

Unaudited Financial Results (Quarterly)

As at First Quarter Ending on 31/06/2075 (17/10/2018) of the Fiscal Year 2075/76

Rs. In '000'

Statement of Financial Position	This Quarter Ending as at 17.10.2018		Previous Quarter Ending as at 16.07.2018		Corresponding Year Previous Quarter Ending	
	Group	Bank	Group	Bank	Group	Bank
Assets						
Cash And Cash Equivalent	1,959,191	1,754,579	2,124,046	1,923,771	2,495,202	2,198,654
Due From NRB And Placements with BFIs	4,224,249	4,234,650	3,266,509	3,264,009	3,267,583	3,340,330
Loan And Advances	42,470,504	41,945,053	40,755,741	40,471,235	31,423,138	31,202,941
Investment Securities	5,951,105	5,866,163	5,617,507	5,543,623	5,850,393	5,775,083
Investment in subsidiaries and associates	-	120,615	-	120,615	-	120,615
Property And Equipment	283,588	274,752	264,188	255,628	258,893	238,355
Goodwill And Intangible Assets	37,840	37,840	41,086	40,584	32,240	32,240
Other Assets	1,763,285	1,703,339	938,455	886,885	1,304,571	1,263,734
Total Assets	56,689,760	55,936,990	53,007,532	52,506,351	44,632,021	44,171,951
Capital And Liabilities						
Paid Up Capital	8,003,390	8,003,390	8,003,390	8,003,390	5,185,222	5,185,222
Reserves And Surplus	2,198,816	2,053,467	2,393,967	2,228,948	2,349,050	2,244,864
Deposits	39,593,468	39,436,921	40,117,937	40,026,959	34,293,473	34,248,136
Borrowings	5,464,213	5,244,745	1,655,147	1,310,501	1,788,134	1,787,500
Bond And Debenture	-	-	-	-	-	-
Other Liabilities And Provisions	1,429,874	1,198,467	837,091	936,552	1,016,142	706,229
Total Capital And Liabilities	56,689,760	55,936,990	53,007,532	52,506,351	44,632,021	44,171,951

Statement of Profit or Loss	This Quarter Ending as at 17.10.2018		Previous Quarter Ending as at 16.07.2018		Upto Corresponding Previous Year Quarter	
	Group	Bank	Group	Bank	Group	Bank
Particulars						
Interest Income	1,425,187	1,402,034	4,546,910	4,456,853	1,036,060	1,020,012
Interest Expense	821,836	815,579	3,058,145	3,033,461	696,742	694,965
Net Interest Income	603,351	586,455	1,488,764	1,423,392	339,318	325,047
Fees and Commission Income	69,534	62,439	287,124	266,435	57,650	52,174
Fees and Commission Expense	392	392	369	552	507	507
Net Fees and Commission Income	69,142	62,047	286,755	265,884	57,143	51,667
Other Operating Income	58,689	58,689	-	-	31,559	31,559
Total Operating Income	731,182	707,191	1,775,519	1,689,276	428,019	408,272
Impairment Charge/(Reversal) for Loans and Other Losses	172,504	172,355	(232,771)	(245,459)	58,532	56,008
Net Operating Income	558,678	534,836	2,008,291	1,934,735	369,488	352,264
Personnel Expenses	165,009	153,463	626,862	588,528	116,296	106,504
Other Operating Expenses	122,207	113,487	508,381	505,402	91,311	85,430
Operating Profit	271,462	267,887	873,047	840,806	161,881	160,331
Non-Operating Income/Expenses	3,516	3,516	158,721	158,187	(884)	(884)
Profit Before Tax	267,945	264,370	1,031,768	998,993	162,765	161,215
Income Tax	80,384	79,311	306,263	297,700	49,138	48,364
Profit/(Loss) For the Period	187,562	185,059	725,505	701,293	113,627	112,850
Other Comprehensive Income	(3,204)	(3,204)	(16,532)	(17,952)	10,876	10,876
Total Comprehensive Income	184,358	181,856	708,973	683,341	124,503	123,726
Share of Non-Controlling Interest on Profit of Subsidiary	1,338	-	11,865	582	-	-
Total Comprehensive Income after Share of NCI	183,020	181,856	697,108	683,341	123,921	123,726
Distributable Profit						
Net Profit/(Loss) as per Profit or Loss	187,562	185,059	725,505	701,293	113,627	112,850
Add/Less: Regulatory Adjustment as per NRB Directive	63,790	63,790	69,722	56,280	(5,359)	(5,359)
Free Profit/(Loss) after Regulatory Adjustments	123,772	121,269	655,783	645,013	118,986	118,209

Ratios						
Capital Fund to RWA	19.92%	19.92%	20.65%	20.65%	19.62%	19.62%
Non-Performing Loan (NPL) to Total Loan (As per NRB Directive)	3.03%	3.06%	2.64%	2.65%	4.69%	4.69%
Total Loss Loan Provision to Total NPL (As per NRB Directive)	104.86%	104.70%	112.36%	112.33%	93.84%	93.84%
Costs of Funds	7.68%	7.68%	8.88%	8.88%	8.08%	8.08%
Credit to Deposit Ratio (As per NRB Directive)	79.97%	79.97%	75.85%	75.85%	76.48%	76.48%
Base Rate	10.98%	10.98%	11.84%	11.84%	11.55%	11.55%
Basic Earning Per Share	-	5.95	-	12.2	-	8.49
Diluted Earning Per Share	-	5.95	-	12.2	-	8.49

Notes to NFRS Compliant Financials:

- The Previous period figures have been restated, regrouped wherever necessary which might vary from previous quarter published figures. Figures vary due to the effect of availing of carve outs in NFRS notified by the Institute of Chartered Accountants of Nepal which were not provided in published figures.
- Loan and Advances includes Staff loans and advances and are presented net of impairment charges. Impairment loss on loans and advances has been measured at higher of amount derived as per norms prescribed by NRB and as per Para 63 of NAS 39.
- Personnel Expenses include employment bonus provision calculated at 10 percent of profit before bonus and taxes.
- Employee bonus provision and current tax liability has been calculated as per profit of directive no. 4 and deferred tax liability has been created for the adjustment of NFRS 5. General Reserve and Corporate Social Responsibility Fund have been created as per profit of directive no. 4.
- Provision for gratuity and leave have been provided as per the Bank estimates and hence actuarial gain/loss has not been separately disclosed and will change as per Actuary Report.
- Property and Equipment line item has been inserted and disclosed separately in above financials.
- The distributable free profit / (loss) after regulatory adjustments may change on account of taxation effect on retained earnings adjusted directly for difference on account of changes in accounting principle as per NFRS and previous NRB Directives.
- Paid up Capital includes proposed Bonus share of NPR 74,40,79,312 which has been approved by NRB.
- Above figures are subject to change upon otherwise instructions of Statutory Auditor and/or Regulatory Authorities.

Related Party Disclosures

- Group Financial Statement include Civil Bank Ltd. and its subsidiaries namely Civil Laghubitta Bittiya Sanstha Ltd (CLBSL) and Civil Capital Market Ltd. (CCML)
- All Intra group transactions are conducted in arm's length basis.
- Bank has appointed its subsidiary Civil Capital Market Limited as its Registrar to share.
- Following intra group transaction has been excluded in Group Financial Statements-

Rs. In '000'

Particulars	2075 Aswin		2075 Asadh		2074 Aswin	
	CCML	CLBSL	CCML	CLBSL	CCML	CLBSL
Deposit	24,780	1,258	31,781	52,044	73,400	947
Loans and Advances	-	106,670	-	300,000	-	182,335
Interest Income	-	6,083	-	9,288	-	4,236
Interest Expenses	740	-	1,872	11	497	-
Commission Income	-	-	291	-	-	-
RTS Expenses	-	-	1,248	-	-	-
Dividend Income	-	-	-	-	-	-

Segment Reporting

The Bank has identified its segments on the basis of its geographical business presence in 7 provinces of the country. The geographical segment is divided into 6 segments. All the transactions between the segments are taken at the arm's length. The assets, liabilities, revenue and expenses of head office has been apportioned to the other branches on prorata basis. The Bank evaluates the performance of its segment before tax.

Particulars	Segment Assets / Liabilities and Result						Rs. In '000'
	Province 1	Province 2	Province 3	Gandaki Province	Province 5	Other	Total
Segment Assets	5,584,993	6,740,419	2,563,502	42,092,358	4,323,578	613,699	61,918,548
Segment Liabilities	6,115,043	6,859,901	2,438,226	41,480,563	4,124,725	635,720	61,654,178
Interest & Similar Income	83,819	64,081	95,842	1,044,308	99,928	14,056	1,402,034
Interest & Similar Expense	35,262	15,388	32,981	681,101	45,845	5,001	815,579
Net interest income	48,557	48,692	62,861	363,206	54,084	9,055	586,455
Fee & Commission Income	5,328	4,949	5,582	39,360	6,321	898	62,439
Fee & Commission Expenses	-	-	-	394	(2)	-	392
Net fee and commission income	5,328	4,949	5,582	38,967	6,323	898	62,047
Other Operating Income	2,288	949	1,160	52,792	1,323	176	58,689
Total operating income	56,173	54,590	69,604	454,965	61,729	10,130	707,191
Impairment charge/(reversal) for loans & other losses	10,818	3,488	126	114,039	4,023	39,862	172,355
Net Operating Income	45,355	51,102	69,478	340,926	57,706	(29,732)	534,836
Personnel Expenses	15,606	10,622	38,157	72,830	16,490	(243)	153,463
Other Operating Expenses	13,392	4,720	8,747	69,842	11,707	5,079	113,487
Operating Profit	16,357	35,760	22,574	198,254	29,509	(34,569)	267,887
Non operating Income Expenses	1,643	1,859	-	15	-	-	3,516
Profit Before Tax from Continuing Operations	14,715	33,902	22,574	198,239	29,509	(34,569)	264,370
Income Tax Expense	-	-	-	-	-	-	79,311
Profit For the Period	14,715	33,902	22,574	198,239	29,509	(34,569)	185,059

Reconciliation of Net Profit of Financial Statements as per NRB Directive No. 4 and NFRS compliant Financial Statement

Rs. In '000'

Particulars	This Quarter Ending	Corresponding Previous Year Quarter
Profit after tax as per NRB Directive No. 4	121,269	118,209
Interest income on loans and advances accrued as per NFRS	91,128	38,757
Interest income on staff loans accrued as per NFRS	-	-
Reversal of loan loss provisions previously recognized as per NRB Directive No. 2	-	-
Reversal of NBA Gain	-	(46,412)
Impairment of loans and advances as per NFRS	-	-
Deferred tax expenses adjustment as per NFRS	(27,338)	2,297
Net NFRS Adjustments for the year	63,790	(5,359)
Profit after tax as per NFRS	185,059	112,850

(अनुसूची १४)

(धितोपत्र दर्ता तथा निष्काशन नियमावली, २०७३ को नियम २६ को उपनियम (१) सँग सम्बन्धित) आ.व.२०७५/७६ को प्रथम त्रैमासिक प्रतिवेदन

१. वित्तीय विवरण :

- (क) प्रथम त्रैमासिक अवधिको वासलात, नाफा नोक्सान सम्बन्धी विवरण । यस बैंकको आ.व.२०७५/७६ को प्रथम त्रैमासिक अवधिको वासलात, नाफा नोक्सानसम्बन्धी विवरण यसै साथ प्रकाशित गरिएको छ ।
(ख) प्रमुख वित्तीय अनुपातहरू:

प्रति शेयर आम्दानी	रु. ५.९५	प्रति शेयर कूल सम्पत्तिको मूल्य	रु. ६९८.९२
मूल्य आम्दानी अनुपात	२९.२४	वैधानिक तरलता अनुपात	१९.६२%
प्रतिशेयर नेटवर्ध	रु १२५.६६		

२. व्यवस्थापकीय विश्लेषण :

- (क) नेपाल राष्ट्र बैंकको निर्देशानुसार चुक्ता पूँजी ८ अर्ब पुऱ्याउने सिलसिलामा यस बैंकले १०:४ अनुपातको हकप्रद शेयर निष्काशित गरि तथा नेपाल राष्ट्र बैंकबाट स्विकृत भइसकेको आर्थिक वर्ष २०७३/७४ को नाफाबाट प्रस्तावित बोनस शेयर बैंकको आगामी वार्षिक साधारण सभाबाट पारित भए पश्चात बैंकको चुक्ता पूँजी ८ अर्ब पुगेछ ।
(ख) पहिलो त्रैमासमा बजारमा निक्षेपको तुलनामा कर्जा अत्याधिक वृद्धि भएको कारणले तरलतामा समस्या देखिएको छ । देशको आर्थिक सुचकहरूका अनुसार पनि चालु आर्थिक वर्षमा आयत अत्याधिक बढेको, शोधनान्तर स्थिति ऋणान्तर रहेको लगायतका कारणहरूले तरलता समस्या अझ जटिल बन्दै गएको देखिन्छ । यसले गर्दा तरलता व्यवस्थापन गर्न तथा बैंकले अपेक्षा गरे अनुसारको व्यापार विस्तार गर्न समेत चुनौतिपूर्ण रहेको छ ।
(ग) पुराना कर्जाका साथै नयाँ कर्जाको गुणस्तर बढाउन नयाँ कर्जा प्रवाहमा सूक्ष्म विश्लेषण सहित विशेष नियन्त्रणको रणनीति अपनाईएको छ । साथै, बैंकले नियमित रूपमा मासिक, त्रैमासिक, अर्ध वार्षिक तथा वार्षिक लक्ष्य तथा उपलब्धिको विश्लेषण गरि आवश्यक रणनीति अपनाउँदै आएको छ ।
(घ) बैंकले आफ्नो शाखाहरू मार्फत देशभर बैंकिङ्ग सचेतना कार्यक्रम संचालन गर्दै आएको छ जसले गर्दा आम जनमानसमा बैंकिङ्ग सेवा तथा सुविधाको जानकारी प्रवाह गर्नुका साथै सिभिल बैंकको प्रवर्द्धनमा समेत टेवा पुगेको छ । यसले बैंकमा बचत खाताको संख्या वृद्धि भई निक्षेप समेत परिचालन गर्न सहयोग पुगेको छ ।

३. कानूनी कारवाही सम्बन्धी विवरण :

- (क) यस त्रैमासमा बैंकले नियमित कर्जा असुलीका मुद्दा बाहेक अन्य कुरामा कुनैका विरुद्धमा कुनै पनि मुद्दा दायर नगरेको र नियमित बैंकिङ्ग कारोवारका मुद्दाबाहेक बैंकको विरुद्धमा पनि कुनै मुद्दा दायर गरेको जानकारी नभएको ।
(ख) हालसम्म बैंकको संस्थापक वा संचालकले वा संचालक वा संस्थापकको विरुद्धमा प्रचलित नियमको अवज्ञा वा फौजदारी अभियोगमा कुनै मुद्दा दायर भएको जानकारी नभएको ।
(ग) हालसम्म कुनै संस्थापक वा संचालक विरुद्धमा कुनै पनि आर्थिक अपराध गरेको सम्बन्धमा मुद्दा दायर भएको जानकारी नभएको ।

४. संगठित संस्थाको शेयर कारोवार सम्बन्धी विश्लेषण :

- (क) धितोपत्र बजारमा भएको संगठित संस्थाको शेयरको कारोवार सम्बन्धमा व्यवस्थापनको धारणा : यस त्रैमासमा भएको यस बैंकको शेयरको कारोवार सन्तोषजनक रहेको पाइएको छ ।
(ख) यस त्रैमासमा भएको यस बैंकको शेयरको कारोवारको संक्षिप्त विवरण निम्न बमोजिम तालिकामा उल्लेख गरिएको छ ।

अधिकतम मूल्य	रु. १८३.००
न्यूनतम मूल्य	रु. १४७.००
अन्तम मूल्य	रु. १७४.००
कारोवार भएका कूल दिन	६२
कारोवार संख्या	५,५०३
कूल कारोवार शेयर संख्या	२,४८२,८६७

५. समस्या तथा चुनौतीहरू :

- (१) आन्तरिक समस्या र चुनौती :
(क) बैंकमा कार्यरत दक्ष कर्मचारीले बैंकको सेवा त्याग्ने क्रमलाई नियन्त्रण गर्नु चुनौतीको रूपमा रहेको छ । दक्ष जनशक्तिको अभावका कारण व्यवसाय तथा नयाँ शाखा विस्तारमा समस्या, संचालन जोखिम बढ्नुका साथै शाखाहरूको व्यवस्थापन समेत चुनौतीको रूपमा रहेको छ ।
(ख) अन्य बैंकहरूको तुलनामा आधार दर केही बढी भएको हुनाले ऋण प्रवाह तथा बैंकको कर्जाको व्याजदर समेत वृद्धि गर्नु परेको र यसलाई नियन्त्रणमा राख्नु चुनौतीपूर्ण रहेको छ ।
(२) बाह्य चुनौतीहरू :