NIC ASIA
एन आई सी एशिया बैंक लि.

च.नं.:NICASIA/CS/079-80/172

मिति: २०७९/०९/०७

श्री नेपाल स्टक एक्सचेन्ज लि.
सिंहदरवारप्लाजा, काठमाडौं ।

विषय: **जानकारी गराएको वारे ।**

महोदय,

उपरोक्त विषयमा मिति २०७९/०९/०६ गते सम्पन्न यस बैंकको सञ्चालक समितिको ५८२ औं बैठकको निर्णयानुसार बैंकको पच्चीसौं वार्षिक साधारण सभा देहायको मिति, समय र स्थानमा निम्न विषयहरुमा छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सो व्यहोरा तहाँको जानकारीको लागि सादर अनुरोध छ ।

सभा बस्ने मिति, समय र स्थान :

मिति : २०७९ पौष २९ गते, शुक्रबार (तदनुसार १३ जनवरी २०२३) ।
समय : बिहान ९:०० बजे ।
स्थान : होटल आनन्द प्रा.लि. (आरोग्य हल) तिलगंगा, काठमाडौं ।

छलफल तथा निर्णयका लागि निर्धारित विषयसूची :

(क) **सामान्य प्रस्ताव**

१. आर्थिक वर्ष २०७८/७९ को सञ्चालक समितिको प्रतिवेदन पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहित २०७९ आषाढ मसान्तसम्मको वासलात र आ.व. २०७८/७९ को नाफा-नोक्सान हिसाब तथा नगद प्रवाह विवरण लगायतका वार्षिक वित्तीय विवरणहरु उपर छलफल गरी स्वीकृत गर्ने ।
३. यस बैंक तथा बैंकको सहायक कम्पनी एन आई सी एशिया लघुवित्त वित्तीय संस्था लि. तथा एन आई सी एशिया क्यापिटल लि. को आ.व. २०७८/७९ को वित्तीय विवरण सहितको एकीकृत वित्तीय विवरण उपर छलफल गरी स्वीकृत गर्ने ।
४. लेखापरीक्षण समितिको सिफारिश बमोजिम आर्थिक वर्ष २०७९/८० को लागि बाह्य लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने । (कम्पनी ऐन, २०६३ को दफा १११ (३) बमोजिम बहालवाला लेखापरीक्षक श्री एस ए आर एसोसिएट्स चार्टर्ड एकाउन्टेन्ट्स् पुनः नियुक्त हुन योग्य नरहेको ।)

NIC ASIA BANK LTD. REGISTERED OFFICE KATHMANDU

001214779

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Trade Tower Nepal, Thapathali, Kathmandu
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नेपाल राष्ट्र बैंकबाट "क" वर्गको इजाजतपत्रप्राप्त संस्था

ISO 9001 Certified Bank

५. मिति २०७८/१२/२० मा सम्पन्न बैंकको २४औं वार्षिक साधारण सभाबाट सर्वसाधारण शेयरधनी समूहको तर्फबाट ४ वर्षका लागि निर्वाचित सञ्चालक श्री निकुञ्ज अग्रवालज्यूले मिति २०७९/०७/०१ मा सञ्चालक पदबाट राजिनामा दिनुभएकोमा निजको राजिनामा मिति २०७९/०७/०२ मा सम्पन्न सञ्चालक समितिको ५७१ औं बैठकको निर्णयानुसार स्वीकृत भएको तथा सोही बैठकको निर्णयानुसार निजको बाँकी कार्यकालको लागि वसौटी-६, कैलाली स्थायी ठेगाना भई हाल शान्तिनगर-३१, काठमाडौं निवासी श्री केशवप्रसाद लम्सालज्यूलाई नियुक्त गरेको निर्णयलाई अनुमोदन गर्ने ।

(ख) विशेष प्रस्ताव

१. बैंकको प्रवन्धपत्र र नियमावलीमा समसामयिक संशोधन/थप गर्ने ।
२. प्रबन्धपत्र र नियमावली संशोधन स्वीकृतिको क्रममा नियमनकारी निकायबाट कुनै फेरबदल, थपघट गर्न निर्देशन वा सुझाव भएमा सोही बमोजिम गर्न सञ्चालक समितिलाई वा सञ्चालक समितिले तोकेको पदाधिकारीलाई अख्तियारी प्रत्यायोजन गर्ने ।

(ग) विविध ।

द्रष्टव्य : वार्षिक साधारण सभालाई ध्यानमा राखी मिति २०७९/०९/१८ गते देखि २०७९/०९/२९ गतेसम्म बैंकको शेयर दाखिल खारेज दर्ता बन्द रहनेछ । नेपाल स्टक एक्सचेन्ज लिमिटेडमा मिति २०७९/०९/१८ गते भन्दा अगाडि कारोबार भई ७ कार्य दिनभित्र यस बैंकको शेयर रजिष्ट्रार एन आई सी एशिया क्यापिटल लि., बबरमहल, काठमाडौंमा प्राप्त शेयर नामसारीको लिखतको आधारमा शेयरधनी दर्ता किताबमा कायम शेयरधनीहरुले सो सभामा भाग लिन तथा मतदात गर्न पाउने व्यवस्था मिलाइएको व्यहोरा तहाँको जानकारी लागि सादर अनुरोध छ ।

धन्यवाद ।

भवदीय,

दिपेन कार्की
कम्पनी सचिव

NIC ASIA BANK LTD. REGISTERED OFFICE KATHMANDU

संलग्न : मिति २०७९/०९/०७ गते राष्ट्रिय दैनिक पत्रिका "सौर्य दैनिक" मा प्रकाशित पच्चीसौं वार्षिक साधारण सभा हुने बारे सूचनाको प्रतिलिपि १

NIC ASIA
एन आई सी एशिया बैंक लि.

एन आई सी एशिया बैंक लिमिटेड
रजिष्टर्ड कार्यालय: हेड टावर थापाथली, काठमाडौं वडा नं. ११
फोन नं.: +९७७-१-५९५५६६६/८८/८८, फ्याक्स: +९७७-१-५९५५९८०
टोल फ्री नं.: १६६०-०१-६६६६६
[illegible] SMS [illegible]

पच्चीसौं वार्षिक साधारण सभाको सूचना

मिति २०७९/०९/०५ मा सम्पन्न यस बैंकको सञ्चालक समितिको ४८२ औं बैठकको निर्णयानुसार बैंकको पच्चीसौं वार्षिक साधारण सभा निम्न मिति, समय र स्थानमा निम्न विषयहरूमा छलफल तथा निर्णय गर्न बस्ने भएको हुँदा सम्पूर्ण शेयरधनी महानुभावहरूको जानकारी एवं उपस्थितिको लागि हार्दिक अनुरोध गर्दछु ।

सभा बस्ने मिति, समय र स्थान:
मिति : २०७९ पौष २९ गते, शुक्रबार (तदनुसार १३ जनवरी २०२३) ।
समय : बिहान ९:०० बजे ।
स्थान : होटल [illegible] प्रा. लि. ([illegible] हल) [illegible], काठमाडौं ।

छलफल तथा निर्णयका लागि निर्धारित विषयसूची:

(क) सामान्य प्रस्ताव

१. आर्थिक वर्ष २०७८/७९ को सञ्चालक समितिको प्रतिवेदन पारित गर्ने ।
२. लेखापरीक्षकको प्रतिवेदन सहित २०७९ आषाढ मसान्तसम्मको वासलात र आ.व. २०७८/७९ को नाफा-नोक्सान हिसाब तथा नगद प्रवाह विवरण लगायतका वार्षिक वित्तीय विवरणहरू उपर छलफल गरी स्वीकृत गर्ने ।
३. यस बैंक तथा बैंकको सहायक कम्पनी एन आई सी एशिया लघुवित्त वित्तीय संस्था लि. तथा एन आई सी एशिया क्यापिटल लि. को आ.व. २०७८/७९ को वित्तीय विवरण सहितको एकीकृत वित्तीय विवरण उपर छलफल गरी स्वीकृत गर्ने ।
४. लेखापरीक्षण समितिको सिफारिस बमोजिम आर्थिक वर्ष २०७९/८० को लागि बाह्य लेखापरीक्षक नियुक्त गर्ने र निजको पारिश्रमिक तोक्ने । (कम्पनी ऐन २०६३ को दफा १११ (३) बमोजिम बहालवाला लेखापरीक्षक श्री एस ए आर एसोसियट्स चार्टर्ड एकाउन्टेन्ट्स पुनः नियुक्त हुन योग्य रहेको ।)
५. मिति २०७८/१२/२० मा सम्पन्न बैंकको २४औं वार्षिक साधारण सभाबाट सर्वसाधारण शेयरधनी समूहको तर्फबाट ४ वर्षका लागि निर्वाचित सञ्चालक श्री [illegible] ले मिति २०७९/०७/०१ मा सञ्चालक पदबाट राजीनामा दिनुभएकोमा निजको राजीनामा मिति २०७९/०८/०९ मा सम्पन्न सञ्चालक समितिको ४७१ औं बैठकको निर्णयानुसार स्वीकृत भएको तथा सोही बैठकको निर्णयानुसार निजको बाँकी कार्यकालको लागि [illegible]-६, [illegible] स्थायी ठेगाना भई हाल शान्तिनगर-३१, काठमाडौं निवासी श्री केशवप्रसाद [illegible]लाई नियुक्त गरेको निर्णयलाई अनुमोदन गर्ने ।

(ख) विशेष प्रस्ताव

१. बैंकको प्रबन्धपत्र र नियमावलीमा प्रस्तावित संशोधन/थप गर्ने ।
२. प्रबन्धपत्र र नियमावली संशोधन स्वीकृतिको क्रममा नियामक निकायबाट कुनै फेरबदल, थपघट गर्न निर्देशन वा सुझाव भएमा सोही बमोजिम गर्न सञ्चालक समितिलाई वा सञ्चालक समितिले तोकेको पदाधिकारीलाई अख्तियारी प्रत्यायोजन गर्ने ।

(ग) विविध ।

आज्ञाले,
कम्पनी सचिव

साधारण सभा सम्बन्धी अन्य जानकारी

१. सम्पूर्ण शेयरधनी महानुभावहरूलाई शेयरधनी लगतमा कायम रहेको ठेगानामा साधारण सभाको सूचना र बैंकको वार्षिक संक्षिप्त आर्थिक विवरण पठाइने व्यवस्था गरिएको छ । ठेगाना पूरा नभएका तथा उक्त कागजात प्राप्त नगर्नुहुने शेयरधनी महानुभावहरूले वार्षिक आर्थिक विवरण, सञ्चालक समितिको प्रतिवेदन र लेखापरीक्षकको प्रतिवेदन निरीक्षण गर्न यस बैंकको कुनै पनि शाखा कार्यालयहरूमा सम्पर्क गर्न सक्नुहुनेछ । साथै उपरोक्त उल्लेखित विवरण/प्रतिवेदनहरू यस बैंकको वेबसाइट www.nicasiabank.com मा समेत upload गरिएको छ ।
२. वार्षिक साधारण सभामा भौतिक रूपमा भाग लिन इच्छुक शेयरधनी महानुभावहरूले शेयर प्रमाणपत्र/हितग्राही (DEMAT) खाता खोलिएको प्रमाण र आफ्नो परिचय खुल्ने प्रमाण वा सोको प्रतिलिपि (जस्तै नागरिकता प्रमाणपत्र वा अन्य कुनै फोटो सहितको परिचयपत्र) अनिवार्य रूपमा साथमा लिई आउनुहुन अनुरोध छ । हाजिरी पुस्तिका बिहान ८ बजे देखि सभा चालु रहुन्जेल सम्म खुल्ला रहनेछ ।
३. साधारण सभामा भाग लिन प्रतिनिधि (प्रोक्सी) नियुक्त गर्न चाहने शेयरधनीहरूले बैंकको सोही समूहको अर्को शेयरधनीलाई मात्र प्रतिनिधि नियुक्त गर्न सक्नुहुनेछ । प्रचलित कम्पनी कानूनले तोकेको ढाँचामा प्रतिनिधिपत्र (प्रोक्सी) फारम भरी सभा शुरु हुनुभन्दा कम्तीमा ४८ घण्टा अगावै अर्थात् मिति २०७९/०९/२७ गते बिहान ९ बजे भित्र बैंकको रजिष्टर्ड कार्यालय, हेड टावर नेपाल, थापाथली काठमाडौंमा दर्ता गराई सक्नुपर्नेछ ।
४. नाबालक वा मानसिक सन्तुलन ठीक नभएका शेयरधनीहरूको तर्फबाट बैंकको शेयर लगत दर्ता किताबमा संरक्षकको रूपमा नाम दर्ता भएको महानुभावहरूले सभामा भाग लिन, मतदान गर्न वा प्रतिनिधि तोक्न सक्नु हुनेछ ।
५. संयुक्त रूपमा शेयर खरीद गरिएको अवस्थामा शेयरधनीको लगत दर्ता किताबमा पहिले नाम उल्लेख भएको व्यक्ति अथवा सर्वसम्मतबाट प्रतिनिधि नियुक्त गरिएको एक व्यक्तिले मात्र सभामा भाग लिन वा मतदान गर्न पाउनुहुनेछ ।
६. सभामा भाग लिन प्रतिनिधि नियुक्त गरिसकेपछि सम्बन्धित शेयरधनीले आफैंले भाग लिन वा प्रतिनिधि फेरबदल गर्न चाहेमा सभा शुरु हुनुभन्दा कम्तीमा ४८ घण्टा अगावै सो को सूचना बैंकको रजिष्टर्ड कार्यालय, हेड टावर नेपाल, थापाथली काठमाडौंमा दर्ता गरिसक्नुपर्नेछ, अन्यथा प्रतिनिधि फेरबदल हुन सक्ने छैन । तर सभामा सम्बन्धित शेयरधनी स्वयं उपस्थित हुन आएमा शेयरधनीले गरिदिएको अख्तियारनामा स्वतः बदर हुनेछ ।
७. छलफलको विषय भन्दा विविध शीर्षक अन्तर्गत कुनै विषयमा साधारण सभामा छलफल गर्नुपर्ने भए इच्छुक शेयरधनीले सभा हुनुभन्दा ७ दिन अगावै सो विषय कम्पनी सचिव मार्फत सञ्चालक समितिको अध्यक्षलाई लिखित रूपमा दिनुहुन अनुरोध छ ।
८. वार्षिक साधारण सभाको प्रयोजनका लागि मिति २०७९/०९/१८ गते देखि २०७९/०९/२९ गतेसम्म बैंकको शेयर दाखिल खारेज दर्ता बन्द रहनेछ । नेपाल स्टक एक्सचेञ्ज लिमिटेडमा मिति २०७९/०९/१७ गते सम्म कारोबार भई ७ कार्य दिनभित्र यस बैंकको शेयर रजिष्ट्रार एन आई सी एशिया क्यापिटल लि., बबरमहल, काठमाडौंमा प्राप्त शेयर नामसारीको लिखतको आधारमा शेयरधनी दर्ता किताबमा कायम शेयरधनीहरूले सो सभामा भाग लिन तथा मतदान गर्न सक्नु हुनेछ ।
९. अन्य जानकारीको लागि बैंकको रजिष्टर्ड कार्यालय, हेड टावर नेपाल, थापाथली, काठमाडौं स्थित सञ्चालक समितिको सचिवालय (टेलिफोन नं. ०१-५९५५६६६/८८ एक्सटेन्सन ९९०७) मा सम्पर्क राख्न समेत अनुरोध गरिन्छ ।

आर्थिक वर्ष २०७८/७९ को संक्षिप्त आर्थिक विवरण

आर्थिक वर्ष २०७८/७९ मा बैंकको कारोबारको विश्लेषण
आर्थिक वर्ष २०७८/७९ को प्रमुख वित्तीय सूचकहरू निम्न अनुसार रहेको छ :

(रकम रु. करोडमा)

विवरण	आषाढ मसान्त २०७९	आषाढ मसान्त २०७८	वृद्धि प्रतिशत
चुक्ता पूँजी	[illegible]	[illegible]	-
निक्षेप	[illegible]	[illegible]	[illegible]
कुल कर्जा	[illegible]	[illegible]	[illegible]
लगानी	[illegible]	[illegible]	[illegible]
कुल सम्पत्ति	[illegible]	[illegible]	[illegible]
सञ्चालन मुनाफा	[illegible]	[illegible]	[illegible]
खुद नाफा	[illegible]	[illegible]	[illegible]
खुद नाफा/कुल सम्पत्ति (%)	[illegible]	[illegible]	[illegible]
खुद नाफा/नेटवर्थ (%)	[illegible]	[illegible]	[illegible]
निष्क्रिय कर्जा/कुल कर्जा अनुपात (%)	[illegible]	[illegible]	[illegible]
प्रति शेयर आम्दानी (रु)	[illegible]	[illegible]	[illegible]

समीक्षा अवधिमा बैंकको कुल कर्जा १.२८ प्रतिशतले वृद्धि भई रु २४८.२० अर्ब पुगेको छ भने निक्षेप सङ्कलन १.६६ प्रतिशतले [illegible] भई रु २५४.९८ अर्ब पुगेको छ । सोही अवधिमा समग्र वाणिज्य बैंकिङ क्षेत्रको कर्जा तथा निक्षेप क्रमशः १३ प्रतिशत र १० प्रतिशतले वृद्धि भएको छ । साथै, बैंकको वासलातको आकार ३.४९ प्रतिशतले वृद्धि भई रु. ३४८.४० अर्ब पुगेको छ ।

आ.व. २०७८/७९ मा अघिल्लो वर्षको तुलनामा बैंकको सञ्चालन मुनाफामा ०६.३० प्रतिशत र खुद मुनाफामा ०९.३३ प्रतिशतले वृद्धि भई क्रमशः रु ४.९७ अर्ब तथा रु ४.०० अर्ब आर्जन गर्न बैंक सफल भएको छ । समीक्षा अवधिमा बैंकको पूँजीकोष अनुपात र तरलता अनुपात क्रमशः १२.८३ प्रतिशत र ९.२० प्रतिशत रहेको छ, जुन अघिल्लो वर्ष क्रमशः १५.०२ प्रतिशत र ९.०१ प्रतिशत रहेको थियो । अघिल्लो आ.व. मा बैंकको प्रति शेयर आम्दानी रु २८.५८ रहेकोमा समीक्षा अवधिमा ११.३४ प्रतिशतले वृद्धि भई रु ३१.८४ आर्जन गरेको छ ।

S.A.R. ASSOCIATES
CHARTERED ACCOUNTANTS

Independent Auditor's Report

To the Shareholders of NIC Asia Bank Ltd.

Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the consolidated financial statements of the NIC Asia Bank Ltd. (the "Bank") and its subsidiary (the "Group"), which comprise the consolidated statement of financial position as at Ashadh 32, 2079 (July 16, 2022), and the consolidated statement of profit or loss, consolidated statement of other comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying consolidated financial statements present fairly, in all material respects, the consolidated financial position of the Group as at Ashadh 32, 2079 (16 July 2022), and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with Nepal Financial Reporting Standards.

Basis for opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the consolidated financial statements of the current period. These matters were addressed in the context of the audit of the consolidated 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	Auditor's Response
1	**Interest Recognition** The interest income of the bank has to be recognized on accrual basis and following the Interest Income Recognition Guidelines 2019 issued by NRB. Though accrual basis of income recognition is prescribed in general, the guidelines require suspension of interest recognition on accrual basis for loans and advances with overdue of more than 3 months whereas for loans and advances with overdue [illegible] for 3 to 12 months, interest recognition on accrual basis is limited on the basis of credit of collateral rating as specified. Given the lack of system capability in automated recognition of income on the basis of overdue status of loan and fair value of collaterals [illegible] of the guidelines and [illegible] interest income the bank. Other liabilities include excess interest payable to loan customers reversing the interest income which may vary when bank commences the refund. This may, in turn, have an effect on recognition of interest income of the bank. Thus, considered them as key audit matters. Thus, we have considered it as key audit matter.	Our audit approach regarding verification of process of interest recognition included: a. Obtaining clear understanding of the process of accrual of interest income on loans and advances in the Core Banking Software of the bank. b. For fair valuation of collateral, we relied on the latest available engineer's valuation of the collateral and have not checked the haircut in fair value of collateral as per NRB Income Recognition guidelines 2019. c. Test check of the interest income booking with manual computation. d. Test checked the provision charged on accrued interest [illegible] and [illegible]
2	**Investment Valuation, Identification, and Impairment** Investment of the bank comprises of investment in government bonds, T-bills, development bonds and investment in quoted and unquoted equity instruments. The valuation of the aforesaid securities has been done in compliance with NFRS 9 and NRB Directive no. 8. The investment in the government and NRB bonds and T-bills should be recognized on reporting date on Amortised cost basis whereas other investments in equity instruments, other than those held for trading, should be valued at Fair Value through Other Comprehensive Income. Given the varieties of treatments recommended for valuation of investment based on nature of cash flow, the business model adopted, complexity of calculations and the significance of amount involved in such investments, same has been considered as Key Audit Matter in our audit.	Our audit approach regarding verification of process of investment valuation, identification and impairment included: a. Review of the investment of the bank and its valuation having reference to NFRS issued by the Accounting Standard Board of Nepal and NRB Directive 4 read with 8. b. We assessed the nature of expected cash flow of the investments as well as the business model adopted by the management based on available evidence/circumstances and ensured that classification of investment is commensurate with nature of cash flow and management intention of holding the investment. c. For the investment valuation that are done at amortised cost, we checked the EIR and amortisation schedule on test basis. d. For the investment valued through OCI for quoted investment, we ensured that fair valuation has been done at the closing transaction rate in NEPSE as on 16.07.2022 and for the unquoted investment the fair value has been taken as the NPR 100.
3	**Impairment of Loans and Advances** As per NRB Directive 4, bank shall measure impairment loss on loans and advances at the higher of: • Amount derived as per norms prescribed by Nepal Rastra Bank for loan loss provisioning; and • Amount determined as per para 5.5 of NFRS 9, read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, adopting Incurred Loss Model As per the norms prescribed by NRB, provision at prescribed rate should be created on loans and advances based on overdue status of loans and advances as well as utilization status of the facility, status of security, borrower's whereabouts etc. As per NFRS 9 read with carve out issued by Institute of Chartered Accountants of Nepal dated 18 July 2022, impairment of loans and advances should be made on individual impairment basis for loans and advances that are individually significant and collective impairment basis for homogeneous groups of loans that are not considered individually significant. On individual impairment, amount of the loss is measured as the difference between the assets' carrying amount and the present value of estimated future cash flows. Under collective impairment, loss is determined after considering the Historical Loss Experience in portfolios of similar credit risk and Management's experienced judgment as to whether current economic and credit conditions are such that the actual level of inherent losses at the reporting date is like to be greater or less than that suggested by historical experience. Given the fact that impairment of loans and advances under incurred loss model require assessment of future cash flows as well as historical loss experiences of portfolios. Further, impairment of loans and advances under NRB norms for loan loss provisioning will require assessment of overdue status of loans and advances and proper utilization of loan for intended purpose. Hence, assessment of availability and accuracy of required data for impairment of loans and advances under incurred loss model as well as NRB provisioning norms is regarded as key audit matters.	Our audit approach regarding verification of impairment of loans and advances included: a. Review of the overdue status of loans and advances by obtaining data from the system and matched the same with the NRB 2.2 report. b. Sample credit files were reviewed, among other things, from the perspective of utilization of loans and advances for intended purpose by way of scrutiny of financial statements, account movement, account turnover etc. c. Expected future cash flows from the individually significant loans and advances with indication of impairment are assessed on the basis of realizable value of collateral securities based on management rationale. d. Grouping of homogeneous groups of loans was assessed on the basis of nature and purpose of loans and data of historical loss experience in portfolios are assessed on the basis of past due data from the system as well as data of loan loss provisions of the defined group in the past.
4	**Information Technology General Controls** IT controls with respect to recording of transactions, generating various reports in compliance with NRB guidelines and other compliances to regulators is an important part of the process. Such reporting is highly dependent on the effective working of Core Banking Software and other allied systems. We have considered this as key audit matter as any control lapses, validation failures, incorrect input data and wrong extraction of data may result in wrong reporting of data to the management, shareholders and regulators.	Our audit approach regarding Information technology of the bank is based upon the Information Technology Guidelines 2012 issued by NRB and it included: a. Understanding the coding system adopted by the bank for various categories of customers. b. Understanding the feeding of the data in the system and going through the extraction of the financial information and statements from the IT system existing in the bank. c. Checking of the user requirements for any changes in the regulations/ policy of the bank. d. Reviewed the reports generated by the system on sample basis. We verified the interest income and expense booking regarding loan and deposit on test basis with the CBS of the bank. e. We relied on the IT audit conducted by the bank. f. We verified the provisioning of the loan and advances based on ageing on the test check basis as on 16.07.2022.

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Information Other than Consolidated Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the Management Report, Report of the Director's Report and Chairman's Statement but does not include the consolidated financial statements and our auditor's report thereon. Such information is expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated financial statements does not cover the other information and we will not express any form of assurance conclusion thereon. In connection with our audit of the consolidated financial statements, our responsibility is to read the other information identified above when it becomes available 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.

When we read such other information, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

Responsibility of Management and Those Charged with Governance for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated financial statements in accordance with Nepal Financial Reporting Standards and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

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

Those charged with Governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated 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 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. Misstatement 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 consolidated financial statements.

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

- Identify and assess the risk of material misstatement of the consolidated 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 Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the 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 a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor' report to the related disclosures in the consolidated 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 entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, 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.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on the requirements of Banks and Financial Institutions Act, 2073 and Company Act, 2063

We have obtained satisfactory information and explanations asked for, which to the best of our knowledge and belief were necessary for the purpose of our audit; the returns received from the branch offices of the bank, though the statements are independently not audited, were adequate for the purpose of the audit; the consolidated financial statements including the consolidated statement of financial position, consolidated statement of profit or loss, consolidated statement of comprehensive income, consolidated statement of changes in equity, consolidated statement of cash flows including a summary of significant accounting policies and other explanatory notes have been prepared in all material respect in accordance with the provisions of the Company Act, 2063, and they are in agreement with the books of accounts of the Bank; and the accounts and records of the Bank are properly maintained in accordance with the prevailing laws.

To the best of our information and according to the explanations given to us, in the course of our audit, we observed that the loans have been written off as specified; the business of the Bank was conducted satisfactorily, and the Bank's transactions were found to be within the scope of its authority. We did not come across cases of accounting related fraud and the cases where the board of directors or any director or any office bearer of the Bank has acted contrary to the provisions of law or caused loss or damage to the Bank or committed any misappropriation of the funds of Bank.

Ramesh Kumar Dhital
Partner

Place: Kathmandu, Nepal
Date: December 20, 2022

UDIN No.: [illegible]

एन आई सी एशिया बैंक लिमिटेड
वित्तीय अवस्थाको एकीकृत विवरण
२०७९ आषाढ ३२ गते (सन् २०२२ जुलाई १६ सम्म)

(रकम रु.)

		समूह		बैंक	
	नोट	यस वर्ष	गत वर्ष	यस वर्ष	गत वर्ष
सम्पत्ति					
नगद तथा नगद समान	४.१	[illegible]	[illegible]	[illegible]	[illegible]
नेपाल राष्ट्र बैंकमा रहेको मौज्दात र लिनुपर्ने	४.२	[illegible]	[illegible]	[illegible]	[illegible]
बैंक तथा वित्तीय संस्थामा मौज्दात	४.३	-	-	-	-
डेरिभेटिभ वित्तीय उपकरण	४.४	-	[illegible]	-	[illegible]
अन्य व्यापारिक सम्पत्ति	४.५	[illegible]	[illegible]	[illegible]	[illegible]
वित्तीय संस्थालाई कर्जा सापटी	४.६	[illegible]	[illegible]	[illegible]	[illegible]
ग्राहकलाई कर्जा सापटी	४.७	[illegible]	[illegible]	[illegible]	[illegible]
लगानी सुरक्षण	४.८	[illegible]	[illegible]	[illegible]	[illegible]
चालु कर सम्पत्ति	४.९	[illegible]	[illegible]	[illegible]	[illegible]
सहायक कम्पनीमा लगानी	४.१०	-	-	[illegible]	[illegible]
सम्बद्ध कम्पनीमा लगानी	४.११	-	-	-	-
लगानी सम्पत्ति	४.१२	[illegible]	[illegible]	[illegible]	[illegible]
सम्पत्ति तथा उपकरण	४.१३	[illegible]	[illegible]	[illegible]	[illegible]
ख्याति तथा अमूर्त सम्पत्ति	४.१४	[illegible]	[illegible]	[illegible]	[illegible]
स्थगन कर सम्पत्ति	४.१५	-	-	-	-
अन्य सम्पत्ति	४.१६	[illegible]	[illegible]	[illegible]	[illegible]
जम्मा सम्पत्ति		[illegible]	[illegible]	[illegible]	[illegible]
दायित्व					
बैंक तथा वित्तीय संस्थालाई तिर्न बाँकी	४.१७	[illegible]	[illegible]	[illegible]	[illegible]
नेपाल राष्ट्र बैंकलाई तिर्न बाँकी	४.१८	[illegible]	[illegible]	[illegible]	[illegible]
डेरिभेटिभ वित्तीय उपकरण	४.१९	-	[illegible]	-	[illegible]
ग्राहकबाट निक्षेप	४.२०	[illegible]	[illegible]	[illegible]	[illegible]
सापटी (Borrowing)	४.२१	-	-	-	-
चालु कर दायित्व	४.९	-	-	-	-
व्यवस्था	४.२२	-	-	-	-
स्थगन कर दायित्व	४.१५	[illegible]	[illegible]	[illegible]	[illegible]
अन्य दायित्व	४.२३	[illegible]	[illegible]	[illegible]	[illegible]
जारी गरिएको ऋणपत्र	४.२४	[illegible]	[illegible]	[illegible]	[illegible]
सुरक्षण नगरिएको सहायक आवधिक दायित्व	४.२५	-	-	-	-
जम्मा दायित्व		[illegible]	[illegible]	[illegible]	[illegible]
इक्विटी					
शेयर पुँजी	४.२६	[illegible]	[illegible]	[illegible]	[illegible]
शेयर प्रिमियम		-	-	-	-
संचित मुनाफा		[illegible]	[illegible]	[illegible]	[illegible]
जगेडा कोष	४.२७	[illegible]	[illegible]	[illegible]	[illegible]
इक्विटीधारकहरूलाई विनियोजित जम्मा इक्विटी		[illegible]	[illegible]	[illegible]	[illegible]
गैर नियन्त्रित स्वार्थ		[illegible]	[illegible]	-	-
जम्मा इक्विटी		[illegible]	[illegible]	[illegible]	[illegible]
जम्मा दायित्व र इक्विटी		[illegible]	[illegible]	[illegible]	[illegible]
सम्भावित दायित्व र प्रतिबद्धता	४.२८	[illegible]	[illegible]	[illegible]	[illegible]
प्रति शेयर खुद सम्पत्ति मूल्य		[illegible]	[illegible]	[illegible]	[illegible]