



ओम डेवलपमेन्ट बैंक लि. OM DEVELOPMENT BANK LTD.

नेपाल राष्ट्र बैंकबाट 'ब' वर्गको इजाजतपत्र प्राप्त संस्था (राष्ट्रिय स्तर)

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Unaudited Financial Results (Quarterly)

As at 3rd Quarter (31/12/2073) of the Fiscal Year 2073/2074

Amount Rs. In '000

S.N.	Particulars	This Quarter Ending	Previous Quarter Ending	Corresponding Previous Year Quarter Ending
1	Total Capital and Liabilities (1.1 to 1.8)	15,933,237.92	15,189,631.37	12,487,881.60
1.1	Paid up Capital	1,360,281.60	1,360,281.60	1,052,849.50
1.2	Reserves and Surplus	532,793.93	457,314.85	389,969.85
1.3	Debentures and Bond	-	-	-
1.4	Borrowings	-	-	-
1.5	Deposits (a+b)	13,614,266.04	12,995,083.00	10,930,290.78
a.	Domestic Currency	13,614,266.04	12,995,083.00	10,930,290.78
b.	Foreign Currency	-	-	-
1.6	Proposed Dividend	-	-	-
1.7	Income Tax Liability	2,485.63	20,345.50	-
1.8	Other Liabilities	423,410.72	356,606.41	114,771.46
2	Total Assets (2.1 to 2.7)	15,933,237.92	15,189,631.37	12,487,881.60
2.1	Cash and Bank Balance	3,538,383.45	3,013,401.01	2,833,746.38
2.2	Money at call and short notice	-	-	-
2.3	Investments	582,312.22	520,490.23	414,879.22
2.4	Loans and Advances (a to f)	11,552,967.86	11,345,235.18	8,995,077.64
a.	Real Estate Loan	1,630,444.25	1,687,941.45	1,123,407.12
1.	Residential Real Estate Loan (Except Personal Home Loan up to Rs. 10 million)	701,845.30	753,149.32	440,341.45
2.	Business Complex & Residential Apartment Construction Loan	15,000.00	18,600.00	49.37
3.	Income generating Commercial Complex Loan	24,394.20	18,811.83	-
4.	Other Real Estate Loan (Including Land purchase & Plotting)	889,204.75	897,380.29	683,016.29
b.	Personal Home Loan of Rs. 10 million or Less	1,711,774.37	1,777,377.37	1,511,563.64
c.	Margin Type Loan	77,571.61	74,401.10	56,040.78
d.	Term Loan	483,965.05	543,523.77	1,310,539.13
e.	Overdraft Loan/TR Loan/WC Loan	1,401,896.30	1,415,028.34	974,325.29
f.	Others	6,247,316.29	5,846,963.14	4,019,201.68
2.5	Fixed Assets	114,308.85	106,446.58	112,558.09
2.6	Non Banking Assets	-	-	725.78
2.7	Other assets	145,265.54	204,058.37	130,894.49
3	Profit and Loss Account			
3.1	Interest Income	1,077,623.10	674,830.22	822,618.27
3.2	Interest Expenses	544,912.14	321,635.46	487,080.77
	A. Net Interest Income (3.1-3.2)	532,710.96	353,194.77	335,537.50
3.3	Fees, commission and Discount	10,520.29	6,987.62	39,684.64
3.4	Other Operating Income	62,370.64	51,477.62	24,235.22
3.5	Foreign Exchange Gain/Loss (Net)	-	-	4.91
	B. Total Operating Income (A.+3.3+3.4+3.5)	605,601.89	411,660.01	399,462.26
3.6	Staff Expenses	69,694.52	47,750.14	61,188.88
3.7	Other Operating Expenses	75,248.93	42,949.96	67,371.28
	C. Operating Profit Before Provision (B.-3.6-3.7)	460,658.45	320,959.91	270,902.11
3.8	Provision for possible loss	60,937.64	38,518.65	57,665.38
	D. Operating Profit (C.-3.8)	399,720.81	282,441.26	213,236.72
3.9	Non-operating Income/Expenses (Net)	17,834.14	16,503.71	8,343.52
3.10	Write Back of Provision for Possible Loss	-	-	-
	E. Profit From Regular Activities (D.+3.9+3.10)	417,554.95	298,944.97	221,580.24
3.11	Extraordinary Income/Expenses (Net)	-	-	-
	F. Profit Before Bonus and Taxes (E.+3.11)	417,554.95	298,944.97	221,580.24
3.12	Provision for Staff Bonus	37,959.54	27,176.82	20,143.66
3.13	Provision For Tax	113,878.62	81,530.45	60,430.97
	G. Net Profit/Loss (F.-3.12-3.13)	265,716.78	190,237.70	141,005.61
4	Ratios			
4.1	Capital Fund To RWA	15.48%	14.47%	13.93%
4.2	Non Performing Loan (NPL) to Total Loan	1.28%	1.26%	1.90%
4.3	Total Loan Loss Provision to Total NPL	149.49%	139.25%	103.61%
4.4	Cost Of Funds	7.67%	5.38%	6.32%
4.5	Credit to Deposit Ratio (Calculated as per NRB Directives)	74.54%	76.64%	74.25%
4.6	Base Rate	10.59%	8.35%	9.06%
4.7	Interest Spread Rate	5.55%	6.30%	6.10%
5	Additional Information			
5.1	Net Worth Per Share (Rs.)	139.17	133.62	137.04
5.2	Asset Per Share (Rs.)	1,171.32	1,116.65	1,201.31
5.3	Earning Per Share (Annualized)	26.05	27.97	17.86
5.4	Price Earning Ratio (Annualized)	24.15	22.49	18.20
5.5	Return on Equity (Annualized)	21.77%	23.38%	14.44%
5.6	Liquidity Ratio	29.35%	26.32%	25.93%

Note: 1. The final figures of this unaudited financial statements may be changed accordingly if the auditors and supervisory body notify us to do so.
2. Previous period figures were rearranged wherever it was necessary to do so.

Disclosure as required by Securities Registration and Issuance Regulations 2073 (Related to Sub Rule (1) of Rule 26), Annex 14

3rd Quarter Report, F.Y. 2073/074

1. Financial Statements :

Quarterly report that includes Balance Sheet and Profit and Loss Accounts of the bank is published with this report.No 'related party' transaction (as defined by Nepal Rastra Bank) has been noted.

2. Management Analysis :

Management has following view regarding the financial position of the bank.

- Scarce liquidity position in the entire banking industry and unstable political situation causes shrink in the lending opportunities and escorted interest rates in deposit which caused impact on profitability. Despites those facts, bank has succeeded to achieve reasonable and progressive accomplishment up to the reported quarter.
- Banks is regularly monitoring and evaluating the financial, competitive and environmental factors and organizes short term and long-term strategic plans to cope the worsening effects of such factors.

3. Details pertaining to legal action:

- No any legal case filed by or against the bank apart from pertaining to the regular banking business.
- No Information has been received regarding the case of disobedience of prevailing law or commission of criminal offence by or against the any promoter or director of the organization
- No information has been received regarding the case filed relating to commission of financial crime by any Promoter or Director:

4. Analysis pertaining to share transactions of the organizations:

The Bank's share prices are determined by open market operations at Nepal Stock Exchange under the supervision of Securities Board of Nepal (SEBON). The Bank has nothing to comment on its share transactions. The security of ODBL has been now suspended due to merger process with Manaslu Bikash Bank Ltd. Closing Market Price on the date of last transaction has been taken to calculate P/E Ratio.

5. Problems and Challenges:

a. Internal Problems:

- Increasing cost of fund,
- Insufficiency of essential and proficient resources,
- Managing expectations of stakeholders,
- Increasing fraud and operational risk.

b. External Problems:

- Unstable government,
- Competition among bank and financial institutions, leading to decline in margin,
- No significant infrastructural development activities in the country,
- Limited business opportunities due lack of economic activities in the country.

c. Strategies

- Capital increment through merger and acquisition, bonus shares and right issue,
- Branch expansion with the vision of covering the whole nation,
- Achieve service excellence,
- Implementation of better cost management practice,
- Optimum utilization of the available resources,
- Exploring new, emerging and productive sector for the lending,

6. Corporate Governance:

The Board of Directors, Audit Committee, Risk Management Committee and senior management are dedicated to maintain good corporate governance practices in the Bank. Bank's organization structure has been devised keeping best corporate governance practices in mind.

7. Declaration of true and fair status by CEO:

I, CEO of the Bank, take responsibility on the truthfulness of the information and particulars disclosed in this report. Also hereby declare that to the best of my knowledge and belief, the information contained in this report is true, accurate and complete, there are no other matters concealed or omitted which shall adversely affect the interest of banks stakeholder .

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