा बाहेक त्यस्तो सबै प्रतिनिधि (प्रोक्सी) बदर हुनेछ ।

८. प्रतिनिधि (प्रोक्सी) नियुक्त गर्ने शेयरधनीले कुनै कारणवश त्यस्तो प्रतिनिधि (प्रोक्सी) बदर गरी आफैं सभामा उपस्थित भई हाजिरी किताबमा दस्तखत गरेमा अघि दिएको प्रोक्सी स्वत: बदर हुनेछ ।

९. विविध शिर्षक अन्तर्गत प्रश्न गर्न चाहने शेयरधनीले आफुले प्रश्न गर्न चाहेको बिषयका सम्बन्धमा सभा हुनुभन्दा ७ दिन अगावै यस बैंकको केन्द्रीय कार्यालयमा जानकारी दिनु पर्नेछ । त्यसरी जानकारी नदिएको बिषय उपर छलफल गर्न सकिने छैन ।

१०. मिति २०७९/०९/०१ गते १ दिनका लागि शेयर दाखिल खारेज दर्ता बन्द (बुक क्लोज) गरिनेछ । नेपाल स्टक एक्सचेञ्ज लिमिटेडमा २०७९/०८/२९ गतेसम्म कारोवार भई मिति २०७९/०९/०८ गतेभित्र यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड कमलादी, काठमाडौंले प्राप्त गरेको नामसारीको कागजातका आधारमा शेयरधनी दर्ता किताबमा कायम शेयरधनीहरुले सभामा भाग लिन र छलफल गर्न पाउने छन् ।

११. आफ्नो परिचयपत्र सहित बैंकले जारी गरेको प्रवेश-पत्र वा शेयर प्रमाणपत्र वा बैंकको शेयर अभौतिकीकरण गरेको (DEMAT Account no.) प्रमाण प्रस्तुत गरेपछिमात्र सभा कक्ष भित्र प्रवेश गर्न पाइनेछ ।

१२. सुरक्षाको दृष्टिकोणले सभा स्थलमा प्रवेश गर्दा शेयरधनी महानुभावहरुले यथाशक्य झोला प्याकेट आदि नलिई आउनु हुन अनुरोध छ । आवश्यक देखिएमा सुरक्षाकमीले सभा स्थलमा प्रवेश गर्दा सुरक्षा जाँच गर्न सक्ने हुँदा सो कार्यमा सहयोग गरिदिनु हुन समेत अनुरोध छ ।

१३. सभा सम्बन्धी अन्य जानकारीका लागि बैंकको रजिष्टर्ड कार्यालय बबरमहल काठमाडौं वा यस बैंकको शेयर रजिष्ट्रार प्रभु क्यापिटल लिमिटेड कमलादी, काठमाडौंमा कार्यालय समयभित्र सम्पर्क राख्नुहुन वा बैंकको वेवसाइट www.prabhubank.com मा हेर्न र डाउनलोड गर्न सकिनेछ ।

प्रभु बैंक लिमिटेड
प्रधान कार्यालयः बबरमहल, काठमाडौं, नेपाल
फोन नं. ४७८८५००, फ्याक्स नं. ९७७-१-४७८०५८८

प्रभु बैंक लिमिटेडको आर्थिक वर्ष २०७८/७९ को संक्षिप्त वार्षिक आर्थिक विवरण

कम्पनी ऐन, २०६३ को दफा ८४(४) को प्रयोजनको निमित्त प्रकाशित विवरण

(प्रस्तुत संक्षिप्त वार्षिक आर्थिक विवरण, कम्पनीको वार्षिक आर्थिक विवरण तथा संचालक समितिको प्रतिवेदनको संक्षिप्त विवरण मात्र हो)

आदरणीय शेयरधनी महानुभावहरु,

यस प्रभु बैंक लिमिटेडको एक्काईसौं साधारण सभाको प्रयोजनार्थ बैंकको आर्थिक वर्ष २०७८/०७९ को एकीकृत वित्तीय अवस्थाको विवरण (वासलात), एकीकृत नाफा नोक्सान विवरण, लगायत बैंकको समग्र कारोबारको सिंहावलोकन निम्नानुसार रहेको व्यहोरा यस संक्षिप्त वार्षिक आर्थिक विवरण मार्फत जानकारी गराउँदछौं

क) आर्थिक वर्ष २०७८/०७९ को कारोबारको सिंहावलोकन

तुलनात्मक रुपमा मुख्य वित्तीय झलकहरु निम्नासुर रहेका छन् ।

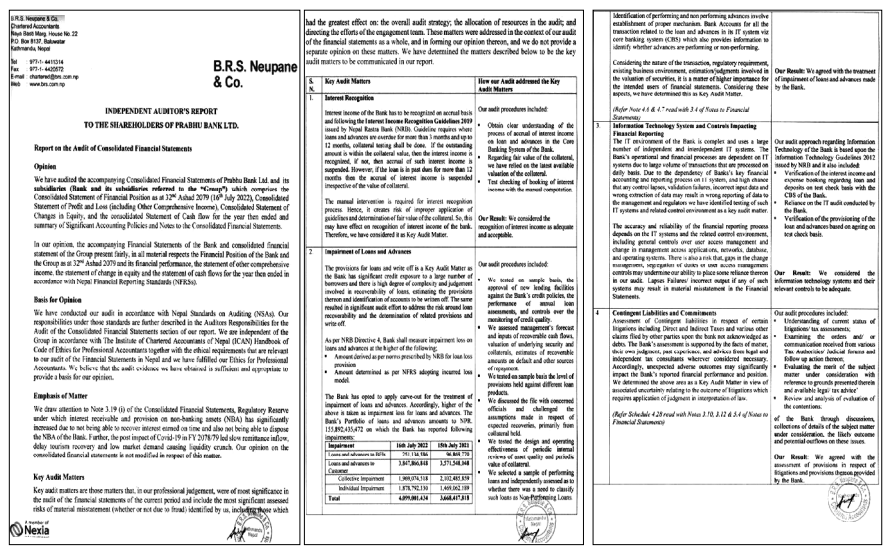
रकम रु. लाखमा

विवरण	२०७९ आषाढ मसान्त	२०७८ आषाढ मसान्त	परिवर्तन प्रतिशत
कुल सम्पत्ती	२,३२७,५३०	२,१००,४१०	१०।८१
चूक्ता पूँजी	१२७,०८७	११३,४७१	१२।००
जगेडा तथा कोषहरु	६४,३९०	५७,६४२	११।७१
कुल कर्जा लगानी	१,५०४,१९७	१,४२२,६४७	५।७३
अन्य लगानी	५०३,४९३	३४१,१८६	४७।५७
निक्षेप संकलन	१,८२१,४१४	१,६९७,२६८	७।३१
खुद ब्याज आम्दानी	५७,४२८	५०,२३३	१४।३२
गैह्र ब्याज आम्दानी	१८,८३९	१८,५८२	१।३९
संचालन खर्च	४३,२९५	४१,१५१	५।२१
संचालन मुनाफा	२८,५२२	२६,०३३	९।५६
खुद मनाफा	१९,०२०	१७,२०९	१०।५३

उपरोक्त तालिका अनुसार २०७८ आषाढ मसान्तको तुलनामा २०७९ आषाढ मसान्तमा बैंकको पूँजी, निक्षेप, कर्जा तथा खुद मुनाफामा सन्तोषजनक बृद्धि भएको छ ।

ग) लेखापरीक्षकको मन्तव्य

बैंकको आर्थिक वर्ष २०७८/०७९ को एकीकृत वित्तीय अवस्थाको विवरण (वासलात), एकीकृत नाफा/नोक्सान विवरण एकीकृत नगद प्रवाह विवरण तथा एकीकृत इक्विटीमा भएको परिवर्तन र सो सम्बन्धी टिप्पणी तथा खुलासाहरुमा लेखापरीक्षकहरुले नेपाल राष्ट्र बैंकद्वारा जारी निर्देशन तथा सर्वमान्य लेखाका सिद्धान्त अनुसार यथार्थ परक रहेको राय सहितको निम्नानुसार प्रतिवेदन पेश गर्नु भएको छ ।



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INDEPENDENT AUDITOR'S REPORT
TO THE SHAREHOLDERS OF PRABHU BANK LTD.

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying Consolidated Financial Statements of Prabhu Bank Ltd. and its subsidiaries (Bank and its subsidiaries referred to the "Group") which comprises the Consolidated Statement of Financial Position as at 32nd Ashad 2079 (16th July 2022), Consolidated Statement of Profit and Loss (including Other Comprehensive Income), Consolidated Statement of Changes in Equity, and the consolidated Statement of Cash flow for the year then ended and summary of Significant Accounting Policies and Notes to the Consolidated Financial Statements.

In our opinion, the accompanying Financial Statements of the Bank and consolidated financial statement of the Group present fairly, in all material respects the Financial Position of the Bank and the Group as at 32nd Ashad 2079 and its financial performance, the statement of other comprehensive income, the statement of change in equity and the statement of cash flows for the year then ended in accordance with Nepal Financial Reporting Standards (NFRSs).

Basis for Opinion

We have conducted our audit in accordance with Nepal Standards on Auditing (NSAs). Our responsibilities under those standards are further described in the Auditors Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with The Institute of Chartered Accountants of Nepal (ICAN) Handbook of Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to our audit of the Financial Statements in Nepal and we have fulfilled our Ethics for Professional Accountants. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 3.19 (ii) of the Consolidated Financial Statements, Regulatory Reserve under which interest receivable and provision on non-banking assets (NBA) has significantly increased due to not being able to recover interest earned on time and also not being able to dispose the NBA's of the Bank. Further, the post impact of Covid-19 in FY 2078-79 led slow remittance inflow, delay tourism recovery and low market demand causing liquidity crunch. Our opinion on the consolidated financial statements is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

S. N.	Key Audit Matters	How our Audit addressed the Key Audit Matters
1.	Interest Recognition Interest income of the Bank has to be recognized on accrual basis and following the Interest Income Recognition Guidelines 2019 issued by Nepal Rastra Bank (NRB). Guideline requires where loans and advances are overdue for more than 3 months and up to 12 months, collateral taxing shall be done. If the outstanding amount is within the collateral value, then the interest income is recognized, if not, then accrual of such interest income is suspended. However, if the loan is in past dues for more than 12 months then the accrual of interest income is suspended irrespective of the value of collateral. The manual intervention is required for interest recognition process. Hence, there exists risk of improper application of guidelines and determination of fair value of the collateral. So, this may have effect on recognition of interest income of the bank. Therefore, we have considered it as Key Audit Matter.	Our audit procedures included: • Obtain clear understanding of the process of accrual of interest income on loan and advances in the Core Banking System of the Bank. • Regarding fair value of the collateral, we have relied on the latest available valuation of the collateral. • Test checking of underlying of interest income with the manual computation. Our Result: We considered the recognition of interest income as adequate and acceptable.
2.	Impairment of Loans and Advances The provisions for loans and write off is a Key Audit Matter as the Bank has significant credit exposure to a large number of borrowers and there is high degree of complexity and judgement involved in recoverability of loans, estimating the provisions thereon and identification of accounts to be written off. The same resulted in significant audit effort to address the risk around loan recoverability and the determination of related provisions and write off. As per NRB Directive 4, Bank shall measure impairment loss on loans and advances at the higher of the following; • Amount derived as per norms prescribed by NRB for loan loss provision • Amount determined as per NFRS adopting incurred loss model. The Bank has opted to apply carve-out for the treatment of impairment of loans and advances. Accordingly, higher of the above is taken as impairment loss for loans and advances. The Bank's Portfolio of loans and advances amounts to NPR. 153,892,435,472 on which the Bank has reported following impairments: Impairment: 16th July 2022 — 15th July 2021 Loans and advances to BFIs: 791,134,586 — Nil; Loans and advances to Customer: 3,847,866,888 — 3,271,548,348; Collective Impairment: 1,909,074,318 — 2,102,485,859; Individual Impairment: 1,878,792,130 — 1,469,062,189; Total: 4,699,001,434 — 3,668,417,018	Our audit procedures included: • We tested on sample basis, the approval of new lending facilities against the Bank's credit policies, the performance of manual loan assessments, and controls over the monitoring of credit quality. • We assessed management's forecast and inputs of recoverable cash flows, valuation of underlying security and collaterals, estimates of recoverable amounts on default and other sources of repayment. • We tested on sample basis the level of provisions held against different loan products. • We discussed the file with concerned officials and challenged the assumptions made in respect of expected recoveries, primarily from collateral held. • We tested the design and operating effectiveness of periodic internal reviews of asset quality and periodic value of collateral. • We selected a sample of performing loans and independently assessed as to whether there was a need to classify such loans as Non-Performing Loans.
3.	Information Technology System and Controls Impacting Financial Reporting The IT environment of the Bank is complex and uses a large number of independent and interdependent IT systems. The Bank's operational and financial processes are dependent on IT systems due to large volume of transactions that are processed on daily basis. Due to the dependency of Bank's key financial accounting and reporting process on IT system, and high chance that any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management and regulators we have identified testing of such IT systems and related control environment as a key audit matter. The accuracy and reliability of the financial reporting process depends on the IT systems and the related control environment, including general controls over user access management and change in management across applications, networks, database, and operating systems. There is also a risk that, gaps in the change management, segregation of duties or user access management controls may undermine our ability to place some reliance thereon in our audit. Lapses Failures/ incorrect output of any of such systems may result in material misstatement in the Financial Statements.	Our audit approach regarding Information Technology of the Bank is based upon the Information Technology Guidelines 2012 issued by NRB and it also included: • Verification of the interest income and expense booking regarding loans and deposits on test check basis with the CBS of the Bank. • Reliance on the IT audit conducted by the Bank. • Verification of the provisioning of the loan and advances based on ageing on test check basis. Our Result: We considered the information technology systems and their relevant controls to be adequate.
4.	Contingent Liabilities and Commitments Assessment of Contingent liabilities in respect of certain litigations including Direct and Indirect Taxes and various other claims filed by other parties upon the bank not acknowledged as debts. The Bank's assessment is supported by the facts of matter, their own judgment, past experience, and advices from legal and independent tax consultants wherever considered necessary. Accordingly, unexpected adverse outcomes may significantly impact the Bank's reported financial performance and position. We determined the above area as a Key Audit Matter in view of associated uncertainty relating to the outcome of litigations which requires application of judgment in interpretation of law. (Refer Schedule 4.28 read with Notes 3.10, 3.12 & 3.4 of Notes to Financial Statements)	Our audit procedures included: • Understanding of current status of litigations/ tax assessments. • Examining the orders and/ or communication received from various Tax Authorities/ Judicial forums and follow up action thereon. • Evaluating the merit of the subject matter under consideration with reference to grounds presented therein and available legal/ tax advice' • Review and analysis of evaluation of the contentions. of the Bank through discussions, collections of details of the subject matter under consideration, the likely outcome and potential outflows on these issues. Our Result: We agreed with the assessment of provisions in respect of litigations and provisions thereon provided by the Bank.

Other Matter

We did not audit the Financial Statements and Other Financial Information of the subsidiaries namely Prabhu Capital Ltd. and Prabhu Stock Market Ltd. These Financial Statements and Other Financial Information has been audited by Other Auditors whose report has been furnished to us by the management. Our opinion on the Financial Statements so far as it relates to the accounts and disclosures included in respect of these subsidiaries are based solely on the report of the Other Auditors. The auditor's report is intended solely for the intended users and should not be distributed to or used by other parties.

Our opinion on the consolidated financial statements and our report on other legal and regulatory requirements below is not modified in respect of above matters.

Information other than Consolidated Financial Statements and Auditors Report thereon

The Banks's Management is responsible for the Other Information. The Other Information comprises the information included in the Annual Report but does not include the Financial Statements and our auditor's report thereon.

Our opinion on the Financial Statements does not cover the Other Information and we do not express any form of assurance conclusion thereon.

Our responsibility is to read the Other Information and in doing so, consider whether the Other Information is materially inconsistent with the Financial Statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If based on the work we have performed, we conclude that there is a material misstatement of this Other Information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the Consolidated Financial Statements in accordance with Nepal Financial Reporting Standards (NFRSs) and for such internal control as management determines is necessary to enable the preparation of the Financial Statements that are free from material misstatement, whether due to fraud or error and applying appropriate accounting policies, and making accounting estimates that are reasonable in the circumstances.

In preparing the Consolidated Financial Statements, management is responsible for assessing the Group's ability to continue as going concern, disclosing as applicable the matters related to going concern and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations or has no realistic alternative but to do so.

The Board of Directors are responsible for overseeing the organization's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Financial Statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with NSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of going concern basis of accounting and based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the disclosures and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group's activities to express an opinion on Financial Statements.

We communicate with those charged with governance, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

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

Report on Other Legal and Regulatory Requirements

We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit and we have not come across any fraudulence in the accounts, so far as it appeared from our examination of the books of accounts. The accounts and records of the bank has been maintained as required by the law and Financial Statements are in agreement with the Books of Account maintained by the Bank. In our opinion, so far as appeared from our examination of the books, the bank has maintained adequate capital funds and adequate provisions for possible impairment of assets in accordance with the Directives issued by Nepal Rastra Bank.

To the best of our information and according to the explanation given to us, the Board of Directors, the representative or any employee of the bank has not acted contrary to the provision of law relating to accounts nor caused direct loss or damage to the bank deliberately or acted in a manner that would jeopardize the interest and security of the bank and the bank has not acted in a manner to jeopardize the interest and security of the depositors and the investors.

CA. Anup K. Shrestha
Managing Partner
UDIN: 221123CA00028DGzSE
Place: Kathmandu, Nepal
Date: Mangsir 01, 2079

एकीकृत वित्तीय अवस्थाको विवरण (वासलात) आषाढ मसान्त २०७९

रकम रु. मा

विवरण	नोट	समूह		बैंक	
		आषाढ मसान्त २०७९	आषाढ मसान्त २०७८	आषाढ मसान्त २०७९	आषाढ मसान्त २०७८
सम्पत्ति					
नगद र नगद समान	४.१	८,१०७,४२२,३८०	८,८५६,२४४,१६८	७,६६४,०२०,१५३	८,३७१,९०२,६७२
नेपाल राष्ट्र बैंकमा रहेको मौज्दात तथा लिनु पर्ने	४.२	१३,५१४,३८९,३९४	११,०६४,६५१,०१९	१३,५१४,३८९,३९४	११,०६४,६५१,०१९
बैंक तथा वित्तीय संस्थामा रहेको मौज्दात	४.३	१२,७९५,८१९	५९५,७५०,०००	१२,७९५,८१९	५९५,७५०,०००
व्युत्पन्न वित्तीय उपकरण	४.४	१,५२३,७९८,८९३	६,११६,१४४,२३२	१,५२३,७९८,८९३	६,११६,१४४,२३२
अन्य व्यापार सम्पत्तिहरु	४.५	८९५,१८०,९९९	१,४७५,७८३,५२५	१४४,२८४,११६	२३७,८४६,५९२
बैंक तथा वित्तीय संस्थालाई दिएको कर्जा तथा सापटी	४.६	६,४१६,८६३,२२५	७,३६२,४४९,८७९	६,४१६,८६३,२२५	७,३६२,४४९,८७९
ग्राहकहरूलाई दिईएको कर्जा तथा सापटी	४.७	१४५,३८१,५७७,८१३	१३५,११७,७७३,७६९	१४५,३८१,५७७,८१३	१३५,११७,७७३,७६९
धितोपत्रमा (Securities) लगानी	४.८	४९,७००,७५१,६२५	३३,३५६,४९९,२१२	४९,७००,७५१,६२५	३३,३५६,४९९,२१२
चालु आयकर सम्पत्ति	४.९	५६,६६९,०५१	१७१,९०८,४५०	१०९,०५६,७३१	१५९,३१२,७५०
सहायक कम्पनीमा लगानी	४.१०	-	-	५२४,२२९,०८०	५२४,२२९,०८०
सम्बद्ध कम्पनीमा लगानी	४.११	-	-	-	-
लगानी सम्पत्ति	४.१२	४५८,७४९,५५१	३४९,०२६,२६१	४५८,७४९,५५१	३४९,०२६,२६१
सम्पत्ति र उपकरण	४.१३	३,६०८,४६७,२१४	२,३१०,७९८,३९५	३,४४५,३९२,१३२	२,३०५,३७४,९७९
ख्याती तथा अमूर्त सम्पत्ति	४.१४	१४२,७२८,९१०	१७०,०७७,५५३	११५,१६०,३८४	१४३,७१०,७६९
स्थगन कर सम्पत्ति	४.१५	४९७,०८३,४३७	३४०,१९७,१९६	४५८,९८५,६६४	४२७,३३७,४२१
अन्य सम्पत्ति	४.१६	३,२८२,८६८,३५६	३,९८२,९५६,६४९	३,२०७,९५३,०३७	३,९०८,९०३,८७६
कुल सम्पत्ति		२३३,५९४,३३९,६६५	२११,३७०,२६८,३१९	२३२,७५३,०००,६१८	२१०,०४१,००२,५१३
दायित्वहरू					
बैंक तथा वित्तीय संस्थालाई तिर्न बाँकी	४.१७	४,३३३,७१०,१४४	५,९९१,१८७,०८९	४,३०८,७१५,१२९	५,५९९,१८७,०८९
नेपाल राष्ट्र बैंकलाई तिर्न बाँकी	४.१८	१६,०८३,२७६,२३५	५,७८८,९८४,७४१	१६,०८३,२७६,२३५	५,७८८,९८४,७४१
व्युत्पन्न वित्तीय उपकरण	४.१९	१,५१६,६४६,७१३	६,०८२,४१२,०९४	१,५१६,६४६,७१३	६,०८२,४१२,०९४
ग्राहकबाट निक्षेप	४.२०	१७८,६३७,९९७,१४३	१६४,७७८,२४१,००९	१७८,६५२,१८४,६७९	१६४,८५०,५००,३१३
तिर्न बाँकी सापटी	४.२१	-	-	-	-
चालु आयकर दायित्वहरू	४.९	-	-	-	-
व्यवस्थाहरु	४.२२	२३,३२४,५५५	२३,३२४,५५५	२३,३२४,५५५	२३,३२४,५५५
स्थगनकर दायित्वहरू	४.१५	-	-	-	-
अन्य दायित्वहरू	४.२३	७,५२९,५०१,४५७	५,४४३,०७८,९१८	७,३८३,३१९,९२२	४,९५६,२४६,८५०
जारी गरिएको ऋण पत्र	४.२४	५,६३७,७७३,०३९	५,६३७,०७४,०११	५,६३७,७७३,०३९	५,६३७,०७४,०११
सुरक्षण नगरिएका आवधिक दायित्व	४.२५	-	-	-	-
कुल दायित्व		२९३,७८२,२३९,२८६	१९३,३४४,३०२,४१७	२९३,६०५,२५०,२७३	१९२,९२९,७२९,६५३
पूँजी					
शेयर पूँजी	४.२६	१२,७०८,७०४,१७५	११,३४७,०५७,२९९	१२,७०८,७०४,१७५	११,३४७,०५७,२९९
शेयर प्रिमियम					
संचित मुनाफा		१,१८३,३९८,५१५	१,८१०,८२४,६