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Bhutan Development Bank Limited
“Your Development Partner”

Press Release: Amalgamation of National CSI Development Bank Ltd. and Bhutan Development Bank Ltd.

The Bhutan Development Bank Ltd. (BDB) is pleased to announce the successful amalgamation with National CSI Development Bank Ltd. (NCSIDBL). The amalgamation has been carried out based on the Lhengye Zhuntshog’s approval no. C-3/150/2023/1749 dated 21 August 2023, followed by the Royal Monetary Authority’s authorization vide no. RMA/DRFS/34/2023/845 dated 25 August 2023. The Registrar of Companies has approved the amalgamation of BDB and NCSIDBL effective from 01 October 2023 as per approval no. MoEA/OroC-M&A/2023/1136 dated 26 October 2023.

The amalgamation has been carried out by an amalgamation committee appointed by Ministry of Finance vide order no: MoF/D MDF-ICGD/69/2022-23/26 dated 14 July 2023, with member representative from senior management of two banks. The approach for the amalgamation is lock, stock and barrel mode whereby all aspects of assets, liabilities, employees; including legal rights and obligations will be taken over by the BDB. All NCSIDBL employee have been diligently integrated and mapped with BDB service rule, preserving employment continuity and ensuring the welfare of the employees. Existing borrowers of NCSIDBL can be assured that their loan terms and conditions, as per the initial agreements with NCSIDBL, will remain unchanged. The mode of amalgamation is a seamless amalgamation to ensure minimal disruption for continued operations and services.

The amalgamation of BDB and NCSIDBL is more than a financial transaction; it is a testament to the shared vision of both banks to provide funding to support agricultural, industrial and commercial activities of Bhutan through combined strength and enhanced mandate of the two banks. Through the successful amalgamation, the BDB’s Core capital ratio, Capital adequacy ratio and leverage ratio are projected to increase as high as 16.05%, 20.87% and 10.40% respectively against minimum regulatory requirement of 7.5%, 12.5% and 5% respectively. Thereby, enhancing the BDB’s solvency position and financial strength to cater to the ongoing demands and needs of the country’s development. The successful amalgamation offers an opportunity to streamline operations, enhance efficiency, and strengthen financial stability under the Ministry of Finance. It provides the platform to redefine the institution's mandate as a partner in economic development, ensuring a more robust and sustainable bank with a stable capital base in the long run.

Going forward, the clients of NCSIDBL can continue to avail services interms of loan repayment from any nearest BDB branch offices or continue using Epay, Mbob and Mpay. Any new or additional loan required will be based on BDB’s existing lending norms. Any restructuring for NCSIDBL existing loans shall be based original terms and conditions of the NCSIDBL. For any further queries, the clients may call our toll free number at 1580/1424 or visit any nearest BDB branch.

As we embark on this new journey, we want to assure all our valued customers and partners, that our commitment to serving you remains unwavering. The transition will be seamless, ensuring



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uninterrupted access to the financial services our customers rely on. Your trust in us has been the cornerstone of our success, and we are fully dedicated to safeguarding that trust. Our branches will continue to be open, our services uninterrupted, and our teams ready to assist you in any way they can.
