

Securities Board of Nepal
Bijayachowk, Gaushala, Kathmandu
Financial Information Analysis Department

Review and Evaluation of Financial Projections made in IPO during F/Y 2065/66

Updated Status as of 2066 Magh 20

1. Brief Synopsis

Total Number of Initial Public Offerings (IPOs) made during the Year :	10
Total Number of Annual Report received (only Audited Financial Statements received of Vibor Bikash Bank and Arun Valley) :	6
Total Number of Companies reporting SEBON of 20% or above variance :	1*
Total Number of Companies including such variance and Expert's detail in Annual Report :	1**

* Only received from Sunrise Bank Limited ** Only incorporated by Citizens Bank International Limited

Note: Letter issued to all companies regarding non compliance and attracting attention for compliance as applicable.

2. Detailed Variance Analysis and Review

PUBLIC DEVELOPMENT BANK LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	1,000,000					
Issued Capital	2	150,000					
No of Paidup Shares Outstanding (in '000)	3=4/14	1,500.00					
Paid up Capital	4	150,000.00					
Reserves and Surplus	5	22,352.00					
Accumulated Losses and Exp. Not Written Off	6	1,355.00					
Net Worth	7=4+5-6	170,997.00					
Net Worth Per Share (In Rs.)	8=7/3	114.00					

Loans and Advances	9	692,010.00					
Investment	10	40,000.00					
Fixed Assets	11	8,069.00					
Cash & Bank Balance	12	128,144.00					
Deposits	13	681,061.00					
Loan, borrowings & debentures	14	10,000.00					
Interest Income	15	70,147.00					
Interest Expenses	16	26,522.00					
Operating Income	17	43,625.00					
Other Income	18	12,532.00					
Provision for Loan Loss	19	8,332.00					
Depreciation	20	1,042.00					
Provision for Tax	21	8,087.00					
Net Profit After Tax	22	22,204.00					
Indicators							
Earning Per Share (in Rs.)	23=22/3	14.80					
Market Price Per Share (in Rs.)	24	-					
Price Earning Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00					
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	12.99%					
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29	2.36%					
Note:							
No of shares after IPO (in '000') = 1500							
EPS of 2064/65 = 1.86							
Net worth of 2064/65 (in '000') = 58241							
Issue proceeds after IPO (in '000') = 60000							

SUNRISE BANK LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	5,000,000.00		5,000,000.00			
Issued Capital	2	1,500,000.00		1,500,000.00			
No of Paid-up Shares Outstanding (in '000)	3=4/14	15,000.00		12,500.00			
Paid up Capital	4	1,500,000.00		1,250,000.00		-16.67%	
Reserves and Surplus	5	11,392.00		57,570.29		405.36%	
Accumulated Losses and Exp. Not Written Off	6	4,500.00		-			
Net Worth	7=4+5-6	1,506,892.00		1,307,570.29		-13.23%	
Net Worth Per Share (In Rs.)	8=7/3	100.46		104.61		4.13%	
Loans and Advances	9	9,411,966.00		8,953,332.32		-4.87%	
Investment	10	2,262,245.00		1,910,209.92		-15.56%	
Fixed Assets	11	155,000.00		272,931.32		76.08%	
Cash & Bank Balance	12	891,800.00		4,742,128.77		431.75%	
Deposits	13	11,147,916.00		12,012,617.77		11.04%	
Loan, Borrowings & Debentures	14			365,613.83			
Interest Income	15	639,584.00		774,065.93		21.03%	
Interest Expenses	16	413,601.00		510,000.66		23.31%	
Operating Income	17	225,983.00		264,065.27		16.85%	
Other Income	18	98,579.00		101,635.71		3.10%	
Provision for Loan Loss	19	57,868.00		57,496.50		-0.64%	
Depreciation	20	26,329.00		17,795.52		-32.41%	
Provision for Tax	21	16,695.00		35,613.46		113.32%	
Net Profit After Tax	22	38,955.00		84,778.85		117.63%	
Indicators							
Earning Per Share (in Rs.)	23=22/3	2.60		6.78		161.16%	
Market Price Per Share	24	-					
Price Earning Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00		100.00		0.00%	
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	2.59%		6.48%		150.81%	
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29	5.66%					
Note:							
No of shares after IPO (in '000') = 15000							
EPS of 2064/65 = 3.89							
Net worth of 2064/65 (in '000') = 655255							
Issue proceeds after IPO (in '000') = 375000							

MADHYAMANCHAL GRAMEEN BIKAS BANK LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	200,000.00					
Issued Capital	2	100,000.00					
No of Paid-up Shares Outstanding (in '000)	3=4/14	1,000.00					
Paid up Capital	4	100,000.00					
Reserves and Surplus	5	(25,168.00)					
Accumulated Losses and Exp. Not Written Off	6	800.00					
Net Worth	7=4+5-6	74,032.00					
Net Worth Per Share (In Rs.)	8=7/3	74.03					
Loans and Advances	9	564,087.00					
Investment	10	425,365.00					
Fixed Assets	11	1,944.00					
Cash & Bank Balance	12	66,121.00					
Deposits	13	139,512.00					
Loan, Borrowings & Debentures	14	813,205.00					
Interest Income	15	109,014.00					
Interest Expenses	16	49,031.00					
Operating Income	17	59,983.00					
Other Income	18	27,005.00					
Provision for Loan Loss	19	22,802.00					
Depreciation	20	648.00					
Provision for Tax	21	7,312.00					
Net Profit After Tax	22	15,899.00					
Indicators							
Earning Per Share (in Rs.)	23=22/3	15.90					
Market Price Per Share	24	-					
Price Earnig Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00					
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	21.48%					
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29	31.70%					
Note:							
No of shares after IPO (in '000') = 1000							
EPS of 2064/65 = 18.68							
Net worth of 2064/65 (in '000') = 28933							
Issue proceeds after IPO (in '000') = 30000							

CITIZENS BANK INTERNATIONAL LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	2,000,000.00		2,000,000.00			
Issued Capital	2	1,500,000.00		1,000,000.00		-33.33%	
No of Paid-up Shares Outstanding (in '000)	3=4/14	15,000.00	10,000.00	10,000.00		-33.33%	
Paid up Capital	4	1,500,000.00	1,000,000.00	1,000,000.00		-33.33%	
Reserves and Surplus	5	38,920.00	34,073.00	34,073.00		-12.45%	
Accumulated Losses and Exp. Not Written Off	6	-	-	-			
Net Worth	7=4+5-6	1,538,920.00	1,034,073.00	1,034,073.00		-32.81%	
Net Worth Per Share (In Rs.)	8=7/3	102.59	103.41	103.41		0.79%	
Loans and Advances	9	8,659,340.00	8,128,114.00	8,128,114.00		-6.13%	
Investment	10	1,210,680.00	2,027,337.00	2,027,337.00		67.45%	
Fixed Assets	11	177,240.00	121,659.00	121,659		-31.36%	
Cash & Bank Balance	12	747,440.00	1,655,353.00	1,655,353.00		121.47%	
Deposits	13	10,005,850.00	11,524,426.00	11,524,426.00		15.18%	
Loan, Borrowings & Debentures	14	-	250,000.00	250,000.00		100.00%	
Interest Income	15	744,810.00	758,256.00	758,256.00		1.81%	
Interest Expenses	16	449,780.00	508,802.00	508,802.00		13.12%	
Net Interest Income	17	295,030.00	249,454.00	249,454.00		-15.45%	
Other Operating Income	18	105,300.00	66,925.00	66,925.00		-36.44%	
Non-Operating (Indirect) Income	19	-	273.00	273.00		100.00%	
Provision for Loan Loss	20	39,480.00	34,119.00	34,119.00		-13.58%	
Depreciation	21	-	-	-			
Provision for Tax	22	51,120.00	41,137.00	41,137.00		-19.53%	
Net Profit After Tax	23	112,000.00	95,810.00	95,810.00		-14.46%	
Indicators							
Earning Per Share (in Rs.)	24=23/3	7.47	9.58	9.58		28.32%	
Paid up Value Per Share (in Rs.)	25	100.00	100.00	100.00			
Dividend (in %)	26	-	-	-			
Return on Networth (in %)	27	7.28%	9.27%	9.27%		27.31%	
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	28	16.33%					
Note:							
No of shares after IPO (in '000') = 15000							
EPS of 2064/65 = 9.79							
Net worth of 2064/65 (in '000') = 599421							
Issue proceeds after IPO (in '000') = 300000							

BANK OF ASIA NEPAL LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	2,000,000.00	2,000,000.00	2,000,000.00	-		
Issued Capital	2	1,000,000.00	1,000,000.00	1,000,000.00	-		
No of Paid-up Shares Outstanding (in '000)	3=4/14	10,000.00	10,000.00	10,000.00	-		
Paid up Capital	4	1,000,000.00	1,000,000.00	1,000,000.00	-		
Reserves and Surplus	5	27,562.00	65,972.00	15,955.35	139%	-42.11%	
Accumulated Losses and Exp. Not Written Off	6	-	-				
Net Worth	7=4+5-6	1,027,562.00	1,065,972.00	1,015,955.35	4%	-1.13%	
Net Worth Per Share (In Rs.)	8=7/3	102.76	106.60	101.60			
Loans and Advances	9	7,000,000.00	7,635,757.00	7,635,756.55	0.09	9.08%	
Investment	10	1,166,667.00	1,727,036.00	1,727,035.76	0.48	48.03%	
Fixed Assets	11	-	167,870.00	167,870.19			
Cash & Bank Balance	12	-	1,115,482.00	1,115,899.29			
Deposits	13	7,777,778.00	8,875,563.00	8,875,562.56	32.24%	32.24%	
Loan, Borrowings & Debentures	14		1,409,657.00	1,409,656.79			
Interest Income	15	493,648.00	583,841.00	584,257.70	18%	18.36%	
Interest Expenses	16	339,978.00	378,200.00	378,200.41	11%	11.24%	
Net Interest Income	17	153,670.00	205,641.00	206,057.29			
Other Operating Income	18	61,348.00	80,024.00	80,024.03	30%	30.44%	
Non-Operating (Indirect) Income	19	-	1,833.00	1,832.79			
Provision for Loan Loss	20	51,022.00	49,785.00	49,784.73	-2%	-2.42%	
Depreciation	21	-	-	-			
Provision for Tax	22	9,900.00	26,362.00	26,354.44	166%	166.21%	
Net Profit After Tax	23	23,101.00	61,510.00	61,493.69			
Indicators							
Earning Per Share (in Rs.)	24=23/3	2.31	6.15	6.15	166%	166.19%	
Market Price Per Share	25	-	-				
Price Earning Multiple (P/E Ratio)	26	-	-				
Paid up Value Per Share (in Rs.)	27	100.00	100.00	100.00			
Dividend (in %)	28	-	-				
Return on Networth (in %)	29=23/7	2.25%	5.77%	6.05%	157%	169.24%	
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	30	0.64%	-				
Note:							
No of shares after IPO (in '000') = 10000							
EPS of 2064/65 = 0.64							
Net worth of 2064/65 (in '000') = 704461							
Issue proceeds after IPO (in '000') = 300000							

API FINANCE LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	200,000.00					
Issued Capital	2	60,000.00					
No of Paid-up Shares Outstanding (in '000)	3=4/14	800.00					
Paid up Capital	4	80,000.00					
Reserves and Surplus	5	9,656.00					
Accumulated Losses and Exp. Not Written Off	6	1,037.00					
Net Worth	7=4+5-6	88,619.00					
Net Worth Per Share (In Rs.)	8=7/3	110.77					
Loans and Advances	9	317,058.00					
Investment	10	10,000.00					
Fixed Assets	11	3,428.00					
Cash & Bank Balance	12	91,102.00					
Deposits	13	315,620.00					
Loan, Borrowings & Debentures	14	-					
Interest Income	15	33,566.00					
Interest Expenses	16	22,093.00					
Operating Income	17	11,473.00					
Other Income	18	10,070.00					
Provision for Loan Loss	19	3,261.00					
Depreciation	20	-					
Provision for Tax	21	2,007.00					
Net Profit After Tax	22	4,366.00					
Indicators							
Earning Per Share (in Rs.)	23=22/3	5.46					
Market Price Per Share	24	-					
Price Earning Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00					
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	4.93%					
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29	2.38%					
Note:							
No of shares after IPO (in '000') = 800							
EPS of 2064/65 = 1.93							
Net worth of 2064/65 (in '000') = 46749							
Issue proceeds after IPO (in '000') = 18000							

VIBOR BIKAS BANK LTD.

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	2,040,000.00		2,040,000.00			
Issued Capital	2	680,000.00		1,020,000.00			
No of Paid-up Shares Outstanding (in '000)	3=4/14	6,800.00		4,148.00			
Paid up Capital	4	680,000.00		414,800.00		-39.00%	
Reserves and Surplus	5	(56,352.00)		13634.70			
Accumulated Losses and Exp. Not Written Off	6	-		421.52			
Net Worth	7=4+5-6	623,648.00		428,013.18		-31.37%	
Net Worth Per Share (In Rs.)	8=7/3	91.71		103.19		12.51%	
Loans and Advances	9	1,513,952.00		751,080.60		-50.39%	
Investment	10	1,395,987.00		1,335,213.40		-4.35%	
Fixed Assets	11	49,043.00		38,532.72		-21.43%	
Cash & Bank Balance	12	134,384.00		374,263.91		178.50%	
Deposits	13	2,394,925.00		2,040,733.87		-14.79%	
Loan, Borrowings & Debentures	14	-		-			
Interest Income	15	163,895.00		78,683.73		-51.99%	
Interest Expenses	16	158,670.00		50,553.58		-68.14%	
Operating Income	17	5,225.00		28,130.15		438.38%	
Other Income	18	51,780.00		95,698.62		84.82%	
Provision for Loan Loss	19	12,500.00		12,490.90			
Depreciation	20	-		9,391.78			
Provision for Tax	21	-		3,761.17			
Net Profit After Tax	22	(4,748.00)		48,338.84			
Proposed Dividend							
Indicators							
Earning Per Share (in Rs.)	23=22/3	(0.70)		11.65			
Market Price Per Share	24	-					
Price Earnig Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00		100.00			
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	-0.76%		11.29%			
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29						
Note:							
No of shares after IPO (in '000') = 6800							
EPS of 2064/65 = (12.79)							
Net worth of 2064/65 (in '000') = 348421							
Issue proceeds after IPO (in '000') = 265200							

PRIME COMMERCIAL BANK LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
No of Paid-up Shares Outstanding (in '000)	3=4/14	15,000.00		7,000.00			
Paid up Capital	4	1,500,000.00		700,000.00		-53.33%	
Reserves and Surplus	5	116,358.00		165,449.40		42.19%	
Accumulated Losses and Exp. Not Written Off	6	-					
Net Worth	7=4+5-6	1,616,358.00		865,449.40		-46.46%	
Net Worth Per Share (In Rs.)	8=7/3	107.76		123.64		14.74%	
Loans and Advances	9	8,376,028.00		9,732,585.07		16.20%	
Investment	10	994,995.00		2,097,042.05		110.76%	
Fixed Assets	11	104,667.00		108,064.30		3.25%	
Cash & Bank Balance	12	786,231.00		1,379,326.12		75.44%	
Deposits	13	8,633,300.00		11,779,989.18		36.45%	
Loan, Borrowings & Debentures	14	58,500.00		539,363.52		821.99%	
Interest Income	15	710,634.00		822,684.44		15.77%	
Interest Expenses	16	472,904.00		564,654.55		19.40%	
Operating Income	17	237,730.00		258,029.89		8.54%	
Other Income	18	51,198.00		114,266.99		123.19%	
Provision for Loan Loss	19	33,047.00		46,749.23		41.46%	
Depreciation	20	-		-			
Provision for Tax	21	37,864.00		59,936.38		58.29%	
Net Profit After Tax	22	88,350.00		142,711.98		61.53%	
Indicators							
Earning Per Share (in Rs.)	23=22/3	5.89		20.39		246.14%	
Price Earning Multiple (P/E Ratio)	24	-					
Paid up Value Per Share (in Rs.)	25	100.00		100			
Dividend (in %)	26	-		-			
Return on Networth (in %)	27	5.47%		16.49%		201.68%	
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	28	5.84%		-			
Note:							
No of shares after IPO (in '000') = 15000							
EPS of 2064/65 = 4							
Net worth of 2064/65 (in '000') = 728007							
Issue proceeds after IPO (in '000') = 300000							

CRYSTAL FINANCE LIMITED

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. '000'					
Authorised Capital	1	100,000.00					
Issued Capital	2	70,000.00					
No of Paid-up Shares Outstanding (in '000)	3=4/14	700.00					
Paid up Capital	4	70,000.00					
Reserves and Surplus	5	32,351.00					
Accumulated Losses and Exp. Not Written Off	6	-					
Net Worth	7=4+5-6	102,351.00					
Net Worth Per Share (In Rs.)	8=7/3	146.22					
Loans and Advances	9	660,639.00					
Investment	10	71,030.00					
Fixed Assets	11	120,601.00					
Cash & Bank Balance	12	115,610.00					
Deposits	13	825,799.00					
Loan, Borrowings & Debentures	14						
Interest Income	15	85,884.00					
Interest Expenses	16	66,064.00					
Operating Income	17	19,820.00					
Other Income	18	14,110.00					
Provision for Loan Loss	19	4,058.00					
Depreciation	20	-					
Provision for Tax	21	3,554.00					
Net Profit After Tax	22	8,292.00					
Indicators							
Earning Per Share (in Rs.)	23=22/3	11.85					
Market Price Per Share	24	-					
Price Earning Multiple (P/E Ratio)	25	-					
Paid up Value Per Share (in Rs.)	26	100.00					
Dividend (in %)	27	-					
Return on Networth (in %)	28=22/7	8.10%					
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	29	16.27%					
Note:							
No of shares after IPO (in '000') = 700							
EPS of 2064/65 =21.85							
Net worth of 2064/65 (in '000') = 73022							
Issue proceeds after IPO (in '000') = 21000							

ARUN VALLEY HYDROPOWER DEVELOPMENT COMPANY LTD.

Particulars	Ref.	Fiscal Year 2065/66			% Change		
		Projected (A)	Unaudited (B)	Audited (C)	A Vs B	A Vs C	B Vs C
		in Rs. 'Million'					
Authorised Capital	1	200.00		200.00			
Issued Capital	2	171.50		171.5			
No of Paid-up Shares Outstanding (in '000)	3=4/14	1.72		1.2		30.23%	
Paid up Capital	4	171.50		120		30.03%	
Reserves and Surplus	5	112.51		106.56		5.29%	
Securities Premium	6	43.78		-			
Accumulated Losses and Exp. Not Written Off	7	0.48		-			
Net Worth	8=4+5+6	327.31		226.56		30.78%	
Net Worth Per Share (In Rs.)	9=8/3	190.30		188.80		0.79%	
Investment	10	60.58		8.02		86.76%	
Fixed Assets	11	291.47		302.73		-3.86%	
Cash & Bank Balance	12	51.34		0.23		99.55%	
Loan, Borrowings & Debentures	13	76.00		117.71		-54.88%	
Income from Sales	14	77.29		66.59		13.84%	
Cost of Sales (Royalty, Rep. & Maint., Operating Expenses)	15	11.49		7.77		32.36%	
Interest Expenses	16	7.74		9.95		-28.52%	
Depreciation	17	14.66		13.81		5.80%	
Operating Income	18	43.40		35.06		19.21%	
Other Income	19	2.65		0.20		92.30%	
Provision for Tax	20	-		-			
Net Profit After Tax	21	45.01		34.76		22.78%	
Indicators							
Earning Per Share (in Rs.)	22=21/3	26.17		28.97		-10.69%	
Market Price Per Share	23	-		-			
Price Earning Multiple (P/E Ratio)	24	-		-			
Paid up Value Per Share (in Rs.)	25	100.00		100.00			
Dividend (in %)	26	-		-			
Return on Networth (in %)	27=21/8	13.75%		15.34%		-11.57%	
Reqd. Return on Networth to maintain Pre-issue EPS (in %)	28	18.44%					
Note:							
No of shares after IPO (in Million) = 1.72							
EPS of 2064/65 = 34							
Net worth of 2064/65 (in Million) = 221.796							
Issue proceeds after IPO (in Mn) = 94.76							

Indication :	Positive Change of 20% or above
	Negative Change of 20% or above