

Articles of Association
of
Nepal SBI Bank Ltd.
Incorporated Under the Companies Act, 2063 (2006)
(Liability Limited by Shares)

1. **Name of the Company:** The name of the Company will be "Nepal SBI Bank Ltd." which will be called "Nepal SBI Bank Ltd." in English, which is hereinafter called the "Bank".
 2. **Address Where the Bank's Registered Office shall be Situated:** The registered office of the Bank shall be situated in Bagmati Zone, Kathmandu District, Kathmandu Metropolitan City Ward No 1, Nepal.
- 2A. **Definition:** Unless otherwise stated with reference to the subject or context, in these Articles-
- (a) **Prevailing Law Relating to Companies** means the Company Ordinance, 2062 (2005). The term shall also denote any other Ordinance or Act to be promulgated in replacement of the same and amendments made thereto from time to time.
 - (b) **Prevailing Law Relating to Banks and Financial Institutions** means Banks & Financial Institutions Ordinance, 2062 (2005). The term shall also denote any other Ordinance or Act to be promulgated in replacement of the same and amendments made thereto from time to time.
 - (c) **Memorandum** means Memorandum of Association of the Bank.
 - (d) **Articles** mean the Articles of Association of the Bank and the term also denotes the amendments made thereto from time to time.
 - (e) **Promoter** means a person who has agreed to take up at least one share and affixed his/her signature in the capacity of a promoter on the Memorandum and Articles of Association in order to establish the Bank.
 - (f) **Bank** means the Nepal SBI Bank Ltd., incorporated as public limited company under Prevailing Law Relating to Companies.
 - (g) **Company** means Nepal SBI Bank Limited.
 - (h) **Board of Directors or Board** means the Board of Directors of the Bank.
 - (i) **Director** means a member of the Board of Directors of the Bank; the term includes the Chairman and an alternate Director.
 - (j) **Chairman** means the Chairman of the Board of Directors.
 - (k) **Managing Director** means the Executive Chief of the Bank appointed by the Board of Directors under these Articles from among the directors representing SBI.
 - (l) **Company Secretary** means the Company Secretary of the Bank appointed under the Prevailing Law Relating to Companies.
 - (m) **Nepal Rastra Bank** means Nepal Rastra Bank incorporated under the Nepal Rastra Bank Act, 2058.



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Company Secretary

- (n) **Concerned Office** means the office of the Registrar of Companies or any other department, office or authority designated by Government of Nepal from time to time.
- (o) **SBI** means the State Bank of India, a corporation constituted by State Bank of India Act 1955 (Act no 23 of 1955 in India) and having its Central Office at Mumbai.
- (p) **EPF** means Employees Provident Fund (Karmachari Sanchaya Kosh) established under the Employees Provident Fund Act 2019 (1962 A.D.).
- (q) **Customer** means any individual, firm, corporation, institution, company or any other entity who deals with the Bank.
- (r) **General Meeting** means Annual General Meeting and Special General Meeting of the shareholders of the Bank.
- (s) **Share** means a division of the share capital of the Company.
- (t) **Shareholder** means person who owns the shares of the company.
- (u) **Share Certificate** means a proof given by the Bank to the person buying its shares in the form of Share Certificate.
- (v) **Dividend** means the part of the profit distributed to the shareholders in proportion to the shares held by them as decided by the Board of the Bank. The term also includes bonus share issued out of the profits of the company.
- (w) **Bonus Shares** means shares issued in the form of additional shares to shareholders by capitalizing the surplus from the profits or the reserve fund of the Bank. The term also denotes an increase in the paid up value of the shares after capitalizing surplus or reserve funds.
- (x) **Liquid Assets** mean the cash balances of the Bank, the balances held by the Bank in the current account, the balances maintained by the Bank with Nepal Rastra Bank, and the other assets of the Bank specified as liquid assets by Nepal Rastra Bank from time to time.
- (y) **Deposit** means amounts deposited in current, savings, fixed or any other deposit accounts of a bank or financial institution; the term includes amounts to be accepted by the bank or financial institution through various financial instruments prescribed by Nepal Rastra Bank.
- (z) **Current Account** means an account of funds deposited with a bank or financial institution which may be drawn at any time on demand.
- (aa) **Savings Account** means an account of funds deposited with a bank or financial institution for purposes of saving.
- (bb) **Fixed Account** means an account of funds deposited with a bank or financial institution for a specified term.
- (cc) **Person** means a natural person or a company, organization or other corporate body incorporated as a body corporate under the prevailing laws.
- (dd) **Auditor** means an auditor appointed by the General Meeting of the Bank and the term also denotes the auditor nominated by the Board of Directors in the event of the position of the auditor appointed by the General Meeting falling vacant or the auditor nominated by the regulating authority as per the prevailing laws.
- (ee) **Financial Year** means the period beging 1st Shrawan and ending the following Asad as per the Bikram Sambat calendar.
- (ff) **Seal** means common seal of the Bank.
- (gg) **Debenture** means debenture or bond issued by the Bank under current law with or without pledging its assets as collateral.



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Company Secretary

- (hh) **Bill of Exchange** means a signed document issued by one person to another directing the latter to pay the specified sum of money without any condition on the specified date or on demand to any specified person, or to the person designated by him/her, or to the bearer.
- (ii) **Promissory Note** means a document containing a signed pledge to pay a specified sum of money unconditionally to any specified person mentioned in the note or to the person designated by him/her, or to the bearer of the note on a specified date or on demand.
- (jj) **Capital Fund** means the total of the primary and supplementary capital of the Bank; the term includes any other fund of the Bank specified as such by Nepal Rastra Bank from time to time.
- (kk) **Primary Capital** means the funds of a banks or financial institution kept under such heading as the paid-up capital, share premium, non-refundable preference shares, general reserve fund and accumulated profit and loss; the term includes the funds kept under other headings designated as primary capital by Nepal Rastra Bank from time to time.
- (ll) **Supplementary Capital** means the funds of a bank or financial institution kept under the headings prescribed by the Rastra Bank from time to time.
- (mm) **Documents** shall be construed as including references to painting, lithography, typewriting, photocopy and other modes of representing or reproducing words in a visible form.
- (nn) **Security** means assets or title deeds relating thereto which can be pledged as collateral according to current law or any other security acceptable to the Bank while obtaining or granting loans or any other credit or financial facilities.
- (oo) **Financial Transactions** mean the transactions to be conducted by the Bank under the Prevailing Law Relating to Banks and Financial Institutions and these Articles.
- (pp) **Electronic Fund Transfer** means the business of accepting deposits, making payments and transferring funds through telephones, telex, computers or magnetic tapes or similar other electronic equipment; the term includes transactions to be conducted through automated teller machines and cash dispensing machines, as well as those to be conducted through charge cards, debit cards and credit cards.
- (qq) **Financial Interests** means the holding of 10 percent or more of the total paid-up capital of any firm, company or corporate body by any promoter, director, shareholder holding one percent or more of the shares, or the Executive Director, or any member of his/her family, or any individual, firm, company or corporate body empowered to nominate a Director, whether singly or taken together.
- (rr) **Family** includes the concerned person's husband or wife, son, daughter, adopted son, adopted daughter, father, mother, step-mother and elder brother, younger brother, elder sister and younger sister to be maintained by him/her.
- (ss) **Licensed Institution** means a bank or financial institution which has obtained a license under the Ordinance to conduct financial transactions.
- (tt) **Office-Bearers** include the Directors, Executive Chief, Secretary and employees of the Bank, as well as persons functioning as advisors, auditors and liquidators of the Bank.
- (uu) **Letters of Credit** means a letter written by one bank or financial institution to another bank or financial institution authorizing the latter to accept cheques, drafts, hundis or bills of exchange of any specified person within the limit of the amount specified therein.
- (vv) **Negotiation** means the business of transferring a negotiable instrument to any person on the condition that the receiver may become the bearer thereof.
- (ww) **Negotiable Instrument** means promissory notes, bills of exchange or cheques.



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Company Secretary