# Siddhartha Bank Limited 

Condensed Consolidated Statement of Financial Position As on Quarter ended Poush 2076

|  | Group |  | Bank |  |
| :---: | :---: | :---: | :---: | :---: |
|  | This Quarter Ending | Immediate Previous Year Ending (Audited) | This Quarter Ending | Immediate Previous Year Ending (Audited) |
| Assets |  |  |  |  |
| Cash and cash equivalent | 8,090,007,661 | 8,196,416,706 | 7,633,876,010 | 8,155,811,617 |
| Due from Nepal Rastra Bank | 5,434,706,591 | 6,105,971,370 | 5,434,706,591 | 6,105,971,370 |
| Placements with Bank and Financial Institutions | 095,072 | 1,033,120,216 | 703,095,072 | 1,033,120,216 |
| Derivative financial instruments | 9,264,615,321 | 7,254,007,312 | 9,264,615,321 | 7,254,007,312 |
| Other trading assets | 124,774,414 | 110,711,362 | 95,290,545 | 80,731,130 |
| Loans and advances to $\mathrm{B} / \mathrm{FIs}$ | 3,960,759,832 | 3,273,145,232 | 3,960,759,832 | 3,273,145,232 |
| Loans and advances to customers | 118,370,914,755 | 104,877,100,287 | 118,364,249,817 | 104,876,299,989 |
| Investment securities | 19,905,981,756 | 17,775,997,054 | 19,606,622,056 | 17,490,997,054 |
| Current tax assets | 265,061,324 | 155,614,886 | 267,403,190 | 154,337,310 |
| Investment in subsidiaries |  |  | 51,000,000 | 51,000,000 |
| Investment in associates |  |  |  |  |
| Investment property | 136,607,745 | 123,350,704 | 136,607,745 | 123,350,704 |
| Property and equipment | 1,325,169,109 | 1,303,844,846 | 1,311,222,667 | 1,279,315,069 |
| Goodwill and Intangible assets | 30,673,516 | 34,537,435 | 30,216,436 | 33,939,390 |
| Deferred tax assets |  |  |  |  |
| Other assets | 1,866,648,473 | 1,661,315,938 | 1,831,043,422 | 1,623,233,867 |
| Total Assets | 169,479,015,569 | 151,905,133,348 | 168,690,708,704 | 151,535,260,260 |
| Liabilities |  |  |  |  |
| Due to Bank and Financial Institutions | 9,549,281,566 | 8,404,327,731 | 9,549,281,566 | 8,404,327,731 |
| Due to Nepal Rastra Bank | 950,216,637 | 984,061,065 | 950,216,637 | 984,061,065 |
| Derivative financial instruments | 9,192,409,018 | 7,129,133,079 | 9,192,409,018 | 7,129,133,079 |
| Deposits from customers | 126,020,101,140 | 114,555,895,583 | 126,545,075,825 | 114,923,367,534 |
| Borrowing |  |  |  |  |
| Current Tax Liabilities |  |  |  |  |
| Provisions |  |  |  |  |
| Deferred tax liabilities | 100,479,843 | 70,533,100 | 100,321,233 | 70,374,490 |
| Other liabilities | 3,117,519,115 | 2,418,556,149 | 2,135,342,434 | 2,026,882,127 |
| Debt securities issued | 5,466,079,000 | 2,966,079,000 | 5,466,079,000 | 2,966,079,000 |
| Subordinated Liabilities |  |  |  |  |
| Total liabilities | 154,396,086,319 | 136,528,585,708 | 153,938,725,713 | 136,504,225,026 |
| Equity |  |  |  |  |
| Share capital | 9,787,767,142 | 8,887,604,540 | 9,787,767,142 | 8,887,604,540 |
| Share premium |  | 122,091,505 |  | 122,091,505 |
| Retained earnings | 1,177,559,381 | 1,882,072,319 | 1,105,721,034 | 1,801,400,742 |
| Reserves | 3,930,449,060 | 4,290,488,197 | 3,858,494,815 | 4,219,938,447 |
| Total equity attributable to equity holders | 14,895,775,583 | 15,182,256,561 | 14,751,982,991 | 15,031,035,234 |
| Non-controlling interest | 187,153,667 | 194,291,079 |  |  |
| Total equity | 15,082,929,250 | 15,376,547,640 | 14,751,982,991 | 15,031,035,234 |
| Total liabilities and equity | 169,479,015,569 | 151,905,133,348 | 168,690,708,704 | 151,535,260,260 |

Net Profit for the period ended Poush 2076

## 1. Appropriations

1.1 Profit required to be appropriated to Statutory Reserve

452,602,372

## a. General Reserve

b. Capital Redemption Reserv
c. Exchange Fluctuation Fund
d. Corporate Social Responsibility Fund
e. Employees Training Fund
f. Debenture Redemption Reserve
1.2 Profit required to be transfer to Regulatory Reserve
a. Transfer to Regulatory Reserve
b. Transfer from Regulatory Reserve

Net Profit for the period ended Poush 2076 available for distribution
Nos
NRB circular no-- 4 ,

## Information about reportable segments

The Bank has identified the key segments of business on the basis of nature of operations that assist the Executive
Committee of the bank in decision making process and to allocate the resources. It will help the management to 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 loans, assess the performance of the business segments. The business segments identified are Banking (including loans,
deposits and trade operations), Payment Solutions (Cards), Remittance, Treasury and Micro Banking. Treasury

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\begin{aligned}
& \text { Publication of Information as Required by Securities Registration and Issuance } \\
& \text { Regulation } 2073 \text { (Related to Sub Rule (1) of Rule 26) }
\end{aligned}
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## 1. a) Related Party Disclosure

Group comprises of Siddhartha Bank Ltd. (Parent Co.) and Siddhartha Capital Ltd. (Subsidiary Co.). The Bank Depository from Securities Board of Nepal (SEBON) as per Mutual Fund Regulation 2010 and also obtained the licens
Dicen for merchant banking business from SEBON in 2015 . The Bank has appointed subsidiary as its Registrar to Share.

- The Bank has held call deposits of Rs. 524.97 million of SCL as at 14 lanuary 2020 (Poush - The Bank has held call deposits of Rs. 524.97 million of SCL as at 14 January 2020 (Poush end 2076). - Till the end of 2nd quarter, SCL earned interest income of Rs. 8.37 million and Rs. 0.25 million Share RTS fee from the Bank. - Above figures have

Condensed Consolidated Statement of Profit or Loss
For the Quarter ended Poush 2076

## b) Major Financial Indicators

| Earnings Per Share | Rs. 21.57 |
| :--- | ---: |
| Price Earnings Ratio (P/E Ratio) | 14.65 |
| Net Worth Per Share | Rs. 150.72 |
| Total Assets Value Per Share | Rs. $1,767.02$ |
| Liquidity Ratio | $20.96 \%$ |

## 2. Management Analysis

a) The Bank has formulated long term as well as short term plans which will positively contribute in the days to come. b) The Bank has introduced new products and has re-aligned its existing products as per the changing market needs.
c) The Bank is continuously monitoring the targets set and periodically reviews the achievements vis-à-vis targets. c) The Bank is continuously monitoring the targets set and periodically reviews the achievements vis-à-vis targets.
d) The Bank has 180 branches (including 4 extension counters) till the end of 2 nd quarter and is planning to continue branch expansion in coming days as well. Besides this, the Bank is serving its customers through 200
ATMs and 101 branchless banking locations. The Bank has established 7 provincial and 2 sub-provincial offices ATMs and 101 branchless banking locations. The Bank has established 7 provincial and 2 sub-provincial offices
outside Kathmandu valley and 6 circle offices inside Kathmandu valley.

## 3. Details Regarding Legal Actions

a) Case filed by or to organized institution during the quarter:

Case filed by or against the Promoter or Director of organized institution regarding disobedience of prevailing law or commission of criminal offence:
None to our knowledge.

## Case filed against any Pr None to our knowledge.

## 4. Analysis of share transaction and progress of organized institution

a) Management's view of share transactions of organized institution of securities market
influencing factors for the movement in share prices, the management holds a nent policies are major transaction and its movement.
) Maximum, minimum and last share price of the organized institutions including total transaction and transacted days during the quarter. (source: www.nepalstock.com.np)
Maximum Price
Minimum Price
Closing Price
Total Traded Shares
-

| Rs. 324 |
| :--- |
| Rs. 273 |

Total Traded Days
807,112 Shares

## 5. Problems and Challenges

## Internal

a) Increment in staff and operational costs.
b) Recruitment and retention of quality human resources.
c) Challenges in increasing non-interest rever
d) Challenges in timely recovery of loans.

## External

a) Range bound trend of stock market
b) Deficit in balance of payment.
c) Risk to the bank due to chang

Risk to the bank due to changes in policies and directives by the regulators.

## Strategies to overcome Challenges

a) Focus on new and high yielding prod
b) Optimum utilization of resources
b) Optimum utilization of resources.
c) Focus on SME, retail loans and non funded business.
e) Exploring new avenues for resources.
f) Better cost management practices by continuous focus on efficiency and productivity.
g) Developing human resources through trainings for growth.

## 6. Corporate Governance

The Bank believes in growth that is equally matched by uncompromising compliance to legal, statutory and Bank's business. The entire business operations and working culture have been designed to meet the highest level of corporate governance. The Bank has focused in streamlining policies, guidelines and operational
manuals as per the dynamics of the business environment and ensuring compliance to these policies for manuals as per the dynlimits of commitment to corporate governance, as required by NRB directive and
smooth operations. In line with ces
circulars, the required plans, procedures and structures are in place and regularly being reviewed and circulars, the required plans, procedures and structures are in place and
monitored by Board, Board Level Committees and Management of the Bank.

## 7. Declaration by CEO:

I, CEO of the Bank, take responsibility for the truthfulness of the information and details disclosed in this report. I also hereby declare that to the best of my knowledge and belief, the information disclosed in
this report are true, fair and complete and have not concealed any matters that can adversely affect the
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