

**REPORT ON REDEMPTION OF NIBL PRAGATI FUND (NIBPF)
UNDER NIBL MUTUAL FUND
AS PER RULE 33(1) OF MUTUAL FUND REGULATIONS, 2067**

**SUBMITTED TO
SECURITIES BOARD OF NEPAL(SEBON)**

PREPARED BY:

FUND MANAGER/DEPOSITORY:

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This report contains 10 pages including cover page



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Nepal Investment Management Pvt. Ltd.

 **MUTUAL FUND**
Nepal Investment Management Pvt. Ltd.

A. Background of the Scheme:

NIBL Pragati Fund (the Scheme) under NIBL Mutual Fund (the Fund) is registered under Mutual Fund Regulations, 2067 as a closed-end, diversified investment scheme. The objective of the Fund is to diligently manage the fund with the aim to achieve high return for unit holders, growth of both capital and income from investment in shares and conservation of capital. The Scheme commenced its operation on 27th Poush 2073 (Scheme allotment date) B.S. with maturity period. It was listed in NEPSE on 6th Chaitra, 2073 with the symbol of NIBLPF.

Nepal Investment Mega Bank Limited (Then Nepal Investment Bank Ltd.)- NIMB is the Fund Sponsor and NIMB Ace Capital Limited (Then NIBL Ace Capital Ltd.), a subsidiary of NIMB duly licensed by Securities Board of Nepal (SEBON), has been appointed as the Fund Manager of the Scheme by the Sponsor after obtaining due approval from SEBON. Further, the Fund Manager is also providing Depository services to the unit holders of the Scheme in line with the prevailing regulations on mutual fund.

Following distinguished professionals were the Fund Supervisors of the Scheme with the approval of SEBON:

Dr. Bimal Prasad Koirala
Dr. Sambhu Ram Shimkhada
Dr. Durgesh Man Singh
Mr. Jitendra Bahadur Rajbhandari, FCA
Mr. Raju Nepal

The Capital Structure of the Fund was as follows.

Holder	Status	No. of Units	Holding Amount at Par	Holding (%)
Nepal Investment Mega Bank Ltd.	Fund Sponsor	10,250,000	102,500,000	13.66
NIMB Ace Capital Limited	Fund Manager & Depository	1,000,000	10,000,000	1.34
General Public		63,750,000	637,500,000	85
Total		75,000,000	750,000,000	100

B. Service Fees and Charges of the Scheme:

Fund Management, Depository & Fund Supervisor's Fees are calculated and recognized as per the Mutual Fund Regulation 2067 and Mutual Fund Guidelines, 2069.

Fund Management Fees : 1.5% of Net Assets Value (NAV)
Depository Fees : 0.2% of NAV
Fund Supervisor Fees : 0.12% of NAV


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NIBL Pragati Fund

C. Dividend Amount offered by the Scheme:

From inception, the scheme has paid 61% cash dividend to its unit holders as shown below: -

Fiscal Year	Offered Dividend (%)
2077/78	50
2078/79	4.2
2079/80	6.8
Total	61

D. Monthly NAV and NEPSE Index (growth %):

Month	NEPSE Index	NAV	Index % Change	NAV % Change
29/09/2073	1,479.86	9.93		
28/10/2073	1,296.23	9.77	-12%	-2%
30/11/2073	1,355.23	9.91	5%	1%
31/12/2073	1,697.13	10.74	25%	8%
31/01/2074	1,658.58	10.37	-2%	-3%
21/02/2074	1,584.49	9.97	-4%	-4%
31/03/2074	1,582.67	10.05	0%	1%
32/07/2024	1632.66	10.13	3%	1%
31/05/2074	1530.31	9.62	-6%	-5%
31/06/2074	1559.18	9.91	2%	3%
30/07/2074	1489.06	9.37	-4%	-5%
29/08/2074	1520.15	9.56	2%	2%
30/09/2074	1431.1	9.16	-6%	-4%
29/10/2074	1380.29	8.73	-4%	-5%
30/11/2074	1285.96	8.15	-7%	-7%
30/12/2074	1277.55	8.13	-1%	0%
31/01/2075	1338.17	8.62	5%	6%
31/02/2075	1247.3	8.04	-7%	-7%
32/03/2075	1212.36	7.81	-3%	-3%
32/04/2075	1210.32	7.63	0%	-2%
31/05/2075	1256.53	8	4%	5%
31/06/2075	1241.63	7.81	-1%	-2%
30/07/2075	1205.015	7.7	-3%	-1%
29/08/2075	1148.781	7.28	-5%	-5%
30/09/2075	1178.027	7.67	3%	5%
29/10/2075	1128.192	7.44	-4%	-3%
30/11/2075	1155.464	7.59	2%	2%



Month	NEPSE Index	NAV	Index % Change	NAV % Change
30/12/2075	1184.017	7.87	2%	4%
31/01/2076	1315.454	8.62	11%	10%
32/02/2076	1269.632	8.34	-3%	-3%
31/03/2076	1259.017	8.28	-1%	-1%
32/04/2076	1224.04	8.21	-3%	-1%
31/05/2076	1150.742	7.67	-6%	-7%
30/6/2076	1137.75	7.63	-1%	-1%
30/7/2076	1135.951	7.63	0%	0%
30/8/2076	1154.116	7.87	2%	3%
29/9/2076	1263.384	8.79	9%	12%
29/10/2076	1345.98	9.63	7%	10%
30/11/2076	1377.185	9.73	2%	1%
30/12/2076	1251.456	8.84	-9%	-9%
31/1/2077	1201.578	8.51	-4%	-4%
2077/02/32	1201.578	8.54	0%	0%
31/3/2077	1362.349	9.86	13%	15%
32/04/2077	1391.4646	10.12	2%	3%
31/5/2077	1541.4017	11.09	11%	10%
30/6/2077	1562.4649	11.1	1%	0%
30/7/2077	1718.4973	11.95	10%	8%
30/8/2077	2061.4179	13.47	20%	13%
29/9/2077	2286.5459	14.32	11%	6%
30/10/2077	2526.9216	15.43	11%	8%
29/11/2077	2458.485	16.32	-3%	6%
31/12/2077	2714.7911	17.65	10%	8%
31/1/2078	2684.0878	17.39	-1%	-1%
2078/02/31	3025.8255	18.88	13%	9%
31/3/2078	2883.4051	18.22	-5%	-3%
32/04/2078	2883.4051	14.34	0%	-21%
31/05/2078	2812.39	12.98	-2%	-9%
31/06/2078	2656.96	12.7	-6%	-2%
30/7/2078	2784.57	12.73	5%	0%
29/8/2078	2414.62	11.62	-13%	-9%
30/9/2078	2857.75	13.12	18%	13%
29/10/2078	2801.56	12.83	-2%	-2%
30/11/2078	2668.11	12.44	-5%	-3%
30/12/2078	2415.24	11.84	-9%	-5%
31/01/2079	2350.42	11.48	-3%	-3%
21/02/2079	1996.25	10.3	-15%	-10%
32/03/2079	2009.46	10.42	1%	1%
31/04/2079	2041.06	10.42	2%	0%





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Month	NEPSE Index	NAV	Index % Change	NAV % Change
31/05/2079	1910.38	9.77	-6%	-6%
31/06/2079	1858.33	9.64	-3%	-1%
30/07/2079	1911.26	9.83	3%	2%
29/08/2079	1882.6	9.81	-1%	0%
30/09/2079	2149.39	10.74	14%	9%
29/10/2079	2121.86	10.53	-1%	-2%
30/11/2079	1953.06	9.87	-8%	-6%
30/12/2079	1934.47	9.81	-1%	-1%
31/1/2080	1821.64	9.5	-6%	-3%
32/02/2080	2042.07	10.28	12%	8%
31/3/2080	2097.09	10.68	3%	4%
32/04/2080	2033.13	10.48	-3%	-2%
31/5/2080	1964.91	10.32	-3%	-2%
30/6/2080	1864.62	9.32	-5%	-10%
30/7/2080	1852.08	9.26	-1%	-1%
30/8/2080	1994.6	9.68	8%	5%
26/9/2080	2088.99	9.8	5%	1%

E. Reason for the closure/Redemption of the Scheme: (Pursuant to Clause 33 (1)(a) of Mutual fund regulation, 2067)

NIBL Pragati Fund (NIBLPF) is the second scheme managed by NIMB Ace Capital under NIBL Mutual Fund which has been registered as per Mutual Fund Regulation, 2067 as Closed end scheme. Securities Board of Nepal (SEBON) has given an approval for the operation and issuance of units publicly on 20/08/2073 B.S. The New Fund Offerings (NFO) of the scheme took place and applicants were allotted on 27/09/2073 B.S. The scheme has been matured on 26/09/2080 B.S. with 7 years after the date of allotment.

As per clause (8.9) of the approved prospectus of the scheme, the units of this scheme were not to be transferred to other schemes and after the maturity all the assets of the scheme has to be converted into cash and the realized amount has to be distributed to the existing unit holders as per their proportion of investment.

It was also provisioned in the prospectus that the scheme could be converted to new scheme after obtaining the consent of the unitholders and approval of SEBON.

However, decision for closure and refund the redemption amount to unit holders of scheme was made after obtaining written direction from Securities Board of Nepal (SEBON) on 06/11/2079 B.S.

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**F. Process implemented while selling the Assets/Investment of the Scheme:
(Pursuant to Clause 33 (1)(b) of Mutual fund regulation, 2067)**

The process for selling of assets/investment for redemption had already started six months prior to maturity of the scheme. Receivables and payables were settled and the listed investment was sold in the secondary market.

A management level redemption committee was formed to ease the redemption process and the committee had mandate to discuss on various probable activities to be carried out during the redemption phase and set timelines for activities and take necessary decision regarding redemption.

As on date of maturity (26/09/2080 B.S) the status of assets/Investment (based on market value) was as follows:-

Particular	Amount
Investment in Listed Shares	407,558,626
Investment in Unlisted Shares	137,849,991
Investment in Debenture	150,000,000
Total	695,408,617

The investment in the remaining listed shares as at the maturity date were not sold as the fair price for the investment were not seen for some shares and some of the shares were halted due to merger and other issues and hence it was decided to either sale them later through bonus secondary market or via public auction. Unlisted shares of the portfolio due to non-listing of shares, right shares and IPO shares allocated to the scheme were sold through public auction process with the prior information to SEBON and NEPSE via our letter dated 18/12/2080.

The detailed divestment of the assets was as follows: -

F.1. Sale of Assets/Investment after maturity through secondary market:

The scheme still had following stocks which were sold in the market after its maturity with the following sale proceeds: -

Name	Units	Amount
Himalayan Bank Limited	65,212	11,357,271.20
Machhapuchhre Bank Limited	43,031	7,055,204.30
Siddhartha Bank Limited	44,666	9,737,562.06
Citizens Bank International Limited	12,355	1,902,754.02
Sanima Bank Limited	13,681	3,134,361.83
NIC Asia Bank Limited	27,708	9,669,637.32




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Name	Units	Amount
Nepal SBI Bank Limited	41,977	11,526,504.07
NMB Bank Limited	46,393	7,890,219.20
Everest Bank Limited	24,322	12,131,618.94
Kumari Bank Limited	41,914	5,515,245.15
Prabhu Bank Limited	127,902	17,466,031.90
Nabil Bank Limited	4,820	2,061,051.44
National Life Insurance Company Limited	41,707	22,169,708.43
Shikhar Insurance Company Limited	18,231	12,362,213.97
Life Insurance Corporation Nepal Limited	19,050	24,232,223.23
Neco Insurance Company Limited	12,743	10,043,890.57
Nepal Reinsurance Co Ltd.	21,718	14,970,573.39
Shivam Cements Ltd	11,381	5,692,292.53
Kumari Equity Fund	95,150	784,811.43
Global IME Laghubitta Bittiya Sanstha Ltd.	5,626	5,737,496.52
Grameen Bikas Laghubitta Bittiya Sanstha Ltd.	9,448	6,358,680.35
Laxmi Laghubitta Bittiya Sanstha Ltd.	9,530	8,874,204.70
NMB Microfinance Bittiya Sanstha Ltd.	8,687	5,406,506.34
Sunrise Bluechip Fund	427,800	3,460,986.56
Kamana Sewa Bikas Bank Limited	13,352	4,987,248.83
Sahas Urja Limited	6,920	3,369,751.45
Nabil Balanced Fund-3	16,670	124,508.82
Jyoti Bikas Bank Limited	5,386	1,603,820.37
Soaltee Hotel Limited	12,000	5,203,981.61
Himalayan Everest Insurance Limited	5,132	3,046,587.98
Siddhartha Premier Insurance Limited	31,536	23,192,129.13
Sunrise Focused Equity Fund	932,020	7,462,410.41
Sagarmatha Lumbini Insurance Co. Limited	4,320	2,699,056.32
Himalayan Life Insurance Limited	42,460	16,406,224.59
United Ajod Insurance Limited	12,983	6,924,188.21
Sonapur Minerals and Oil Ltd	5,000	2,749,163.98
Mathillo Mailun Khola Ltd.	635	274,124.45
Muktinath Krishi Company Ltd	500	557,805.43
Vision Lumbini Urja Co. Ltd	683	386,843.91
Chirkhwa Hydro Power Ltd.	314	173,885.63
Nepal Warehousing Company Ltd	491	345,798.05
Pokhara Finance Ltd.	8,808	3,416,584.01
Lumbini Bikas Bank Ltd.	17,368	6,508,348.74
Prime Commercial Bank Ltd.	20,044	3,807,019.68
NIC Asia Laghubitta	5,000	3,337,489.32
Sayapatri Hydropower Ltd.	6,454	2,895,986.58
Sarbottam Cement Limited	7,063	5,721,502.59
Samata Microfinance Bittiya Sanstha Limited	6,788	5,627,765.54
Deprosc Laghubitta Bittiya Sanstha Limited	29,295	20,613,266.89
Mountain Energy Nepal Limited	9,404	4,836,179.14
SuryaJyoti Life Insurance Company Limited	18,853	7,763,568.32
Ridi Power Company Limited	13,176	2,145,894.71
Himalayan Reinsurance Limited	10,714	6,418,691.76
Total	88,230	372,140,875.90



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F.2. Sell of Assets/Investment through public auction after maturity of the Scheme:

The following investment of the scheme was sold through public auction after its maturity: -

Name	Units	Amount
Samata Microfinance Bittiya Sanstha Limited	368	305,200.80
Nerude Laghubitta Bittiya Sanstha Limited	20118	11,396,824.50
Deprosc Laghubitta Bittiya Sanstha Limited	2929	1,897,992
Samaj Laghubitta Bittiya Sanstha Limited	22	39,382.20
Mountain Energy Nepal Limited	1410	649,100
SuryaJyoti Life Insurance Company Limited	1934	767,067.80
Ridi Power Company Limited	6589	1,038,953.52
Himalayan Reinsurance Limited	428	244,574
Total	33,798	16,339,094.82

G. Expenses occurred while closing the Scheme: Pursuant to Clause 33 (1) (c) of Mutual fund regulation, 2067

Particulars	Amount
Auction Issue Management Expenses	130,000
Auction Notice	16,474
Reporting and Notice Publication Expenses	8,785
Total	155,259

H. Redemption value determination per unit of the Scheme:

Particulars	Amount (NPR)
Cash and Cash Equivalents	702,801,657
Other Current Assets	16,449,383
Total Assets	719,251,040
Accrued Expenses & Other Payables	468,713
Total Liabilities	468,713
Total Distributable Fund to Unit-holders	718,782,327
Total No. of Units	75,000,000
NAV per Unit	9.58376




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I. Amount which is yet to be distributed to the unit holders of Scheme: Pursuant to Clause 33 (1)(d) of Mutual fund regulation, 2067

The unit holders whose bank accounts have been updated in their respective BO accounts were paid the redemption amount through bank transfer amounting to NPR. 688,214,834.80 as of 27/04/2081 B.S. The remaining unit holders whose bank accounts have not been updated in their BO account were being informed to update their BO accounts and in this regard the redemption amount which is yet to be distributed to the unit holders of scheme is NPR 30,473,710.38 till date. Capital Gain Tax (CGT) on Redemption was NPR 93,782.16.

J. Audit Report of the Scheme (Auditor's comment): Pursuant to Clause 33 (1)(e) of Mutual fund regulation, 2067

Audited Financial attached with this report.

K. Other guided by SEBON if any: Pursuant to Clause 33 (1) (f) of Mutual fund regulation, 2067

Not any.

L. Acknowledgement:

The Fund Manager expresses its gratitude to the Unit holders, SEBON, NEPSE, the Sponsor-Nepal Investment Bank Ltd & its staff and the employees of the Fund Manager for their continued support and guidance since the inspection to the successful closure of the scheme.

For and on behalf of the Fund Manager



Shulav Shrestha

Head- Investment Banking



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Sachindra Dhungana

General Manager