

Acquisition Practice in Nepalese Banking and its Financial Impact on Acquiring Bank

Rashesh Vaidya^{1*}; Dhan Raj Chalise²

¹Faculty of Management, Tribhuvan University

Email ID: vaidyarashesh@gmail.com

²Faculty of Management, Shanker Dev Campus, Tribhuvan University, Kathmandu

Email ID: sgreport2dr@gmail.com

* Corresponding author, ORCID: <https://orcid.org/0000-0003-1536-6032>

Abstract

An acquisition is a strategic tool to enhance a competitive advantage. However, the acquisition practice in the Nepalese banking industry is done to strengthen the capital base of the acquiring bank and reduce the number of banks and financial institutions in the industry. The paper considers the commercial banks that have exercised acquisitions of other financial institutions since the enactment of the Acquisition Bylaws in 2013. Nepal Rastra Bank, has enacted acts and bylaws related to the acquisition of financial institutions. After the enactment of the Acquisition Bylaws in 2013, the number of development banks and finance companies heavily declined in the Nepalese financial market, as did the number of commercial banks, which also dropped through acquisitions and mergers between commercial banks. The results found that acquisition practices strengthen the capital base and manage the liquidity position of the acquiring commercial banks. Nevertheless, the acquiring bank needs to manage the non-performing loan, integrate human resources and accounting systems, and ultimately satisfy the shareholders of the acquired banks and financial institutions, as well as its own human resources and shareholders.

Keywords: Acquisition, Banks and financial institutions, Financial impact, Nepal

1. Introduction

An acquisition is basically a deal between one larger company and another smaller company, where a larger company acquires or takeovers a smaller company. The larger company absorbs the overall business of the smaller company under acquisition process. In order to reduce the risk associated with the target firm, maximize financing flexibility, and lower the net acquisition cost to the acquiring company, the acquirer, typically a larger company, must choose the right entity. Similar to sellers, buyers want minimal responsibility, flexible financing, continuity of ownership, and deal flexibility (such as the possibility of completing a tax-free transaction). Additionally, a partnership arrangement may not allow the acquirer to maintain control over the execution of the business plan and the purchase process (DePamphills, 2011). Acquisition is also a tool for a growth strategy for an organization. A corporation can grow internally by expanding its operations both globally and domestically, or it can grow externally through mergers, acquisitions, and strategic alliances. Among the mentioned strategies, an acquisition is the purchase of a company that is completely absorbed as an operating subsidiary or division of the acquiring corporation (Wheelen & Hunger, 2013).

A concern about the concept of acquisition emerged in the context of the Nepalese banking sector, when a governing body, Nepal Rastra Bank sensed that an alarming scenario of capital consolidation and difficulty in risk mitigation arose. A concern about the capital structure of the banks and financial institutions came to the surface level after the central bank of Nepal, Nepal Rastra Bank decided to adopt BASEL II and then BASEL III. Unparalleled in the banking history of Nepal, the central bank brought the Bank and Financial Institution Act, 2006 (BAFIA, 2006) through parliament as well as government enacted Company Act, 2006 with provisions of merger and acquisition of banks and financial institutions. Further encouraging banks and financial institutions to merge as part of a consolidation, Nepal Rastra Bank introduced the Merger Bylaw, 2011, which was based on the Company Act, 2006, Sec. 177, and the BAFIA, 2006, Sec. 68 and 69. However, Nepal Rastra Bank introduced an Acquisition Bylaw in 2013 to attract bigger banks and financial institutions to go for consolidation. As the move of the central bank of Nepal for the merger and acquisition of banks and financial institutions took place, Nepal Rastra Bank amended the BAFIA, 2006, and also brought a new Acquisition Bylaw.

The concern and necessity of acquisition in the Nepalese banking industry was raised after the landmark announcement of an increment of capital base for the commercial banks to Rs. 8 billion through the Monetary Policy, 2015-16. Similarly, the number of banks and financial institutions operating within Nepal was not suitable in comparison to the size of the nation's economy. At the same time, increasing unworthy bottle-neck competition

among banks and financial institutions has also raised the necessity of merger and acquisition of banks and financial institutions in Nepal.

The new BAFIA, 2017 has made a clear provision for acquisition under Chapter 10, Sec. 69 to Sec. 74 of the Act. Similarly, under Chapter 14, Sec. 107(1) of the Act, a special provision has also been made for the acquisition of infrastructure development banks. Alongside these provisions, by the power vested by the Nepal Rastra Bank Act, 2002, Sec. 4(1b), Sec. 4(1e), Sec. 79(2), and Sec. 110(2n), the central bank brought Acquisition Bylaws, 2013, which was integrated into Merger and Acquisition Bylaws, 2016. The bylaws have fully provided a legal guideline from the initial procedure to the concluding aspects of the acquisition process of banks and financial institutions.

Hence, a number of acquisition processes took place and are also going on in the Nepalese banking sector based on an Efficiency Theory. The theory is focused on disciplinary and synergistic motives. The acquisition of a commercial bank by another commercial bank, a development bank by a commercial bank, finance company by a development bank was in practice among Nepalese banks and financial institutions and is still in practice. This trend is seen due to the enhanced capital base of the acquiring banks and financial institutions or to strengthen their market coverage. Nevertheless, the family association and the forceful demand for acquisition from the central bank have also brought to the process of acquisition.

Based on this backdrop, the paper tries to find out the number of banks and financial institutions that dropped out of the banking industry of Nepal and the financial position of the banks that practiced the acquisition as per the prevailing laws of acquisition.

2. Literature Review

Kumar and Bansal (2008) indicated that in many cases of merger and acquisition, the acquiring firms were able to generate synergy in the long run that may be in the form of higher cash flow, more business, diversification, cost cuttings, etc. Adebayo & Olalekan (2012) found that an implication of merger and acquisition in Nigerian banks and financial institutions had enhanced the capital base and level of profitability of the commercial banks. At the same time, the action of merger and acquisition had also boosted the real sector for sustainable development. Asimakopoulos and Athanasoglou (2013) discovered that the acquirers get minor negative but non-significant atypical returns. Domestic mergers and acquisitions, particularly those between banks with stock market shares, appear to be more favorable to acquirer shareholders than cross-border mergers and acquisitions or those where the target is unlisted.

Zen et al. (2016) analyzed the financial performance of one of the Indonesian subsidiary companies, (PT ABC) before and after being acquired by the holding company (PT XYZ).

According to the paper, there was a small shift in financial performance in the first and second years following the acquisition due to the presence of business synergy. Additionally, there was no change whatsoever in the third year; however, there was a minor change in the fourth year. Shrestha (2019) found that the action of merger and acquisition effects on the liquidity position of the bank, increases the capital base, and in overall develops competency of the bank.

Pandey (2020) found that after mergers and acquisitions, employees mostly struggle with corporate culture change. Additionally, a link has been established between the implementation of corporate policies and a recent merger, which came about as a result of the banks' adverse economic situation. The outcomes also showed that banks' financial performance had improved following the merger and acquisition.

Karn (2020) argued that Nepalese banks and financial institutions are forced to go for a merger or in an acquisition process due to the directives forwarded by the central bank of Nepal, Nepal Rastra Bank, and also to cope with bottle-neck competition within the financial market. At the same time, the paper found banks and financial institutions want to generate financial gain and improve economies of scale after mergers and acquisitions. Wang et al. (2020) standing on agency theory tested cash flow rights and voting rights on post-acquisition value in Japanese companies. The study discovered that increased voting rights favorably mitigate the effect of cash flow rights to enhance acquiring business value and directly boost value generation. Yunus et al. (2021) examined the financial standing of acquiring companies listed on the Indonesian stock exchange before and after the acquisition. The findings demonstrated that there is no significant difference between the four financial ratios of current ratios, debt-equity ratio, net profit margin, and earning per share before and after the transaction. The ratios for total asset turnover, return on assets, and return on equity, on the other hand, produce considerable negative results both before and after acquisition. Haakantu and Phiri (2022) analyzed the effect of the acquisition and merger of commercial banks in Zambia, where there was no discernible improvement in the banks' financial performance. The efficiency ratio showed improvement while the leverage ratios showed mixed results. Kwon et al. (2023) found that financial performance is also important since banks with higher capital strength and liquidity are more likely to buy. Banks with larger IT investments, implying better in-house development of digital solutions, are less likely to explore FinTech acquisitions, as expected.

3. Methodology

The paper tries to find out the financial position of the acquiring banks and the number of banks and financial institutions dropped out from the Nepalese banking industry. Hence, the paper follows a descriptive research design to find out the frequencies and trends of the acquiring banks' financial position and the number of banks and financial institutions

acquired as per the prevailing acquisition legal provisions in Nepal. The paper has considered all the banks and financial institutions operating within Nepal that have gone under the acquisition process. Among them, the paper has taken ‘A’ class commercial banks as the samples that have acquired banks and financial institutions after the enactment of acquisition laws and bylaws in Nepal. The paper has used secondary data related to the acquisition of banks and financial institutions published by Nepal Rastra Bank and the financial data as of the end of mid-July 2023 have been extracted from the official website of the respective sampled commercial banks.

4. Results and Discussion

This section covers the presentation and interpretation of the data related to the acquisition of Nepalese banks and financial institutions.

Number of Acquisition took place among Banks and Financial Institutions

After an enactment of acquisition laws, number of commercial banks, development and finance companies were acquired in Nepalese banking industry in a decade. The table below illustrates the detail number of BFIs that were acquired during the past decade (2012-13 to 2022-23) of time.

Table 1: *Total Numbers of Acquisition took Place Among Financial Institutions*

Fiscal Year	Commercial Bank(s)	Development Bank(s)	Finance Company(ies)	Total Acquired BFIs
2012-13	Nil	1	1	2
2013-14	1	1	1	3
2014-15	1	1	3	5
2015-16	Nil	Nil	1	1
2016-17	Nil	13	7	20
2017-18	Nil	3	Nil	3
2018-19	Nil	Nil	1	1
2019-20	Nil	5	1	6
2020-21	Nil	2	3	5

Fiscal Year	Commercial Bank(s)	Development Bank(s)	Finance Company(ies)	Total Acquired BFIs
2021-22	1	Nil	Nil	1
2022-23	2	Nil	Nil	2
Total	5	26	18	49

Source: Nepal Rastra Bank, Annex

Table 1 shows the trend of acquisition of different types of banks and financial institutions (BFIs) that were acquired by another commercial bank or, development bank. During the period, the commercial banks acquired another commercial bank, development banks and finance companies. During F/Y 2016-17, the highest number of acquisitions took place in Nepalese banking history till date. A total of twenty (20) BFIs were acquired, covering thirteen (13) development banks, and seven (7) finance companies. In a decade of period, a total of 49 BFIs vanished from the banking and financial industry of Nepal due to the process of acquisition.

Existing Commercial Banks after the Acquisition Process

The table below illustrates the detail of BFIs acquired by commercial banks and the commercial banks that exist even after acquisition and further merger process.

Table 2: Acquired Banks and Financial Institutions and Existing Commercial Banks

S.N.	Bank After Acquisition	Acquired BFIs	Existing Banks after Merger
1.	Nepal Investment Bank Ltd.	City Express Finance Ltd. (Former Kuber Merchant Finance) + Ace Development Bank Ltd. + Jebil Finance Ltd.	Nepal Investment Mega Bank Ltd.
2.	Century Commercial Bank Ltd.	Seti Finance Ltd. + Alphine Development Bank Ltd. + Sagarmatha Finance Ltd. + Innovative Development Bank Ltd. + Araniko Development Bank Ltd.	Merged with Prabhu Bank Ltd. (Not in existence)
3.	Global IME Bank Ltd.	Unique Finance Ltd. + Hama Finance Ltd. + International & Leasing Finance Company + Axis	Global IME Bank Ltd.

S.N.	Bank After Acquisition	Acquired BFIs	Existing Banks after Merger
4.	Prime Commercial Bank Ltd.	Development Bank Ltd. + Civil Market and Capital Ltd. Biratlaxmi Bikash Bank Ltd. + Country Development Bank Ltd.+ Kankai Development Bank Ltd. + Kalika Development Bank Ltd.	Prime Commercial Bank Ltd.
5.	Citizen International Bank Ltd.	Premier Finance Ltd. + Nepal Housing and Merchant Ltd. + People's Finance Ltd. + Srijana Finance Ltd. + Tinau Development Bank Ltd. + Sahayogi Development Bank Ltd.	Citizen International Bank Ltd.
6.	Kumari Bank Ltd.	Kasthamandap Development bank Ltd. + Mahalaxmi Finance Ltd. + Kakrebihar Development bank Ltd. + Paschimanchal Vikas Bank Ltd. + Deva Bikas Bank Ltd.	Kumari Bank Ltd.
7.	Janata Bank Ltd.	Siddhartha Development Bank Ltd.	Merged with Global IME Bank Ltd. (Not in existence)
8.	Sunrise Bank Ltd.	NIDC Capital Market Ltd. + Narayani Finance Ltd.	Merged with Laxmi Bank Ltd. (Not in existence)
9.	Mega Bank Ltd.	Tourism Development Bank Ltd. + Gandaki Bikash Bank Ltd.	Merged with Nepal Investment Bank Ltd. (Not in existence)
10.	Sanima Bank Ltd.	Bagmati Development Bank Ltd.	Sanima Bank Ltd.
11.	Laxmi Bank Ltd. (Not in existence)	Professional Diyalo Bank Ltd.	Laxmi Sunrise Bank Ltd.
12.	Prabhu Bank Ltd.	Sambridhi Bikash Bank Ltd.+ Baibhav Finance Ltd. + Kist Bank Ltd. + Gaurishanker Development	Prabhu Bank Ltd.

S.N.	Bank After Acquisition	Acquired BFIs	Existing Banks after Merger
13.	NMB Bank Ltd.	Bank Ltd. + Zenith Finance Ltd. + Century Commercial Bank Ltd. Kanchan Development Bank Ltd.	NMB Bank Ltd.
14.	Nabil Bank Ltd.	United Finance Ltd. + Nepal Bangladesh Bank Ltd.	Nabil Bank Ltd.
15.	Himalayan Bank Ltd.	Civil Bank Ltd.	Himalayan Bank Ltd.

Source: Nepal Rastra Bank

Table 2 shows a total of 11 (eleven) commercial banks are in existence after acquisition and merger process took place during a period of 2012-13 to 2022-23. Four banks which were actively involved in acquisition process of development banks and finance companies also were acquired or gone in merger process. The acquisition swap ratio varied from each bank and financial institutions during the agreement (Annex). Hence, the four commercial banks are not in existence in Nepalese banking industry.

Financial Position of Acquiring Banks

Table 3: *Financial Indicators of the Banks after Joint Operation*

S.N.	Bank Name	Capital Adequacy Ratio in percent	Net Profit in billion rupees	EPS in Rs.	NPL in percent	Total Deposit in billion rupees	Total Loan and Advances in billion rupees	CD Ratio in percent
1.	Nepal Investment Mega Bank Ltd.	14.10	4.29	16.07	4.35	354.41	303.65	85.68
2.	Global IME Bank Ltd.	13.37	7.25	20.28	3.08	426.32	356.39	83.60
3.	Prime Commercial Bank Ltd.	12.28	2.26	11.66	4.23	174.06	160.97	92.48
4.	Citizen International Bank Ltd.	12.32	2.21	15.59	3.19	168.84	142.91	84.64

S.N.	Bank Name	Capital Adequacy Ratio in percent	Net Profit in billion rupees	EPS in Rs.	NPL in percent	Total Deposit in billion rupees	Total Loan and Advances in billion rupees	CD Ratio in percent
5.	Kumari Bank Ltd.	12.65	1.95	7.46	4.77	318.70	280.34	87.96
6.	Sanima Bank Ltd.	14.13	2.61	21.00	1.33	175.64	145.39	82.78
7.	Laxmi Sunrise Bank Ltd.	13.43	2.26	19.44	2.81	296.24	253.69	85.64
8.	Prabhu Bank Ltd.	12.95	2.82	12.00	4.16	289.09	245.19	84.81
9.	NMB Bank Ltd.	12.80	3.41	18.05	2.72	210.30	196.44	93.41
10.	Nabil Bank Ltd.	12.66	7.52	27.82	3.20	396.84	332.69	83.83
11.	Himalayan Bank Ltd.	13.23	3.26	15.08	4.57	275.31	240.70	87.43
Average		13.08		16.77	3.49			86.57

Note: All the indicators are as of Mid-July 2023

Nepal Rastra Bank came out with a provision for the merger as well as an acquisition to boost the capital base of the existing banks, which helps to enhance the capacity of BFIs to invest in mega-projects to reduce the number of BFIs. At the same time, the central bank wants to eradicate an exercise of cross-holding within BFIs, which leads to forced mergers and acquisitions in Nepal.

Table 3 shows that all the sampled commercial banks have maintained sufficient capital adequacy ratios. After, Nepal Rasta Bank adopted BASEL III, the commercial banks need to maintain a minimum of 11 percent. The ratio for all the sampled banks has a higher ratio than the minimum requirement, which was fulfilled after the due process of acquisition alongside side of merger as well as the right offering and bonus announcement. A part of the shareholders of the respective sampled banks, their concern is profitability position and secured return from their investment. Nevertheless, the acquiring commercial banks have acquired other commercial banks, development banks, and finance companies with different financial backgrounds, the main acquiring banks should work on the interest of shareholders of acquired BFIs as well as of their own shareholders. None of the acquiring commercial banks have recorded a loss in the sampled period and also have maintained a

positive Earning per Share (EPS). Nevertheless, the EPS varied from bank to bank, some recording at Rs. 27.82 to low at Rs.7.46 per share.

In due process of acquiring another BFIs, all the previous transactions are also taken into books of account by the acquiring banks, hence the total loan and advance, NPL associated with total loan and advances are concern to stakeholders, alongside the total deposit and capital accumulation from acquisition process. Table 3 shows a good level of credit-to-deposit (CD Ratios) for all the sample commercial banks, reflecting a good liquidity position for all the sampled BFIs. The process of acquisition has enhanced the CD ratios of acquiring commercial banks which led to ease in liquidity crisis and enhanced credit expansion capacity.

The study outcome on the Nepalese commercial banks who acquired number of banks and financial institutions revealed that liquidity position and the capital base of the acquiring commercial banks have enhanced, as Shrestha (2019) also stated that acquisition improved the liquidity position of the bank, increase the capital base. Adebayo & Olalekan (2012) also resulted that the capital base and overall performance of the Nigerian banks was improved after implementation of merger and acquisition.

The mixed results were seen in the study of Haakantu and Phiri (2022) in context of banks of Zambia, where efficiency ratio improved while the leverage ratios was not as per expectation, similarly, the study also saw not convincing improvement in NPL after acquisition of banks and financial institutions by acquiring commercial bank in Nepal.

Kwon et al. (2023) saw the banks were acquiring FinTech organization to strengthen their operational efficiency, while in context of Nepalese banking sector, the major concern is enhancing the capital base of an acquiring bank after acquisition.

5. Conclusion

The government of Nepal adopted a liberalization policy after the restoration of democracy in 1990. This brought a number of joint venture banks and private banks into the Nepalese banking industry. The trend of licensing of banks and financial institutions was eased and the number reached to record high upto 265 in the year 2012. The large numbers of banks and financial institutions have also brought regulatory and supervision costs of the central bank of Nepal, Nepal Rastra Bank. Hence, mergers and especially acquisition bylaws have helped to reduce the bulk of development banks and finance companies as well as commercial banks from the Nepalese banking industry.

After Nepal Rastra Bank adopted the principles of BASEL I, BASEL II, and BASEL III, the concern over the capital base of Nepalese banks and financial institutions was at the surface. The issue of bank runs also came into existence in the Nepalese banking industry,

which raised the eyebrows of the governing body and made them come up with merger and acquisition-related acts. After the implementation of the act and by-laws related to merger and acquisition, several banks and financial institutions were forced to go for merger. At the same time, commercial banks and development banks were forced to acquire other commercial banks, or development banks, or finance companies to improve capital base and enhance operational efficiency. After the acquisition, the capital adequacy of the acquiring banks was at the standard level. Nevertheless, an acquiring bank has a heap of challenges to maintain good EPS for their shareholders, manage non-performing loans that have been absorbed during acquisition, and other operational functions like managing human resources, integrating the accounting system, and rebranding in the market.

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Annex

Acquisition Details

S.N.	Joint Transaction Date	Acquiring Bank	Acquired BFIs	Swap Ratio
1.	2013-07-14	Prabhu Bank Ltd.	Sambridhi Bikash Bank Ltd.+ Baibhav Finance Ltd.	1:0.75:0.57
2.	2014-04-09	Global IME Bank Ltd.	Commerz & Trust Bank Ltd.	100:65
3.	2014-04-14	Civil Bank Ltd.	Axis Development Bank Ltd. + Civil Merchant Bitty Sanstha	1:0.79:0.79
4.	2014-09-15	Prabhu Bank Ltd.	Kist Bank Ltd. + Gaurishanker Development Bank Ltd. + Zenith Finance Ltd.	97.31:107.31:107.31:92.31

S.N.	Joint Transaction Date	Acquiring Bank	Acquired BFIs	Swap Ratio
5.	2015-05-08	Citizen International Bank Ltd.	Nepal Housing & Merchant Finance Ltd. + People's Finance Ltd.	100:28
6.	2016-07-14	Sunrise Bank Ltd.	Narayani Finance Ltd.	100:77
7.	2016-07-17	Citizen International Bank Ltd.	Premier Finance Ltd.	100:28
8.	2016-10-17	Civil Bank Ltd.	International Leasing & Finance Company	100:74.72
9.	2017-01-13	Sanima Bank Ltd.	Bagmati Development Bank Ltd.	100:41
10.	2017-01-15	Laxmi Bank Ltd.	Professional Diyalo Development Bank Ltd.	100:50
11.	2017-02-10	Sunrise Bank Ltd.	NIDC Capital Market	100:65
12.	2017-01-12	Global IME Bank Ltd.	Pacific Development Bank Ltd.	100:69.26
13.	2017-04-30	Prime Commercial Bank Ltd.	Biratlaxmi Bikash Bank Ltd. +Country Development Bank Ltd.	100:75:40
14.	2017-06-11	Century Commercial Bank Ltd.	Innovative Development Bank Ltd. + Araniko Development Bank Ltd.	100:85:90
15.	2017-06-26	Kumari Bank Ltd.	Kasthamandap Development Bank + Mahakali Bikash Bank Ltd. + Kakrebihar Bikash Bank Ltd. + Paschimanchal Finance Ltd.	100:85:85:85

S.N.	Joint Transaction Date	Acquiring Bank	Acquired BFIs	Swap Ratio
16.	2017-07-02	Civil Bank Ltd.	Hama Merchant & Finance Ltd.	100:89
17.	2017-07-02	Civil Bank Ltd.	Unique Finance Ltd.	100:90
18.	2017-07-09	Global IME Bank Ltd.	Reliable Development Bank Ltd.	100:82.9
19.	2017-07-13	Nepal Investment Bank Ltd.	Ace Development Bank Ltd.	100:41
20.	2017-07-14	Janata Bank Ltd.	Siddhartha Development Bank Ltd.	1:1
21.	2017-07-15	Century Commercial Bank Ltd.	Sagarmatha Finance Ltd.	100:95
22.	2017-12-08	Century Commercial Bank Ltd	Alphine Development Bank Ltd.	100:93
23.	2017-12-08	Century Commercial Bank Ltd	Seti Finance Ltd.	100:70
24.	2018-05-13	Mega Bank Ltd.	Tourism Development Bank Ltd.	100:95
25.	2019-07-15	Nepal Investment Bank Ltd.	Jebil's Finance Ltd.	100:33
26.	2019-09-04	Global IME Bank Ltd.	Hathway Finance Ltd.	100:42
27.	2019-09-15	Prime Commercial Bank Ltd.	Kankai Bikash Bank Ltd.	100:71.50
28.	2020-03-12	Prime Commercial Bank Ltd.	Kailash Bikash Bank Ltd.	1:0.94
29.	2020-06-12	Kumari Bank Ltd.	Deva Bikash Bank Ltd.	1:0.86
30.	2020-07-04	Citizen International Bank Ltd.	Shayogi Vikas Bank Ltd.	1:0.9175

S.N.	Joint Transaction Date	Acquiring Bank	Acquired BFIs	Swap Ratio
31.	2020-07-05	Mega Bank Ltd.	Ganadki Bikash Bank Ltd.	1:1
32.	2020-08-23	NMB Bank Ltd.	Kanchan Development Bank Ltd.	100:85
33.	2020-09-02	Nepal Investment Bank Ltd.	City Express Finance Ltd. (Former Kuber Merchant Finance)	100:30
34.	2021-03-27	Citizen International Bank Ltd.	Tinau Mission Development Bank Ltd.	100:96
35.	2021-07-10	Citizen International Bank Ltd.	Srijana Finance Ltd.	100:95
36.	2021-07-11	Nabil Bank Ltd.	United Finance Ltd.	1:0.35
37.	2022-07-11	Nabil Bank Ltd.	Nepal Bangladesh Bank Ltd.	100:43
38.	2023-01-10	Prabhu Bank Ltd.	Century Commercial Bank Ltd.	1:1
39.	2023-02-24	Himalayan Bank Ltd.	Civil Bank Ltd.	100:80.23